

3.4.1. Gathering of Primary Data

In the world of academic undertakings, sampling is deemed as one of the major means for gathering accurate data from the field. According to Snedecor, sampling is a more reliable and practical means of obtaining knowledge in social science⁴. Sudman remarks that, in random sampling each and every member of a given population has the same chance of being selected⁵. In purposive sampling, nonetheless, the population is segregated and the sampling method is restricted to some parts of the segregated population⁶. Given the nature of this research, the purposive sampling method was adopted to solicit the views of selected personalities based on their expertise and experience in the area in question. The two major institutions designated for the study were the Ghanaian Ministry of Trade and Industry and the American Embassy in Accra. In the light of this, six personalities (before interview) were selected from the Ministry of Trade and Industry and one personality from the American Embassy. The selection of six personalities from the Ministry of Trade and Industry and just one from the American Embassy was informed by the fact that the emphasis of the study is on Ghana. Moreover, since the two designated institutions run on well-structured administrative procedures, it is believed that the variations in the response of the six personalities may not be that wide when compared, weighed, and contrasted.

3.4.2. Piloting Interview

In the view of Griffe, since talking is a natural phenomenon, interviews eventually emerged as the most popular method for collecting qualitative data from the field⁷. While structured interviews are designed to solicit similar information from respondents, unstructured interviews, on the other hand, does not ask for similar information from each and every respondent selected for the interview⁸. In order to leave rooms for flexibility and enjoy the liberty of engaging in a free flow conversation with the experts, the researcher employed the unstructured interview for gathering

data other than the structured interview method. Phone calls and email messages were used to make all the necessary arrangements prior to interview and face-face-interviews were used to conduct the original exercises. Respondents were later contacted via the phone and email messages for further clarification on salient issues. This enabled the researcher to make the necessary adjustments and rectified all the mistakes that were recorded as a result of human errors.

3.4.3.The Interview Discussion Guide

Interview discussion guides vary considerably, and they range from closely-joined-letters/words to very loose ones. One of the major tools that enabled the researcher to carry out his data collection exercises successfully was the interview discussion guide. It aided him to sub-divide each lead question into various bits and pieces before stepping out for the data gathering exercise. This step further allowed the researcher to be in control of the interview and asked the necessary questions appropriately. The conversation was also well directed and different set of questions were asked one after the other without encountering any major problems.

3.5.Mode of data storage and transcription

The mode of data storage denotes the means by which researchers try to store their data in safe places while pending transcription and analysis. The research data gathered from the field was written in the field notebook while those sent via email were downloaded and stored in safe and identifiable folders. Those gathered through phone calls were recorded at the same time the conversation went on and they were later transcribed by handwriting into the field notebook. These various methods and strategies allowed the researcher to easily identify, transcribe, and analyze his data after the field exercise was over.

3.5.1. Analysis of Data

Data analysis is one of the major stages of the research process that ultimately adds flavor to the primary data. According to Shelly, the use of simple, descriptive, and graphical medium for reaching understanding is termed as the Explanatory Data Analysis⁹. Griffe further asserts that:

The interview data are not only the literal words from a respondent but include evaluator assumptions, biases, and questions. The interview is cocreated between the evaluator and the respondent. It is the job of analysis to give concrete form to the meaning of the interview which is called the interpretation. The words of the interview constitute raw data, somewhat like the numbers resulting from a test. Raw data does not in itself reveal its meaning; rather it must be interpreted¹⁰.

Kromrey then concludes that any data analysis that fails to adhere to the ethical principle of research “results in additional noise”¹¹. In analyzing the data the researcher employed the data-centered approach of analysis so as to make room for interpretation and logical deduction. In order to achieve this, the researcher transcribed audio information and decoded written text under different themes. This enabled the researcher to use the inferences to generate ideas to either confirm or dispute certain viewpoints of similar works done by other scholars.

3.5.2. Major Themes:

The following major themes were identified after transcribing the data completely: the contribution of the National AGOA Implementation Committee, the problems facing the Federation of Association of Ghanaian Exporters (FAGE) and the Association of Ghana Industries (AGI), low skills level in the Ghanaian workforce, poor infrastructural development in Ghana, Ghana’s inability to meet AGOA preferences among others.

3.5.3. Qualitative Research Methodology:

According to Walker (in Heyink), qualitative research sets out to examine what things ‘exist’ and not to determine the quantity of what ‘exists’¹². Similarly, Anne-Marie and Adler et al maintained that, qualitative research aims at understanding how and why people behave, think, and arrive at certain conclusion, and does not necessarily look at the quantity of people who believe in something¹³. To Mullen, qualitative research inspires mass interests and actions towards any range of inquiry¹⁴. Allen-Meares asserts that, quantitative research is generally accepted as useful by allowing scholars to creatively examine the quantity of phenomena relating to certain issues¹⁵. The method aims at classification, interpretation, and explanation¹⁶. Again, Padgett asserts that, quantitative method generally employs in-depth interviews, observation, and document review as its primary mode of inquiry¹⁷. The goal of this research was to investigate the impact of AGOA in Ghana and ultimately examine the way forward in the post-2015 AGOA extension. The purposive sampling method was therefore adopted to select respondents based on their level of knowledge and expertise in the said area. In-depth interviews were then conducted at the designated institutions to solicit the views and opinions of the purposively selected candidates. Since the leading question seeks to examine the way forward, the researcher was specifically looking at key areas that will enable him gain good understanding. For example, if the nation (Ghana) petitions the U.S. to extend coverage to certain agricultural and textile products in the post-2015 AGOA extension, what is the probability of either winning or losing this supplication out-rightly?

3.6. Criticisms Leveled Against the Qualitative Research Method

The qualitative research methodology has been criticized by scholars and researchers alike. In the view of Kennedy, most scholars often exclude the method from their analysis because its conclusions are not quantifiable¹⁸. Again, others such as Mays criticized the method for lacking

the scientific approach of inquiry and, as a result, subjects to biases and prejudices¹⁹. The qualitative method has also been criticized by Hayink who indicated that the method is so strenuous and cannot be applied to large-scale studies²⁰.

3.6.1. Reliability and Validity

Social scientists are beginning to pay particular attention to reliability and validity because the objectivity associated with coding research data in the social science is not directly computable and quantifiable²¹. In the words of Bynner:

Given any measurement, reliability is an assessment of how dependable it is, in the sense of how much observation error it contains: validity appraises whether the measurement means what it was intended to mean: how satisfactory is the operationalization of the theoretical construct to which it refers in terms of the indicator (s) used to measure it²².

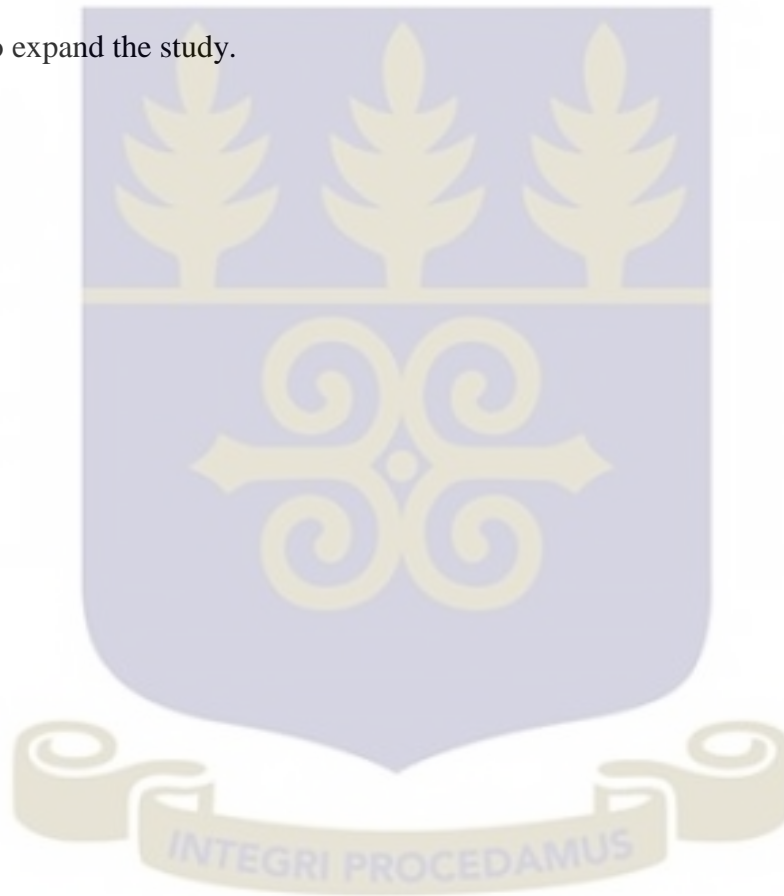
The study questions were purposely designed to target key areas in order to make the study more accurate and reliable. In addition, the theoretical design and the major leading questions of this research constituted the framework within which all investigation and analysis of data were scrutinized. Thus, the focus of the research, as directed towards achieving validity of the research findings, was not swayed.

3.6.2. Ethical Issues:

The researcher never lost sight of the ethical principles guiding research in the field of social sciences. Introduction letters from the Head of Department, Political Science, University of Ghana, were sent to the appropriate institutions ahead of time. And all other official arrangements were later made through phone calls and email messages. The researcher arrived at the premises of the designated institutions ahead of time and was self-controlled throughout the interview hours.

3.6.3.Limitations of the Research:

The student encountered challenges before, during, and after the interviews. There were certain problems that accounted towards the termination and rescheduling of interview appointments. In certain instances, information was not forthcoming as expected and the researcher had to resort to the internet and other academic literature to close up the gaps. The number of experts first slated for the interviews later reduced from six to five at the Ministry of Trade and Industry as a result of some conditions above the researcher's control. But, the major issue had to do with lack of fund and time needed to expand the study.



NOTES

- 1..Hebsuf, R. K. 1979.*Review: Methodology of Social Inquiry*. The Indian Journal of Political Science. p. 1
- 2..Burgess, O. Thomas.1931. *The Techniques of Research in Educational Sociology*. Washington, DC. American Sociological Association, p. 1
- 3..Hedley, R. Alan.1978.*Measurement: Social Research Strategies and Their Relevant to Grading*. Washington, DC. American Sociological Association, p. 1
- 4..Snedecor, W. George.1939.*Design of Sampling Experiments in the Social Sciences*. Oxford: Oxford University Press, p. 1-5
- 5..Sudman, Seymour.2001.*Sampling*. Accessed at: <http://www.jstor.org/stable/1480497> On the 5th of January, 2016
- 6..op.cit
- 7..Griffe, T. Dale.2005.*Research Tips: Interview Data Collection*. National Center for Developmental Education, Appalachian State, p. 1
- 8..WU, Y. C.1967.*The Research Interview and Its Measurement*. Oxford: Oxford University Press
- 9..Shelley, A. Mark.1996.*Explanatory Data Analysis: Data Visualization or Torture?* New York: Cambridge University Press, p. 1
- 10.. Griffe, T. Dale.2005.*Research Tips: Interview Data Collection*. National Center for Developmental Education, Appalachian State, p. 1
- 11..Kromrey, D. Jeffrey.1993.*Ethics and Data Analysis*. Washington, DC. American Sociological Association
- 12..Heyink, J. W. and TJ. Tymstra.1993.*The Function of Qualitative Research*. New York: Springer, p. 3
- 13..Anne-Marie and Patricia A. Adler et al.1995.*Understanding and Evaluating Qualitative*

Research. Minneapolis: National Council on Family Relations, p. 2

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15..Allen-Meares, Paula.1995.*Applications of Qualitative Research: Let the Work Begin*. Oxford: Oxford University Press, p. 2

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17..Padgett, K. Deborah.1998.*Does the Glove Really Fit? Qualitative Research and Clinical Social Work Practice*. Oxford: Oxford University Press, p. 2

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19..Mays, Nicholas and Catherine Pope.1995.*Rigour And Qualitative Research*. BMJ, p.1

20.. Heyink, J. W. and TJ. Tymstra.1993.*The Function of Qualitative Research*. New York: Springer, p. 3

21..Crittenden, S. Kathleen and Richard J. Hill.1971.*Coding Reliability and Validity of Interview Data*. Washington, DC. American Sociological Association. p. 2

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CHAPTER FOUR

4.0.DATA ANALYSIS

4.1.INTRODUCTION

This section seeks to analyze selected research and statistical data gathered from the field. First, **Figures 1 & 2** try to examine Ghana's export to the U.S. for the 2011/2012 and 2013/2014 year periods. The third table was an effort made to scrutinize Ghana's export and import values from 2000 through 2013—i.e. U.S. vs Ghana trade relations. **Figures 4 & 5**, however, analyze Ghana's export values on selected AGOA-qualifying products between 2003 and 2013. Basically, the section seeks to examine the overall impact of the US\$1.4 billion bilateral-trade-agreement between the United States of America (consisting US\$1.1 billion) and that of Ghana (consisting US\$ 300 million). Information on AGOA's website further asserts that Ghana remains one of the top five African states that imports lots of U.S. products (mostly machinery).

4.2.U.S IMPORTS (\$MILLIONS CUSTOM VALUE), 2011 & 2012

Figure 1

COUNTRY	Jan.-Dec.	Jan.-Dec.
	2011	2012
Angola	13,597.47	9,823.87
Benin	1.97	2.67
Botswana	293.17	216.55
Burkina Faso	3.61	2.30
Burundi	9.56	4.81
Cameroon	330.39	308.38
Cape Verde	1.47	3.97
Central African Republic	6.00	4.07
Chad	3,174.03	2,660.34
Comoros	1.78	1.96
Congo	2,420.09	1,488.56
Congo, Dem. Rep.	605.57	41.00
Côte d'Ivoire	1,270.64	1,099.48
Djibouti	4.05	11.85
Equatorial Guinea	1,190.78	1,699.80
Eritrea	0.14	0.20

Ethiopia	144.42	183.04
Gabon	4,566.65	1,885.88
Gambia	0.08	0.35
Ghana	779.04	291.04
Guinea	80.66	103.06
Guinea-Bissau	0.26	0.08
Kenya	381.55	389.57
Lesotho	384.35	310.57
Liberia	158.18	144.01
Madagascar	87.13	109.72
Malawi	64.92	65.93
Mali	4.08	3.64
Mauritania	0.97	0.69
Mauritius	251.71	261.54
Mozambique	34.97	38.53
Namibia	436.23	231.11
Niger	288.68	81.72
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Nigeria	33,854.19	19,130.01
Rwanda	30.86	33.29
São Tomé and Príncipe	0.98	0.55
Senegal	6.77	16.77
Seychelles	6.27	4.65
Sierra Leone	26.55	17.91
Somalia	1.11	0.98
South Africa	9,486.67	8,657.14
Sudan	10.35	6.52
Swaziland	89.28	66.65
Tanzania	58.95	115.57
Togo	30.54	51.91
Uganda	45.88	34.48
Zambia	47.32	63.02
Zimbabwe	51.42	52.45
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TOTAL	74,321.72	49,722.2

Source: U.S. Dept. of Commerce, Bureau of Census

Fig. 1, shows total Sub-Saharan African (SSA) exports to the U.S. in 2011 and 2012 respectively. The table allows us to compare the export value of Ghana to other competitors in SSA. We are told that Ghana's export value in 2011 stood at US\$779.04 million and declined to US\$291.04 million, representing a variation of negative sixty three percent (-63%). Within the same years

however, Equatorial Guinea’s export stood at US\$1,190.78 million in 2011 and increased to US\$1,699.80 million in 2012, representing a positive variation of forty three percent (43%). That notwithstanding, Ghana performed somehow better than other SSA countries such Senegal, Uganda, Zambia, among others. Generally speaking, the table demonstrates a weak performance on the part of AGOA beneficiary countries for the two year period under scrutiny.

4.3.U.S IMPORTS (\$MILLIONS CUSTOM VALUE), 2013 & 2014

Figure 2

COUNTRY	2013	2014
Angola	8,742.94	5,719.83
Benin	3.13	5.41
Botswana	277.71	317.97
Burkina Faso	6.11	6.21
Burundi	4.30	4.37
Cameroon	366.96	184.38
Cabo Verde	2.36	1.72
Central African Republic	2.79	1.36
Chad	2,459.15	2,328.58
Comoros	2.84	2.08
Congo	1,166.60	424.26
Congo, Dem. Rep.	75.56	154.41
Cote d Ivoire	1,013.34	1,201.37
Djibouti	3.95	11.85
Equatorial Guinea	898.00	254.93
Eritrea	0.16	0.17
Ethiopia	193.57	206.77
Gabon	1,112.28	801.32
Gambia	1.69	0.30
Ghana	365.84	271.33
Guinea	98.97	86.32
Guinea-Bissau	3.22	0.06
Kenya	452.25	565.78
Lesotho	351.40	361.01
Liberia	96.53	83.37
Madagascar	179.75	215.59
Malawi	73.10	66.79
Mali	3.68	4.77
Mauritania	130.69	101.40
Mauritius	338.73	401.23
Mozambique	76.07	99.94
Namibia	262.31	256.19
Niger	2.34	4.62
Nigeria	11,723.84	3,842.07

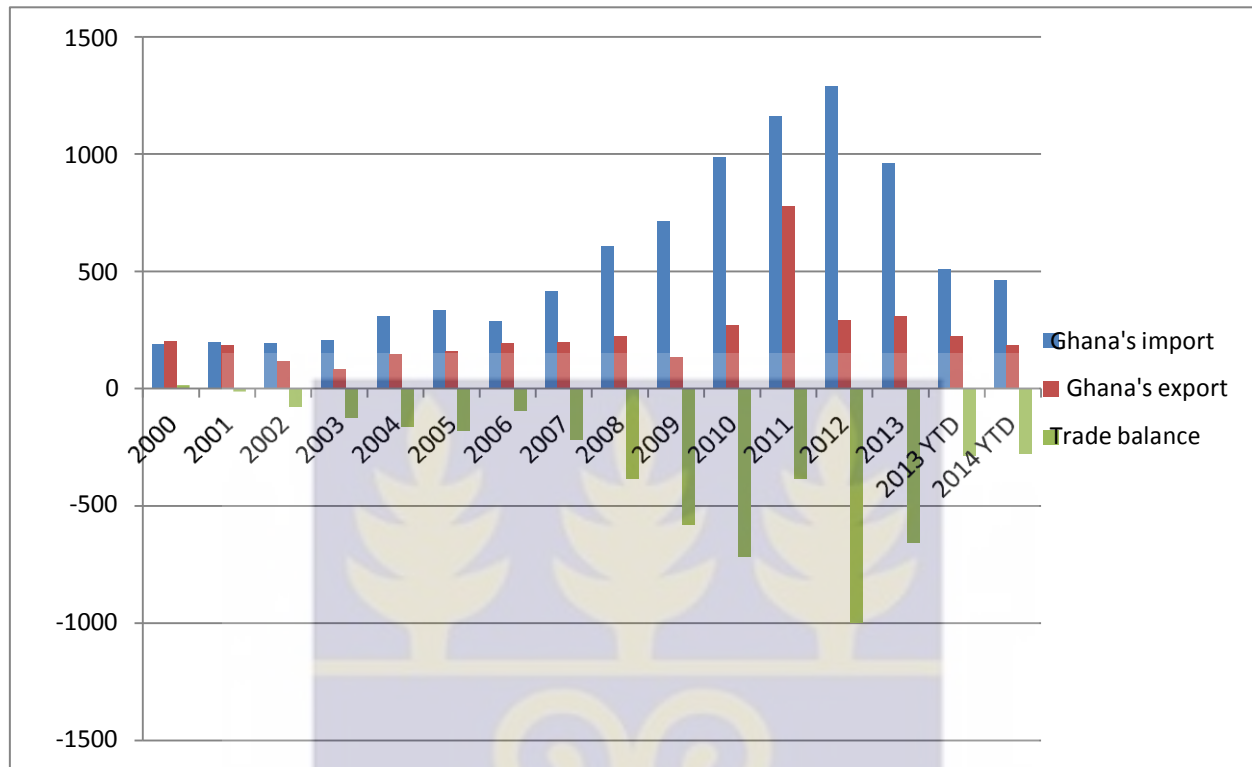
Rwanda	24.42	40.66
Sao Tome & Principe	0.25	0.98
Senegal	16.98	25.44
Seychelles	5.76	4.08
Sierra Leone	41.55	28.67
Somalia	1.19	0.54
South Africa	8,465.26	8,307.59
South Sudan	0.20	0.07
Sudan	10.37	12.07
Swaziland	58.94	81.53
Tanzania	70.32	86.06
Togo	7.72	9.12
Uganda	47.09	45.89
Zambia	37.70	55.97
Zimbabwe	13.89	64.93
TOTAL	39,293.82	26,751.39

Source: U.S. Dept. of Commerce, Bureau of Census

This table shows SSA export values for 2013 and 2014. The story is much telling. It shows that, Ghana's export to the U.S. accounted for US\$365.84 million in 2013 and declined to US\$271.33 million in the following year (2014), representing negative twenty six percent (-26%). This was an exact repetition of our assessment for the 2011/2012 periods. Equatorial Guinea's export to the U.S. stood at U.S.\$898.00 million in 2013 and declined massively to US\$254.93 million for 2014, and this represents a variation of negative seventy two percent (-72%). Exports from Mauritius accounted for US\$338.73 million and US\$401.23 million in 2013 and 2014 respectively, representing a variation of positive eighteen percent (18%). Again, we are being told that Chad, South Africa, Lesotho and a few other SSA countries chalked significant gains for the 2013/2014 year period. Compared to the previous years (2011-2012), performance for the 2013/2014 was quite impressive and praiseworthy. That notwithstanding, SSA total export to the United States recorded a variation of negative values for the 2011/2012 and 2013/2014 year periods.

4.4. Bilateral Goods Trade between Ghana and the United States

Figure 3 (US\$Millions)

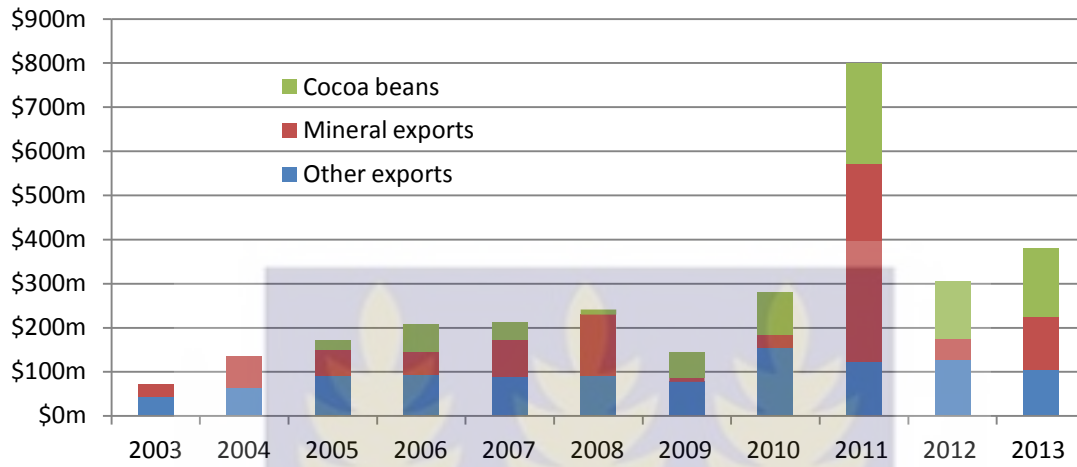


Source: GCCI Research Department with data from TRALAC

Figure 3, shows the differences between Ghana’s exports and imports from 2000 to 2013. We are being told that Ghana’s exports consistently remained beneath that of the U.S. since 2000. The three year period in which Ghana performed so well was in 2009, 2010 and 2011. Accordingly, the United States exports increased significantly beginning in 2006 through 2012. Total U.S. exports in 2012 accounted for US\$1, 300 million and declined to US\$960 million in 2013, representing negative twenty six percent (-26). Similarly, Ghana’s total export in 2011 accounted for US\$800 million and US\$300 million in 2012, representing negative sixty two point five percent (-62.5%). It is important to note that Ghana recorded a trade deficit with the U.S. throughout the period.

4.4.1. Ghana's Export to the U.S.

4.4.2. Figure 4. U.S. Imports from Ghana (2003-2013)



Source:

Source:

USITC

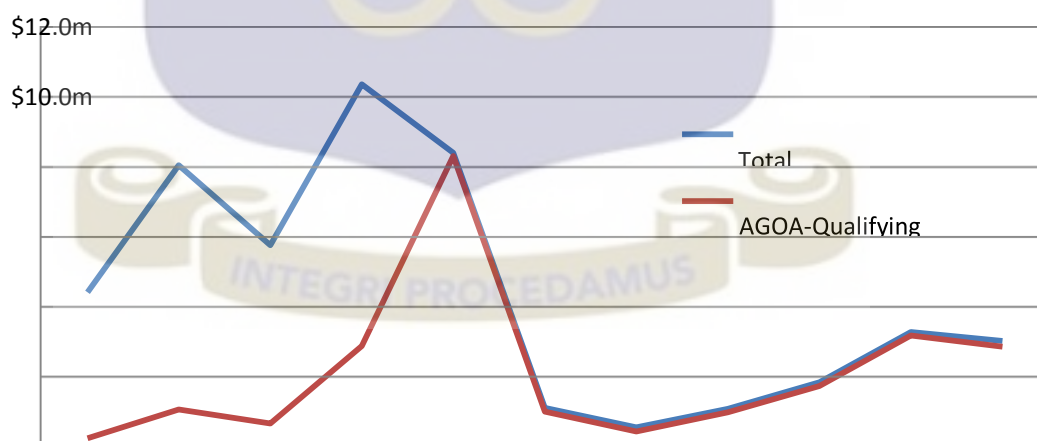
and

TradeMap



Ghana’s exports in cocoa beans, minerals and other exports to the U.S. increased from 2003 up to 2008. The country’s export, however, declined in 2009 after reaching a relative peak in 2008. The three year period in which export rose greatly was in 2009, 2010 and 2011. Total exports in cocoa beans, minerals and other exports for 2012 again declined but saw another upsurge in 2013. The data further shows that Ghana’s exports to the U.S. are largely dominated by cocoa beans and mineral products. Mineral products, however, accounted for about US\$480 million in 2011, the highest ever, and only contributed US\$10 million in 2009. Thus, despite being the largest contributor among the “three” export products, mineral products, however, contributed the least in 2009. The value of mineral products rose from US\$ 20 million in 2003 to about US\$144 million in 2008. Export values in “*other exports*” remained relatively stable from 2010 to 2013. These variations in exports values can be attributed to various reasons, including both internal and external dynamics.

4.4.3. Ghana Textile and Apparel Exports under AGOA



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total	\$4.4m	\$8.0m	\$5.7m	\$10.4m	\$8.4m	\$1.1m	\$0.5m	\$1.1m	\$1.8m	\$3.3m	\$3.0m
AGOA-Qualifying	\$0.2m	\$1.0m	\$0.6m	\$2.9m	\$8.3m	\$1.0m	\$0.4m	\$1.0m	\$1.7m	\$3.2m	\$2.8m

Source: USITC and TradeMap

Figure 5 portrays qualified textile and apparel products that Ghana could export to the U.S. market under AGOA. The red line (AGOA-Qualifying) in this figure constantly stayed beneath the blue line (total textile and apparel exports) because AGOA extends a limited coverage to Ghana's textile and apparel products. Ghana's AGOA-Qualifying textile exports witnessed a significant fall from US\$8.3 million in 2007 down to US\$0.4 million in 2009. In the case of Total exports, however, there was a fall from US\$8.4 million to US\$0.5 million in 2007 and 2009 respectively. The two, nonetheless, witnessed a gentle rise afterwards until they reach their relative peak at US\$5.8 million in 2013. Performance at the beginning section shows an interesting scenario. While the flow of Total exports remained erratic from 2003 to 2007, AGOA qualifying textile exports, nevertheless, witnessed a gentle rise within the same time period, with a minute variation in 2005 (US\$0.6 million).

4.4.4. REVIEWING THE U.S.-GHANA BILATERAL TRADE RELATIONS— OPPORTUNITIES AND CONSTRAINTS FOR GHANA SINCE 2000

4.5. OBSERVATIONS FROM THE INTERVIEWS:

The interview brought together six (6) personalities from both the Ghanaian *Ministry of Trade and Industry (MoTI)* and from the *American Embassy* in Accra, Ghana. Out of this figure, five personalities were chosen from the Ghanaian *Ministry of Trade and Industry* and one from the USAID section of the *American Embassy* in Accra, Ghana. The personalities who were interviewed occupy the following positions. Those selected from the MoTI were: Mr. Mickson Opoku, (the Senior Commercial Officer), two Commercial Officers (for the purpose of this research, they are identified as CO₁ and CO₂), the Administrative Contracting Officer (ACF),

and the Assistant Industrial Promotion Officer (AIPO). The personality selected from the USAID section of the American Embassy, Ghana, is the Team Leader for the Private Sector of the Economic Growth Office.

There were some general questions that were asked to solicit the views of respondents on the free trade debate and what they think about Ghana's bilateral trade with the United States. The remaining sections of the interview, however, concentrated on the challenges, impacts and the way forward.

4.5.1. Respondents position on the free trade debate

In order to draw respondents into the conversation, they were asked to comment on whether the decision on the part of developing countries to enter into free trade with the developed world is a mistake. In response, the ACO, Mr. Opoku, CO1, and CO2 unanimously asserted that, they see nothing wrong with it once developing countries could increase their comparative advantage in strategic areas of production. They maintained that, even though developing countries have been unable to take advantage of free trade, it should not, however, be used to condemn the doctrine completely. The AIPO, on the other hand, remarked that, developing countries inability to negotiate for fair deals and better terms of trade seriously puts them at a disadvantage with the developed world. Thus, the impression that free trade works to benefit or favor developing nations can only be construed as a “tacit assumption”.

4.5.2 .Ghana’s signatory to the Act—respondents views

Similarly, as the lead question, respondents were asked to comment whether Ghana’s signatory to the Act (AGOA) was a mistake, given the nation’s abnormal trade deficits with the United States of America. In response, the ACO reasoned that, AGOA provides Ghanaian producers and exporters with better terms of trade and increases their competitiveness at the world’s largest market—the U.S. In the view of the CO₁, Mr. Opoku, the AIPO, and CO₂, however, there were no proper administrative structures and strategies put place to tap the available opportunities under AGOA. In effect, the AIPO highlighted that, “...trade deficits cannot be attributed to influx of import from U.S. Besides, there was no conscious effort to build capacity of exporters to take advantage of AGOA”.

4.5.3. Implementation: a brief overview

The questions here briefly sought to identify the body responsible for making decisions regarding the implementation of AGOA in Ghana. All the five respondents, in fact, identified the Ministry of Trade and Industry (MoTI) as the principal decision maker and enforcer in Ghana. However, according to Mr. Opoku, MoTI, in turn, created the National AGOA Implementation Committee (NAIC) and entrusted it with the responsibility to synchronize and coordinate the activities of the various AGOA stakeholders. With regards to how these decisions are made, four of the respondents unanimously asserted that, MoTI formulates them in consultation with all AGOA stakeholders in Ghana. The AIPO stressed that, the decisions are made through “technical review of stakeholders’ views and comments....” Also, according to Mr. Opoku, the Ministry of Trade and Industry often brings on board ‘external’ ministries and

agencies to help disseminate information to the producers and exporters of the various sectors of production. For example, the Ministry could outline AGOA preferences and specifications to the rural agricultural communities via the services of the Veterinary Service Division which is under the Ministry of Food and Agriculture.

4.6. MAJOR CHALLENGES

NAIC effectiveness disputed

The first question sought to investigate the effectiveness of *NAIC*—i.e. whether it has been active or dormant since it came into existence. While the CO₂ reasoned that, *NAIC* has been very effective on the ground, the ACO, on the other hand, indicated that, *NAIC* has remained dormant of late, and that, “the visibility of the committee is not seen”. According to him, this explains why, in part, Ghana has not been able to utilize AGOA to the benefit of the citizens. In fact, the ACO’s assessment did not differ from that of Mr. Opoku’s point of view about the activities of the committee. The fourth respondent opined that, even though, he does not know about their activities, yet, he thinks that their performance has not been the best. And, worst of all, the AIPO indicated that, he “did not know of their existence till reading it here”. In other words, he was not aware of the existence of such a committee until I went to undertake the research exercise in the ministry. The absence of a vibrant committee compels the ministry to rely on the services of ad hoc committees to oversee the execution of major national targets throughout the period under review.

Ghanaian producers and exporters lack information on current issues

Another major problem, as identified by four of the respondents, has been the lack of information flow between the various AGOA stakeholders such as the Federation of Association of Ghanaian Exporters (FAGE), the Association of Ghana Industries (AGI), and the Ghana Export Promotion Council (GEPC). The CO₂, however, opined that, producers and exporters are adequately informed but most of them simply fail to take advantage of the opportunities under AGOA. This position is counteracted by Mr. Opoku, who indicated that, where the U.S. updates vital information on the website of AGOA, as was the case with the Textile Certificate of Origin in 2008, Ghanaian exporters mostly do not become aware of such important changes. In effect, these ‘uninformed’ exporters are often denied access to the U.S. market or made to go through bitter frustration upon arrival at the U.S. immigration border. And since the U.S. hardly circumvents international laws, the *border-frustration* becomes far intense as these certificates of origin demand the signature of home producers. How does an exporter return home just because the signature of home producers is missing? If *NAIC* was effective on the ground indeed, he noted, then, this problem could have just been resolved by simply informing these exporters to download the newly upgraded document from AGOA’s website before shipping their goods overseas.

U.S. verification system is ‘missing’ in Ghana

With regards to AGOA’s rules of origin, the ACO indicated that, it is becoming difficult to ascertain the sources of raw material imports being used to manufacture AGOA products in Ghana. Likewise, another respondent signposted that, the system that determines the sources of

raw materials from other countries and verifies the authenticity of the production process is no longer effective as we speak. Two of the respondents, however, declined to respond to this question, on grounds that, they do not have enough idea regarding the system of verification in Ghana. But the observation made by the U.S. expert amply confirmed the assessment of the first two respondents. He indicated that:

With regards to tracing the origin of goods, right now there is no traceability system which provides certificates of origin. This is crucial as many markets require this paperwork to ensure that the products were sourced originally and actually came from Ghana.

Ghanaian agricultural exports are being rejected by U.S. SPS standards

Another major factor that has worked to constrain Ghana's agricultural sector can be traced to U.S. sanitary and phytosanitary standards (SPS). AGOA SPS requirement is given below:

Therefore, sanitary or phytosanitary measures include all relevant laws, decrees, regulations, requirements, and procedures including, inter alia, end product criteria; processes and production methods; testing, inspection, certification and approval procedures, quarantine treatments including relevant requirements associated with the transport of animals or plants, or with the materials necessary for their survival during transport; provisions of relevant statistical methods, sampling procedures and methods of risk assessment; and packaging and labeling requirements directly related to food safety. Unfortunately, governments often seek to disguise measures.... These measures create significant barriers to U.S. agricultural exports, and USTR is committed to identifying and removing these barriers¹.

Three of the respondents from MoTI indicated that, Ghanaian producers and exporters generally lack the requisite market intelligence needed to comply with international requirements. Mr.

Opoku indicated that, the skills needed to effectively handle, feed, and transport animals, plants and other food products from the farm gates to the ports under perfect hygienic conditions are not just there. Likewise, the U.S. expert noted that, a sizable number of Ghanaian farmers simply do not have *global-gap certification* that seeks to safeguard and protect the health of consumers. International standards, according to him, are high and there is a growing competition beyond the general standards found in Ghana. The CO₂, however, indicated that, the SPS measures are somehow high especially for newly emerging products from Ghana. In effect, the CO₁ asserted that, Ghanaian exports are rejected by U.S. SPS measures, and that, the impact on the activities of "...local producers and exporters are unbearable". The AIPO, however, cast the blame on Ghana's inability to adequately equip our local producers and exporters to enable them meet these SPS requirements.

Local apparel and textile industries lack the necessary repertoire

Again, evidence attests to the fact that, there was no conscious effort made to adequately provide in-service and on-the-job-training to upgrade general skill levels amongst the producers and exporters of textile and apparel products. In the AIPO's view, the rural exporters were virtually excluded from state capacity-building policies and programs. Mr. Opoku and the CO₂ remarked that, Ghanaian apparel producers are generally not well abreast with the rules and specifications regarding designing and spinning of apparel products. Moreover, domestic firms lack the skills needed for servicing international customers as the methods used for delivering their products do not meet international requirements. Local firms still rely on the use of outmoded machinery and technology and, as a result, are unable to add value to their export products. Others such as the CO₁ have attributed low production capacity in our textile and

apparel industries/firms to lack of funds coupled with years of damnable energy predicaments. It was noted that, the Ghana Export Development and Investment Fund (G-EDIF) that was established to boost industrial capacity in Ghana is virtually dormant and ineffective since it was constituted. In effect, local industries and firms have been unable to expand their frontiers to the rank of other international competitors since 2000.

The challenges emanating from poor infrastructural development

In addition, the problems of poor infrastructural development were noted for their disastrous impacts on the nation's overall productivity under AGOA. These challenges are inseparably linked to lack of good roads and railway lines, poor provision of water, ineffective management of natural gas, unreliable sources of electricity, and weak telecommunication networks. And the most devastating among them has been the issue relating to the absence of a reliable energy source needed to power economic development. Besides, the 4-years energy crisis worsened the nation's unemployment rates as major companies have had to lay off their employees in the face of uncertainties. According to a study pioneered by the Institute of Statistical, Social and Economic Research (ISSER), University of Ghana, the recent decline in economic activities due to the energy crisis will cause the nation (Ghana) to lose between \$320 million and \$924 million annually². Some academic research reported that, weak infrastructural development accounts for about 40% of total transportation costs for countries located along the coast and 60% for those countries which are landlocked³.

The World Economic Forum through the Global Competitiveness Report (GCP) and the World Competitiveness Index (WCI) have sought to measure the competitiveness levels of countries around the world annually. In its 2014-2015 Report, for instance, the Global Competitiveness

Report ranked the United States 3rd and Ghana 111th out of a total of 144 countries⁴. In the 2015-2016 Report, while the U.S. retained her previous year's ranking—3rd, Ghana, however, deteriorated from 111th position to 119th out of 140 countries brought together⁵. These reports amply corroborate the foregoing discussion and analysis.

4.6.1. THE IMPACT OF AGOA IN GHANA

These questions sought to investigate the overall impact of AGOA on socio-economic and political development in Ghana. When asked to identify Ghana's major exports and imports under AGOA, respondents mentioned textiles, apparel, flowers, fruits, vegetables, petroleum oils, and other cocoa products. In fact, the total number of product lines in which Ghana exports shrinks in great significance if compared to the over 7, 000 product lines recognized under AGOA. In terms of our imports from the United States, however, respondents mentioned machinery, oil, vehicles, cereals, and others.

4.6.2. POSITIVE ECONOMIC GAINS

AGOA enhances living standards in the rural agricultural communities

Are the rural agricultural communities in Ghana aware of the available opportunities under AGOA? In response to this question, the CO₁ signposted that, the rural folks are aware but was unable to relate the extent to which they have been able to utilize them. Again, the CO₂ asserted that, through the activities of the various agencies under the Ministry of Trade and Industry the information is freely available to anyone wishing to take advantage of it. Others openly declared that, even if not to talk of AGOA, most Ghanaian farmers in the rural areas are fully aware that

Ghana has been exporting cocoa and other vegetable products long before the attainment of independence in 1957. The ACO, for instance, indicated that, many of the products in which Ghana exports under AGOA are horticultural and other products, such as flowers, fruits, vegetables, and cocoa, sourced from the rural areas. Under the circumstance, the rural farmers who really took advantage in these areas made some gains for themselves, families and relatives. The AIPO, however, retorted that, information about AGOA does not extend to include the rural dwellers in Ghana. In other words, the farmers in the rural agricultural communities are mostly constrained for lack of capacity and information regarding the various opportunities under AGOA. The views of the majority, however, indicated that the rural communities are aware of the available opportunities and those who actually took advantage of them made some gains for themselves and families.

AGOA enhances infrastructural Development in Ghana

The views of respondents indicated that there have been some levels of infrastructural development as a result of AGOA's initiatives in Ghana. Mr. Opoku indicated that, textile exports accounted for about US\$23 million beginning in 2003 through 2013. In addition, foodstuffs, vegetables, and wood products contributed about US\$2.4 million within the same time period. In 2015, the American Chamber of Commerce, Accra, reported that about US\$ 800 million was paid as tax over the course of the last ten years as a result of U.S. foreign investment in Ghana. These amounts, according to the views of respondents, have enhanced the ability of governments to extend infrastructural facilities such as schools; hospitals; roads; recreational centers; electricity, inter alia, to various communities in Ghana. That notwithstanding, the ACO and the CO₁ indicated that, they were not satisfied with AGOA

infrastructural development in Ghana. In fact, the remarks of the third, fourth, and the fifth respondents confirmed that, the level of AGOA infrastructural development in Ghana remains far below that of Lesotho that had built 12 factories and Swaziland 8 factories by 2002 under AGOA initiatives⁶.

AGOA provides job opportunities for the citizens in Ghana

Like the above, respondents were generally not satisfied with the level of AGOA employment opportunities in Ghana. In fact, three of the respondents asserted that, they are not satisfied with the level of job creation in Ghana. The other three, nonetheless, opined that, they are *somehow* satisfied with the level of job creation in Ghana. Respondents such as the CO₂, and Mr. Opoku asserted that, job creation was fairly visible in the textile and apparel sectors. The application of simple technology in the clothing sector, for example, they observed, made the sector more attractive to semi-skilled Ghanaians. The challenge, however, relates to lack of skills in spinning and designing of garments to meet AGOA preferences. The producers in these areas also lack the necessary support to expand productivity and deliver their products to meet international standards. And then again, the total number of AGOA jobs in Ghana fall below the figures that have been recorded in Malawi, Kenya, South Africa, Swaziland, Namibia, and Mauritius⁷.

AGOA has contributed towards expanding the private sector

AGOA, according to all six respondents, has benefited Ghana by increasing its international competitiveness through the elimination of high MFN tariff impositions on non-traditional exports. In addition, Mr. Opoku maintained that, the third-country fabric provision has paved

the way for local industries to add value to export products by importing fabric and yarn from Benin, Burkina Faso, Chad, and Mali. Through AGOA, the AIPO noted that, different participating companies in Ghana have had the chance to penetrate the world's largest market for profit and develop new networks with international trade partners. These initiatives enhanced productivity in the textile and apparel industries and expanded the boundaries of agribusinesses and handicrafts in Ghana.

Ghana Benefits from U.S. imports

Under AGOA, Ghana benefits from importing capital-intensive products that are not manufactured locally. In fact, the AIPO's statement is worth reiterating here: "...trade deficits cannot be attributed to influx of import from U.S." Through AGOA initiatives, Ghanaians benefit from U.S. exports such as vehicles, machinery, turbine, aircraft, oil, and a host of other capital intensive products. The question then is: what would have been the nature of the Ghanaian power crisis if no turbine was imported? Today, it has also become much easier for businessmen/women to peregrinate the country on daily basis with ease and certainty. How could they have done this if there were no vehicles and aircrafts imported from the U.S.? Moreover, the ability of doctors and other health practitioners to diagnose diseases in our various hospitals has been enhanced greatly with the help of some sophisticated equipment brought in from the U.S. Thus, the significance of U.S. exports in propelling vibrant socio-economic and other activities in almost all the sectors, according to the respondents, cannot be underestimated.

U.S. foreign direct investment (FDI)

In response to the ratio of U.S. foreign direct investment in Ghana, the CO₁ indicated that, the proportion is insignificant compared to other AGOA beneficiary countries in Sub-Saharan Africa. The AIPO and the CO₂ further emphasized that, they are not all that satisfied with the percentage of U.S. FDI in Ghana. In the view of the ACO, however, the proportion of U.S. FDI in Ghana can be described as satisfactory. According to his assertion, AGOA has paved the way for the mass influx of U.S. FDI in Ghana since 2000. In 2015, the American Chamber of Commerce, Accra, indicated that U.S. investment in Ghana totaled US\$13 billion over the course of the last 10 years. In general terms however respondents signposted that the rate of U.S. FDI in Ghana remains insignificant if compared to other oil producing African countries such as Nigeria. In fact, even at the continental level, the 2013 Addis Ababa AGOA forum reported that, less than one percent of total U.S. foreign direct investment to the world ends up reaching the African continent.

4.6.3. Political Effects and Impacts

AGOA has improved Ghana's political relations with the U.S. and other African countries

In addition to the above economic benefits, AGOA has contributed impressively towards improving Ghana's political relations with the U.S. and other AGOA beneficiary countries in SSA. Through its annual Forums, AGOA provides Ghana the opportunity to interact with both U.S. and African political leaders on vital issues relating to trade, human rights issues, and good governance. The ACO, for instance, described these interactions as useful and good for Ghana's democratic system. In line with this thinking, the CO₂, again, asserted that, these relations have

helped to expand international opportunities for our local industries. In all, the respondents unanimously asserted that, political dialogues have helped to streamline certain protectionist laws and Acts that impede the flow of trade between Ghana and the United States, on the one hand, and between Ghana and AGOA beneficiary countries, on the other hand.

Does AGOA promote good governance in Ghana?

On the question of good governance, some of the respondents are of the view that AGOA has worked to enhance political commitment to the principle of the rule of law in Ghana. These respondents generally think that, under AGOA, Ghanaian political leaders are much more committed to the principle of good governance in order to avoid U.S. sanctions. The CO₁ indicated that, he is somewhat satisfied with the level of political commitment to the principle of good governance in Ghana. The CO₂, however, reasoned that, AGOA pushes Ghanaian political leaders to adhere more to commercial matters other than governance. Like the CO₂, the ACO asserted that, AGOA has still not ushered in the era of strict adherence to the principle of good governance in Ghana. According to him, good governance extends to include the eradication of corruption and extension of social amenities and other welfare programs to the ordinary citizenry. And yet, corruption allegations have been rampant and most citizens do not also have access to social amenities and other welfare benefits even after fifteen years under AGOA initiatives. In effect, while some respondents believed that AGOA has helped to instill some level of *obedience* in the behavior of Ghanaian political leaders, others, however, questioned the extent to which this *adherence* truly contributes to enhance good governance in Ghana.

Prohibited Imports and Exports for security and other reasons

In response to the above issues, the respondents indicated that the two trading partners prohibit the exchange of certain items such as illegal drugs; weapons, explosions, and ammunitions; plants and seeds; knives and other deadly weapons; counterfeit money; pornographic materials; diseased animals and animal carcasses; and foreign soil. In the case of Ghana, however, the AIPO signposted that, articles such as weapons; explosions; and ammunitions can be allowed in after permission has been duly sought and granted. Again, interview with the CO₂ indicates that the same *condition* applies to the imports of *plants and seeds*. The essence for controlling the flow of weapons, explosions, ammunitions, and other deadly weapons across borders is to ensure that they do not reach the domains of terrorists, armed robbers, and other extremist groups. Moreover, the view has been advanced that, ethnic and inter-state conflicts can also be prevented or reduced by monitoring the production and movement of weapons, explosions, and ammunitions in and around the world. And, for Ghana, this latter view, according to respondents, represents one of the ways by which it can prevent or reduce ethnic conflicts in its three Northern regions. Besides, pornographic materials are also prohibited to avoid exposing children less than 18 years, in particular, to early sex, homosexuality, and lesbianism. These efforts have, however, been rendered fruitless of late with the upsurge and explosion of the internet, internet cafés, android phones, and the mass media all over the world.

The State vs. Foreign Investors

Like many other countries in the world, U.S. foreign investors are required to abide by some rules and regulations in order to be able to operate within the borders of Ghana. The most

popular among these regulations are the Import and Export Act, 1995 (ACT 503); the Public Health Act, 2012 (ACT 851); the Ghana Investment Promotion Centre Act—GIPC Act, 2013 (ACT 865); the Labour Act, 2003 (ACT 651); the Environmental Protection Act, 1994 (ACT 490); the Administration of Lands Act, 1962 (ACT 123); the Copyright Act, 2005 (ACT 690); the Geographical Indications Act, 2003 (ACT 659); the Layout-Designs (Topographies) of Integrated Circuits Act, 2004 (Act 667); the Industrial Designs Act, 2003 (ACT 660); the Trade Marks Act, 2004 (ACT 664); and the Patent Act, 2003 (ACT 657). In all, an investor is at liberty to operate when his or her enterprise is legally registered or recognized within the spheres of government. However, the last six (6) are Intellectual Property Right (IPR) laws that seek to protect the inventions and creations of individuals from being forged or tainted in Ghana. The Labour Act, 2003 (ACT 651), on the other hand, enjoins U.S. foreign investors to faithfully pay workers the amount agreed upon during the contract, ensure the safety and protect the interest of workers, and provide training to upgrade their skill levels while in active service. In the case of the GIPC Act, 2013 (ACT 865); the U.S. investor is expected not to invest in any enterprise an amount less than one million U.S. dollars nor employ less than twenty skilled Ghanaian citizens.

4.7. NEGATIVE IMPACTS: ***POLITICAL***

The negative effects of AGOA on Ghana's political sovereignty

Aid, regardless of the form it takes, mostly instructs its recipients to accept and not to make decisions. In response to the negative impact of AGOA on Ghana's political sovereignty, all the five Ghanaian respondents indicated that AGOA does not undermine Ghana's political

sovereignty. Evidence from the academic literature, however, attests to the fact that developing countries have been unable to defend, safeguard, and protect most of their safety standards and laws or resist any attempt by the U.S. to liberalize key sectors of their economies to external competition.

Others have raised a related concern that developing countries do not do well in direct negotiations with the larger United States because of the disparity in economic influencing—often giving up more than they are getting⁸.

The U.S. under NAFTA, for instance, has always been aspiring to negotiate for the lions share at the expense of Canada⁹ to the extent that the latter had wished to withdraw from the trading union completely¹⁰. Again, Pinder affirmed that, the Dominican Republic and Central America's trade relations with the U.S., under the Dominican Republic and Central American Free Trade Agreement (DR-CAFTA), is “a big mistake” since it paves the way for the U.S. to exploit them¹¹. In the light of the above, it is, therefore, not likely that Ghanaian bureaucrats will be spared on the negotiating table with U.S. diplomats under the African Growth and Opportunity Act (AGOA).

In addition, African political leaders have been unable to choose between alternatives and make informed decisions during international negotiations in both the UN and on the platform of other organizations. The words of former President Bush, “*you're either with us, or against us*”¹² continue to ring in the ears of the recipients of trade *favours* during these important international negotiations. Under AGOA, *the servants* are required to heed these solemn words in all international forums so long as they wish to maintain their friendship with the United States. In order to be declared eligible to receive the benefits of AGOA, the U.S. requires SSA

countries to respect the rule of law, establish a market based economy, remove all barriers that impede U.S. trade and investment, and ultimately refrain from engaging:

...in activities that undermine United States national security or foreign policy interests.¹³

In the view of Thompson, this provision completely undermines the sovereignty of SSA countries under AGOA since the US was not required by the Act, in turn, to respect the national security and foreign policy interests of the former. In February, 2003, for example, the Bush administration coerced Guinea, Angola, and Cameroon in the United Nations Security Council to support its invasion of Iraq¹⁴. Thus, Carmody remarked that,

Africa has traditionally had a marginal and decreasing role in international affairs.¹⁵

The Challenges under the Ghanaian Political Environment

In addition to the above, there are quite a number of challenges that make the starting of a business in Ghana somewhat difficult if not entirely cumbersome. Indeed, institutions, such as the American Chamber of Commerce and many others, are increasingly becoming alarmed with the prevailing conditions surrounding the business environment in Africa. In 2009, the U.S. Chamber of Commerce wrote:

It must be acknowledged that the U.S. business that operate in Africa face generally higher costs of doing business when compared to other developing regions¹⁶.

In the AIPO's view, land acquisition has ultimately emerged as one of the biggest challenges facing U.S. investors of late, particularly, for those who intend to undertake Greenfield Investments in Ghana. Besides, in 2016, *Doing Business* reported that,

Globally, Ghana stands at 102 in the ranking of 189 economies on the ease of starting a business¹⁷.

This means that, U.S. investors mostly go through difficult bureaucratic processes to get their businesses established and registered in Ghana. With regards to those with efficient and less irritating bureaucratic procedures of acquiring electricity, *Doing Business*, ranked Ghana 121 out of 189 countries. On registering property, under the same benchmark, she is at 77 while on paying taxes 106 out of 189 countries respectively. And,

Globally, Ghana stands at 116 in the ranking of 189 economies on the ease of enforcing contracts¹⁸.

ECONOMIC

AGOA acts to worsen greenhouse gas emissions in Ghana

In response to the negative impact of greenhouse gas emissions in Ghana, some of the respondents are of the view that the rate at which Ghana emits these gases is far less compared to the industrial countries. In other words, these respondents reasoned that the level of emission from local industries/firms generally remains insignificant when compared to those at the Global North. However, others have expressed worries over the recent alarming rates of carbon dioxide and chlorofluorocarbon emissions from highway vehicles, airplanes, and trains mostly imported from the U.S. These sources, according to respondents, collectively contribute to worsen global warming and harm rainfall patterns and community life in Ghana. In effect, even though respondents generally think that the level of carbon dioxide emissions remains insignificant, yet, they reasoned that these emissions sources (vehicles, air planes, trains and

industries) are likely going to increase in volume as trade between the two nations increase over time.

AGOA acts to worsen dumping of waste products in Ghana

In addition to the above, respondents also reasoned that AGOA has equally contributed to add up to the rate of dumping of waste products in Ghana. The category of waste products broadly extends to include scrap metals, components of CPUs and their monitors, chemicals, plastics, papers, and acids. In ardent response to the free-trade agenda, today, we have various export items and products such as the computer, vehicles, phones, and other electronic products trooping in from the U.S. While consumers' purchasing power increases, the price of goods and services, on the other hand, is on the decline, owing to competition, and this, seems to augment the volume of the above products in almost every household. Indeed, these products impose severe threat to public health/life after they have been used and wrongly discarded in our homes, work places, and communities. In fact, the dismantling of computer CPUs is found to unleash dangerous substances such as cadmium, beryllium, and lead which is mostly unknown to the consumers of these products. In the view of respondents, there have been some efforts geared towards recycling these metal scraps in order to reduce their negative impacts on the natural environment. However, the truth remains that, AGOA serves to worsen the rate of dumping of waste products in Ghana.

Are local industries infected by AGOA imports?

In response to the above question, all the six respondents collectively asserted that AGOA does not exert any negative impact on the activities of local industries in Ghana. In the view of all the respondents, U.S. exports are basically capital-intensive products such as machinery, vehicles, computers, and other hi-tech electronic products not manufactured by indigenous firms and industries in Ghana. As a result of this, they do not impose any threat on locally manufactured products both in terms of their quality and competition over prices. Thus, since U.S. exports under AGOA are mostly things not manufactured within, their negative impact on indigenous firms and industries, is completely weighed down.

4.7.1. THE WAY FORWARD:

Ghana must reconstitute NAIC

Moving forward, respondents generally reasoned that Ghana's performance in the next one decade could be improved greatly if the National AGOA Implementation Committee (*NAIC*) is reconstituted and made to work. This is to ensure that the efforts of the various AGOA stakeholders in the country are properly coordinated, directed, and monitored at each production stage. The creation of such an institution could also enhance information dissemination to keep producers and exporters updated on current issues relating to AGOA preferences. These objectives, according to Mr. Opoku, would hardly be realized without developing an effective response strategy for implementation. It has been noted that, such a rationalized plan of attack could enable the institution to properly track progress (as in identifying which product

contributes high to GDP), and identify the challenges that have been encountered along the line as well.

Ghana must undertake serious capacity building efforts

In order to improve upon its performance in the next one decade, respondents generally reasoned that Ghana needs to really work towards building the capacity of local producers and exporters. The AIPO asserted that, there must be some conscious effort geared towards building the capacity of Ghanaian local producers and exporters. To enhance capacity building efforts in Ghana, the ACO signposted that, the state will need to establish standard related institutions with the necessary equipment to enable them function effectively. In the view of the CO₂ there must be continuous awareness creation and capacity building exercises to enable producers and exporters take advantage of AGOA. It also requires a reactivation of the Ghana Export Development and Investment Fund (G-EDIF) while establishing new ones to enhance the financial capabilities of producers and exporters in the post-2015 AGOA extension. In a nutshell, these views emphasized the need for the state (Ghana) to demonstrate a high level commitment in providing the necessary institutional framework and financial support in order to increase productivity in Ghana.

Areas Ghana could do better in the post-2015 AGOA

Here, the effort was made to examine specific export products in which Ghana has a robust comparative advantage in relations to other competitors at the world market. In response, the CO₂ asserted that, the nation could do better by working hard to export more of non-traditional agricultural products such as banana, mango, pineapple and vegetables including yam and

cassava. He further reasoned that, the nation should create more avenues for these product lines even when diversifying its economy into manufacturing completely. The CO₁ reasoned that, Ghana's comparative advantage could be enhanced by exporting more of textiles, flowers, fruits, vegetables, yam, and oil palm. Others such as the ACO mentioned textiles, flowers, fruits, yam and garments. To the AIPO, Ghana could do better by exporting more of rubber, oil palm, and cocoa. One thing worth noticing here is that, AGOA does not presently extend coverage to include most of the product lines mentioned above. For instance, Mr. Opoku noted that, currently AGOA does not extend coverage to include cocoa powder, some fruits, yam, peanuts, cassava and other products from Ghana. How then can the nation improve upon its performance by exporting products that are not even listed under AGOA in the first place?

AGOA must then increase its product coverage for Ghana

Flowing from the above, the views have been advanced that the United States should extend coverage to include certain agricultural, textile, and apparel products from Ghana. The AIPO emphasized that, AGOA should increase its product coverage because of the increasing commitment on the part of AGOA stakeholders in Ghana. Again, he reasoned that, it is important for AGOA to increase its product lines in order to absorb emerging export products from Ghana. Likewise, the CO₂ indicated that, allowing new products on board gives producers and exporters the opportunity to explore in the post-2015 AGOA extension. In the view of Mr. Opoku, for instance, Ghana's performance could be improved greatly if AGOA could increase its product coverage to include cocoa powder, yam, mangos, cassava, and other textile and apparel products. In fact, the U.S. expert reasoned that most of these products have the potential

of being included in the post-2015 AGOA extension. However, in the case of liberalizing the cocoa sector completely, he stated that:

...the cocoa sector in Ghana is politically driven as it's one of the three main commodities in which Ghana exports. With regards to the potential of distorting the US market,... AGOA should allow African countries to export to the US but at the same time if the Act is hurting US producers, then it's something in which the President has the authority to stop.

In response to these issues, the CO₁, however, argued to the contrary by stating that, “We only need to set priorities right on the few enlisted”. In other words, his argument is that, there is no way Ghana could improve upon its performance without first putting in place measures to build the capacity of local producers and exporters.

Ghana must work to attract foreign investment

It has further been argued that Ghana needs to work to improve upon its business environment in order to magnetize more foreign direct investment from abroad. In other words, the nation's position within the global business competitive ranking sends a strong signal to investors abroad. In order to encourage and attract more U.S. investments, respondents strongly recommended the development of effective Public-Private Partnerships (PPPs) in Ghana. Like the Asian Tigers, the private sector should be allowed to lead in matters of economic development while the state provides the necessary institutional framework and support. For instance, Mr. Opoku argued that, the nation needs to enforce its Intellectual Property Rights (IPR) laws to further boost the confidence level of investors abroad. Even though the ministry had occasionally arrested perpetrators with the help of the police force, yet, he reasoned that, a lot still needs to be done regarding the mode of implementation of IPR laws in Ghana. The CO₂

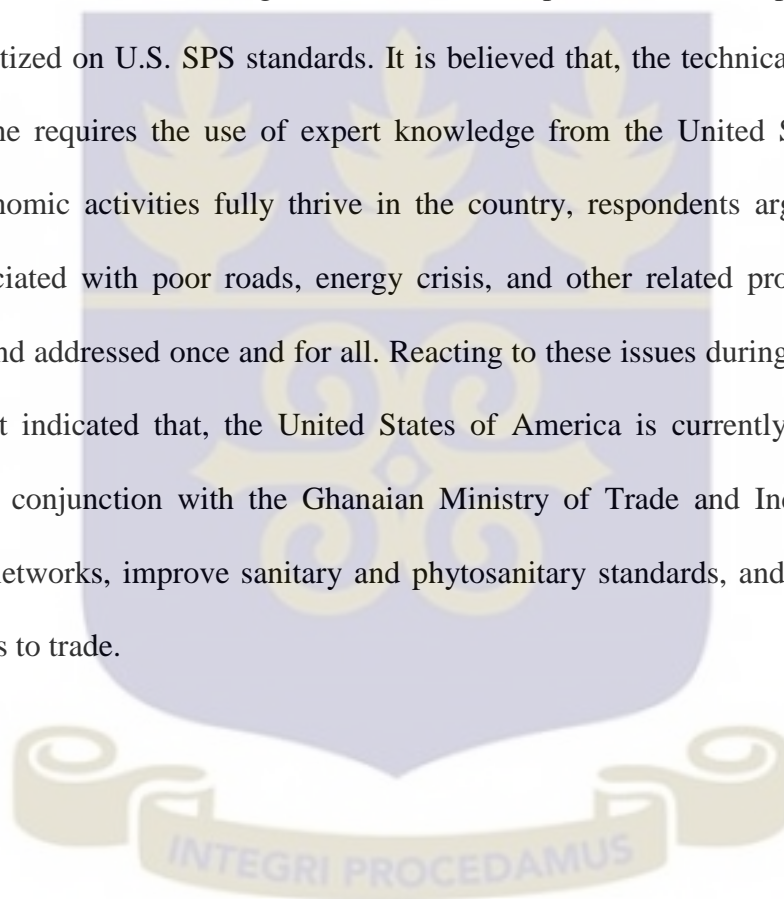
maintained that, Ghana will need to develop sound policies that factor in the interest of investors and present little difficulties when negotiating agreement with foreign investors. He further stressed that, it is important for the nation's microeconomic indicators to remain positive and favorable in this regard. Fortunately, many U.S. companies, according to U.S. spokesperson for the 2013 Addis Ababa AGOA forum; Mr. Froman, have expressed enthusiasm to invest in the energy sector of Ghana. This is crucial as it will contribute to eliminate the current energy crisis facing the country.

The need to build strong strategies for further liberalization

It has been argued that, the need for further liberalization efforts will require both the U.S. and Ghana to work hand in hand in order to exterminate certain impeding obstacles and technical barriers to trade. On the part of the United States, it requires a move towards improving upon its strict international standards and requirements such as the Rules of Origin and the SPS standards. On the other hand, Ghana will be required to formulate and implement national AGOA export and import strategies in order to facilitate and ease business transaction between the two nations. Fortunately, Mr. Opoku indicated that, the nation (Ghana) seemed to have made some progress in this direction by adopting certain innovative measures to streamline business activities at its port of entries. Under the circumstance, all goods passing through the ports are effectively scanned to make sure that people undertake businesses with ease and certainty.

Ghana needs U.S. support to succeed under AGOA

Moreover, respondents generally believed that enhanced capacity building efforts in Ghana could hardly be attained without the support of the United States and other international organizations. Mr. Opoku indicated that, Ghanaian producers and exporters generally lack the requisite market intelligence needed to contend with their counterparts at the international market. Others such as the CO₁ argued that, Ghanaian producers and exporters need to be adequately sensitized on U.S. SPS standards. It is believed that, the technical aspect of getting these things done requires the use of expert knowledge from the United States. Besides, to ensure that economic activities fully thrive in the country, respondents argued that, internal challenges associated with poor roads, energy crisis, and other related problems need to be properly fixed and addressed once and for all. Reacting to these issues during the interview, the American expert indicated that, the United States of America is currently working through Trade Africa in conjunction with the Ghanaian Ministry of Trade and Industry in order to facilitate trade networks, improve sanitary and phytosanitary standards, and ultimately reduce technical barriers to trade.



4.7.2.DISCUSSION

This section seeks to examine various issues in the light of the research data gathered from the field.

It has already been established in the light of Bowen's declaration that, the contribution of unskilled labor towards U.S. international competitiveness is insignificant, minute, and negligible¹⁹. Again, we took note of Lowinger's assertion that, in terms of skills, the United States and Canadian labor forces, averagely, possess three times more than their counterparts in Brazil²⁰. However, Robson and Haugh et al reported that, a significant number of Africans entirely receive entrepreneurial and technical skills from traditional apprenticeship in Sub-Saharan Africa²¹. To Mr. Killick, Ghana's first President, Dr. Nkrumah, mistakenly equated the nation's economic downturns to lack of capital other than working to upgrade and expand the size of the Ghanaian labor force (in Williams)²². The growing influence and innovative abilities of small businesses in Ghana were truncated as a result of government inattentiveness to the sector²³. *In the light of Lowinger's assertions*, we can deduce two important dimensions that may be applied to our analysis of U.S.-Ghana bilateral trade agreement and its attendant impacts. Firstly, we may try to find out the difference in skill levels between the labor force of the United States of America and that of Ghana. It probably will be far greater than the records above—the scenario between the U.S. and Brazil. The gap is established by simply comparing the value of capital-intensive products made in the U.S. to the value of labor-intensive products 'made' in Ghana. Secondly, the records indicate that the country (Ghana) has been losing potential skilled labor to the United States of America due to wage differentials. Thus, given such a weak labor force, it will be difficult, if not impossible, for Ghana to be able to withstand

the pressures that result from exporting into the world's most competitive market—the United States of America.

Moreover, how is the conduct of international trade affected by geographical factors, particularly, in trying to reach out to the Western World from a lower-middle-income country located in the heart of West Africa? In international trade, *proximity* to major markets in the Western and Eastern world gives one an undue advantage over other competitors. Even in pursuing private life on the continent, those in Sub-Saharan Africa often crossed the world's largest desert on foot in order to take advantage of North Africa's proximity to the Western and Eastern World. Ghanaian exporters have been battling with international transportation costs since the nation signed onto AGOA in 2000. It has been observed that, transporting a container across a 9, 882 km distance from Ghana into the United States of America, either by air or sea, inflicts significant costs to Ghanaian exporters.

The difference in distance between Ghana and the U.S (9, 882 km) is worth comparing to Europe which lies at about 5, 375 km distance away from Ghana. Given this huge gap difference, then, it will be plausible to argue that, trade relations with Europe (or the Asian countries) will be far beneficial (*once other conditions are properly met*) for Ghana than it is with the United States, since a distance of about 4, 507 km, including its related risks and transportation costs would be completely eliminated. In fact, this is the more reason why Beckerman remarks that, the significance of distance, in altering the pattern of trade, has always been an issue of concern²⁴. The academic literature amply reports that distance has a negative impact on bilateral trade by imposing severe transportation cost²⁵. Indeed, Limao and Venables

have further reported that, the huge transportation costs imposed by vast distances have restricted intra-African trade transaction from *west-east* to the *sub-regional* levels compared to other regions in the world²⁶. In another development, Clark and Don have reported that:

Container handling, port charges, and other shipping costs that are invariant with respect to distance can account for as much as seventy percent of international transport costs²⁷.

Moreover, it should be emphasized that, the kind of extortions, bribery and corruption that often accompany business transactions at the point of shipping goods in developing nations act to exacerbate the above problems. Besides, the exporters of labor-intensive products (like Ghana) are generally less capable of managing the costs of transport compared to those of capital-intensive products (like the U.S.) due to world price differentials and the frequent price fluctuations facing third-world exports. Thus, given the vast distance and the relative comparative advantage between the two trading nations in question, the adverse effects of port charges, container handling and transportation costs heavily tilt against Ghana more than the United States of America in this encounter.

That notwithstanding, countries such as South Africa, Mauritius, and Lesotho do not transport their containers *in spirit* into the United States of America. The academic literature shows that, each of these countries has chalked impressive gains since signing unto AGOA. And what is even more intriguing and fascinating is that, export products from these countries traverse a distance far greater than that of Ghana. In fact, others even reasoned that, Ghana's proximity to the U.S. extensively puts her far ahead of other AGOA beneficiary countries in Sub-Saharan Africa. Thus, while it will be improper to discount the impact of geographical factors outrightly, the problems with Ghana are, however, directly linked to institutional failures and lack of political commitment other than the former.

Moreover, how are local industries in both the United States and Ghana affected by this bilateral trade agreement? It is believed that trade relations between these two nations could work to protect the interest and growth of domestic industries in both nations. With the emergence of multi-lateral-trade agreements and their attendant deleterious impacts, however, international trade laws allow countries around the world to set up ‘contingency protection laws’ against external threats. The Law establishing AGOA presents one of the clearest examples of these protective measures.

If increased imports are causing or threatening serious damage to the U.S. apparel industry, the President is to suspend duty-free treatment for the article(s) in question²⁸.

This law is quite simple, straightforward and sits well in our case study. But the most intriguing question then is: how should Ghana respond in turn? It is often argued that, developing nations either lack or are unable to enforce these protective measures in their bilateral-trade-agreements with the super powers. But then if trade were conducted in the light of theoretical arguments, as proposed by the Ricardian Theory of Comparative Advantage, the Factor Proportion Model and others, much of these related problems could have been eradicated and eliminated out-rightly. “Give me what you have and receive from me what I can offer” is the simple rule that should govern the conduct of international trade. Some of the major criticisms leveled against these theories are that, countries do not specialize in one particular area of production anymore; neither do they export products relating to their factor endowments as it used to be. This is the beginning of trouble and the retrogression of industries around the world, particularly, in developing countries like Ghana.

In the case between Ghana and the United States, for example, the former is a labor-intensive state while the latter is a capital intensive trade giant. The United States of America further

possesses the power to produce both labor-intensive and capital intensive products. This ushers the U.S. a step ahead of Ghana. In the light of theoretical argument, however, the U.S. can only export capital-intensive products into Ghana while Ghana exports labor-intensive products into the U.S. in order to protect domestic firms in either country. If on the other hand this theoretical law is broken, then, per international laws and theoretical logic, the U.S. ought to set up such 'contingency protection laws' as a way of protecting her local apparel industries from the influx of similar products from Ghana. It should be observed that the law was directed against apparel products and not machinery since the U.S. is aware that most Sub-Saharan African countries do not manufacture nor export such capital-intensive products. On the side of Ghana, nonetheless, it will be hard to apply any protective measures against the U.S. because industries that produce U.S. exports such as computer software and hardware, turbines, airplanes, vehicle, inter alia, are simply not in existence in Ghana. And so, where should the law be applied and on which products? Therefore, Ghana can have no 'contingency protection laws' against the U.S., except in areas where the U.S. breaks a theoretical law to export other products such as oil, textile and apparel into Ghana. And so, since U.S. exports to Ghana are mostly things not manufactured locally, their negative impact on local industries, is somewhat diminished and weighed completely down. It will rather encourage the consumption of goods not manufactured locally. Given the necessary institutional and political backing, AGOA provides a crystalline opportunity (subject to some clauses in the upcoming pages) for propelling socio-economic development in Sub-Sahara Africa. However, China's exportation of textile products into Ghana has proven disastrous to Ghanaian local textile and apparel industries. And this is the clearest and most dangerous example of international trade contracted outside theoretical proposition and argument.

AGOA is highly political in the sense that, one is required to get “politics” right before enjoying the fruits of “economics”. AGOA, therefore, embodies both the American political ideology and its propagation around the world. This requirement has a lot of implications for Ghana. On the one hand, it has contributed towards the promotion of good governance and democracy in Ghana. This is because:

The Act authorizes the President to designate countries as eligible to receive the benefits of AGOA if they are determined to have established, or are making continual progress toward establishing the following: market-based economies; the rule of law and political pluralism; elimination of barriers to U.S. trade and investment; protection of intellectual property; efforts to combat corruption; policies to reduce poverty, increasing availability of health care and educational opportunities; protection of human rights and worker rights; and elimination of certain child labor practices²⁹.

This is the strong requirement that places the Ghanaian government under a surveillance which regulates to detect political misconduct and applies sanctions accordingly. It conferred judicial powers on the President of the United States of America to fire the nation when found wanting. For instance, on 1st January, 2011, the Democratic Republic of Congo lost its eligible status, and the Central African Republic, including Eritrea was removed on 1st January, 2004. Again, Cote d’Ivoire suffered this penalty on 1st January, 2005 and Mauritania was removed from the eligibility list on 1st January, 2006³⁰. From the preceding information, **1st January** has been designated as the judgment day for the deployment of sanctions against political miscreants in Sub-Sahara Africa. But while others lose their eligibility status, some are also enrolled at the same time upon demonstrating good behavior. In the light of this provision, then, if Ghana wishes to retain eligibility status and continue to enjoy the fruits of ‘economics’, then, she is hereby warned to observe the rules of ‘politics’ and keep them right. Thus, this provision serves

to strengthen Ghana's democratic credentials and ensures the attainment of socio-economic development in a sound political environment.

On the other hand, AGOA has the potential of, economically, stacking Sub-Saharan African states, like Ghana, in the mud. AGOA does not sanction Sub-Saharan African countries for poor economic performance as in the case of political misconduct. And so if Ghana is unable to cope with AGOA preferences she will simply give up trade with the U.S. and look for new avenues elsewhere or seek to intensify her trade relations with either the European nations or perhaps South East Asian states. Consequently, this will usher the nation into serious trade deficit and ultimately lead to the syphoning of her resources by the United States. For instance, U.S. exports to Ghana in 2013 and 2014 stood at \$982.49 million and \$1127.68 million respectively with a positive variation of 15% while that of Ghana's to the U.S. stood at \$365.84 million in 2013 and \$271.33 million in 2014, representing a variation of negative twenty six per cent (-26%). Export values in the previous years followed the same trend, with the U.S. accruing \$1,196.90 million in 2011 and \$1,309.25 million, in 2012 and Ghana \$779.04 million in 2011 and \$291.04 million in 2012. In fact, when in 2013 Ghana could only utilize 0.9% out of 31% of total AGOA-qualifying products, the U.S. did not sanction the country for this poor economic performance. And as we speak, Ghana is craving to sign the EPA agenda to allow her better take full advantage of the E.U. markets. Like the indications have started unfolding, in the absence of any technical and financial backing, liberal democracy may be achieved at the expense of economic development in Ghana.

Furthermore, AGOA does not promise Ghana, together with her economy and people a secured economic future, since her eligibility status can be terminated at any time in point. And then again, the drive towards the production and specialization of certain AGOA-qualifying

agricultural products in Ghana can be disastrous for the nation at a time when these products shall no longer be needed in the western world. We should be reminded that, today, Ghana is suffering from this same problem because colonial powers had pushed the nation to concentrate on the production of certain agricultural products (such as cocoa) to feed industries abroad. These products, no longer command higher prices as we speak. And the most intriguing aspect of it all is that, AGOA seeks to promise the nation some hope from these same products (though processed) that have lost significant weight at the international world/market. I think that the help should be given in the form of restructuring world prices of these products and cushion the nation to reinforce AGOA's export-led industrialization efforts **in strategic** areas. Otherwise, if her eligibility status is terminated or failure to renew AGOA in the future or loss of world prices for AGOA's products, then, overall gains shall retrogress rapidly and unemployment rate will resume with all its brutalities without mercy.

Another consequence follows as well. Two principal economic markets have been created under this bilateral trade agreement, one in the United States and the other in Ghana. The U.S. market receives cocoa, textile, and apparel products and the one located in Ghana is oversupplied with computers, turbines, airplanes, sophisticated medical equipment, vehicles, et cetera. As trade under AGOA eventually leads to the increase of living standards of both citizens in the two markets, citizens in the U.S. market will likely patronize less of Ghana's products while those in Ghana patronize more of U.S. products, because new brands are coming up each and every day. This act will eventually brainwash Ghanaians completely towards U.S. products to the extent that there can be no reverse in the future. The idea of *made in U.S.*, *made in Germany*, *made in Japan*, *Made in France* et cetera, as the original products already sits heavily in the minds of Ghanaians and no *made in Ghana* (if she finally takes off to produce capital intensive products

or articles) might convince them in the future. Furthermore, when AGOA finally terminates, the U.S. is likely going to survive without exports from Ghana, but Ghana will hardly survive without vehicles, computers, airplanes, turbines and the like. The simple question then is: what would have been the degree of the Ghanaian power situation if no turbine was imported? Thus, in as much as AGOA provides the clearest opportunity for free access into the international market, Ghana ought to be careful which area to specialize in order to sustain gains in the post-AGOA world.

Ideally, government policies designed to propel socio-economic development must be enmeshed in broader consultation with the beneficiary society in question. In other words, government projects and programs must be tailor-made in order to avoid a backlash in a given society. AGOA is a U.S. foreign policy designed to benefit Sub-Saharan African countries like Ghana. The idea can be likened to the Policy of Assimilation employed by the French colonial masters in French West Africa. AGOA construes Ghana as the extension of the political administrative unit of the United States of America, with all intent and purposes. In fact, it directly impacts both the political and economic lives of the people within the affected zone. Two key issues have come up for criticisms since its inception in 2000. One, AGOA's eligibility requirements have been fiercely criticized by the academic literature as being stern and uncompromising. Secondly, AGOA's Rules of Origin and SPS standards have equally been criticized on similar grounds by both the academic literature and some Ghanaian personalities who were interviewed under this research exercise. And that, the second factor, in particular, has worked to prevent Ghana from taking full advantage at the U.S. market. I ascribe part of the problem to differences in cultural outlook between the United States and that of Ghana. How?

For a long time, we know that Ghanaians were indoctrinated in the values and norms of the western world. They were made to discard their traditional attires and had since lost the skills for loomng them. In fact, the Westerners and Europeans have succeeded in penetrating the core of the Ghanaian society with their ways of life. And they are ever determined to maintain this status quo without reversing the order in all their dealings with Ghanaians, no matter what. For this reason, they have never, and will not, imbibed entirely our ways of eating, dressing, talking, and dancing as we have taken after them, mistakenly. But now, AGOA is asking these Ghanaians to loom dressings for the Americans to wear and get them food to eat as well. AGOA emphasized that; these dressings must be completely designed to meet certain standards as cherished by the Western world. AGOA further declared that, their foodstuffs and vegetable products must be cleansed as white as the wool in order to be accepted in the western world. And it must be stated categorically that, the high standards being required by AGOA means that the U.S. has completely relegated Ghanaian traditional clothing and their food products to the background. The skills needed to meet these international standards, too, are not just there. And this was the beginning of the complaints and grumbling of Ghanaians as the bar has been raised far above them. Indeed, the consequences for photocopying the cultures of others blindly amply manifest themselves under this North-South trade relation.

Having granted Ghana quota-free/duty-free access into the U.S. market, the nation is now pushing forcefully for further technical assistance and financial backing from the same U.S. in order to meet international standards. While Ghana's total eligible products constituted 31% in 2013, the country could only utilize 0.9% due to lack of capacity to meet overall international standards. Indeed, until something is done to streamline the U.S. initiative, AGOA will hardly benefit countries like Ghana. I think that the overall production process may have to be

fragmented to allow the nation export semi-processed AGOA products to feed the U.S. industries and still be qualified as though they were finished products.



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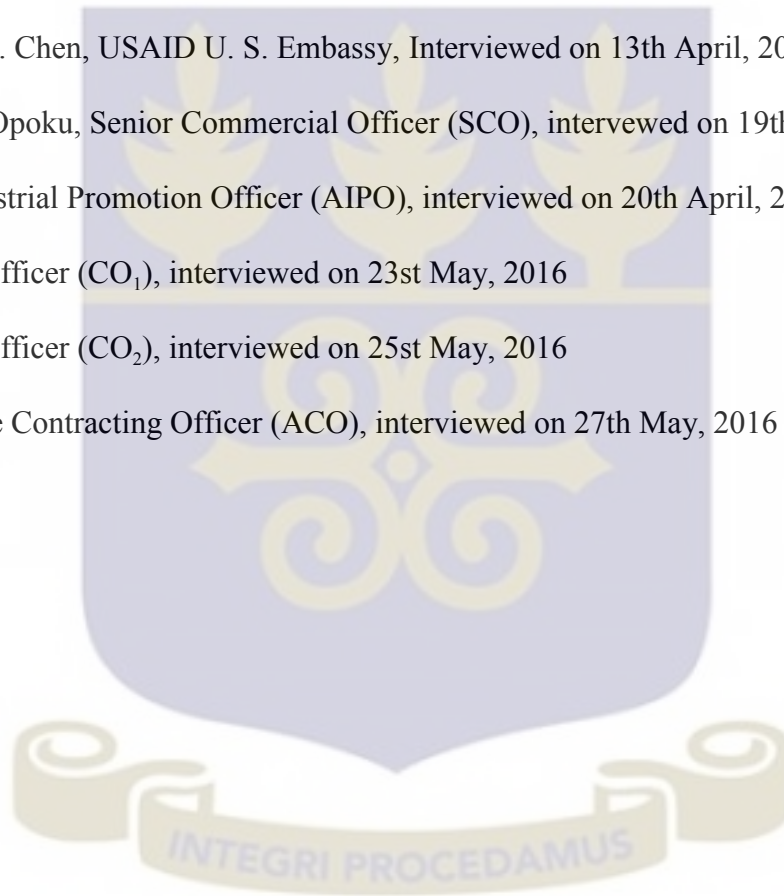
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3. Assistant Industrial Promotion Officer (AIPO), interviewed on 20th April, 2016
4. Commercial Officer (CO₁), interviewed on 23st May, 2016
5. Commercial Officer (CO₂), interviewed on 25st May, 2016
6. Administrative Contracting Officer (ACO), interviewed on 27th May, 2016



CHAPTER FIVE

5.0.SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.1.INTRODUCTION

This chapter seeks to discuss the summary of this work and give recommendations and conclusions based on research findings. Thus, the researcher's attention shall be devoted towards reviewing the impact of AGOA in Ghana since 2000. Nonetheless, the discussion will begin with a very brief and concise review of Ghana's inability to utilize the various opportunities after fifteen years under AGOA.

5.2.CHALLENGES (*observation from interviews*)

It has been observed that, the creation of a high-powered national coordinating body needed to support capacity building and make follow-ups on AGOA implementation strategies became a major problem for the first 15 years or so. In other words, the nation simply went to sleep after signing unto AGOA in 2000. In addition, local producers and exporters generally lacked the requisite skills needed to deliver the right products that meet AGOA preferences. Evidence shows that, there was no conscious effort made to upgrade general skill levels amongst the producers and exporters of the various sectors of production. The inability to trace the origin of goods in Ghana became one of the major problems during the first round. That is, the system that verifies the authenticity of the production processes 'malfunctioned' along the line in Ghana.

The nation encountered serious challenges relating to poor infrastructural development such as roads, electricity, communication networks, rails, among others. In fact, the frequent power

outages that overtook the country for over four years effectively truncated vibrant economic activities and the growth of small-businesses as well. The Ghanaian workforce generally lacked the skills and technical-know-how needed to contend with other competitors at the international market.

5.3.The Impact of AGOA in Ghana (observation from interviews)

Even though described as inadequate, AGOA has worked to deliver some positive results in Ghana. The research exercise revealed that farmers who really took advantage of the available opportunities at the rural areas made some gains for themselves and families. This assessment was informed by the fact that, most Ghanaian farmers are very much aware that Ghana has been exporting agricultural products long before independence. And in the view of some respondents, most of the products in which Ghana exports are horticultural and other cocoa products such as flowers, fruits, vegetables, and cocoa, sourced from the rural agricultural communities.

Again, AGOA has contributed to enhance the state's ability to undertake infrastructural development in Ghana. In addition, AGOA has worked to provide quite a number of job opportunities to absorb the unemployed population in both the rural and urban communities.

It has been observed that, AGOA has contributed to expand the frontiers of the private sector in diverse ways. Mr. Opoku noted that, the third-country fabric provision has enabled local industries to add value to export products by importing fabric and yarn from neighboring countries such as Benin, Burkina Faso, among others. Through AGOA, different participating companies in Ghana have had the chance to access the U.S. market for profit and connect with international trade partners. Again, Ghana benefits from importing capital intensive products

that are not manufactured by her domestic industries. In fact, U.S. exports such as machinery and vehicles help to facilitate transportation and sustain electricity generation (the turbine) in Ghana. Thus, respondents generally acknowledged that, Ghanaians benefit a lot from U.S. exports notwithstanding the trade deficit the nation has recorded against the U.S. over the past one and half decade.

Politically, AGOA has enhanced U.S.-Ghana bilateral relations over the course of the last fifteen years. Through its annual Forums, AGOA provides Ghana the opportunity to interact with both U.S. representatives and African political leaders on vital issues relating to trade and good governance. In the view of respondents, these interactions have contributed to strengthen Ghana's democratic dispensations and credentials in today's 21st century. To some respondents, AGOA has helped to instill some level of *obedience* to the principle of good governance in Ghana. Under AGOA, respondents generally reasoned that, Ghanaian political leaders have become more committed to the principle of good governance in order to avoid incurring the wrath of the United States of America.

On the negative side, it has been observed that AGOA contributes to worsen greenhouse gas emissions in Ghana. The views have been advanced that, carbon dioxide emissions from highway vehicles, airplanes and trains, collectively contribute to increase global warming and harm rainfall patterns and community life in Ghana. Even though respondents generally ruminated that the level of carbon dioxide emission in Ghana is very low compared to other advanced countries, yet, they reasoned that carbon dioxide emissions may increase in volume as trade between the two nations increase over time. In addition, it has been argued that, Ghana

would likely experience mass dumping of waste products under AGOA initiatives which may result in health hazards and other related problems.

5.4.RECOMMENDATIONS:

This sub-section presents the researcher's recommendations based on the research findings. Having come this far, it should be possible to recommend possible solutions that will feed into ongoing national policies. Hence, the following recommendations exemplify the researcher's point of view and suggested solutions to enhance Ghana's international competitiveness, especially in the post-2015 AGOA extension.

The enormous costs associated with poor infrastructural development, as stipulated in the studies, have the potential of damaging Ghana's determinations in the post-2015 AGOA world. If remained unresolved, they may even make matters worse by degenerating current achievements to absolute zero. In order to avoid a total backlash, it is extremely important for the recent energy crisis to be stabilized to allow the growth of small-businesses and major companies in Ghana. It is therefore recommended that the government should find alternative means to keep our industries and firms running 24/7, while adopting long-term measures to resolve the country's major source of electricity challenges. For the purpose of meeting short term-goals, then, the Karpower barge is hereby applauded as a major step forward. Ghana's energy crisis can greatly be improved if ordinary citizens learn to conserve energy in their various work places, homes, apartments, rooms, kitchen, bathrooms, and even in our bedrooms. Ghanaians need an attitudinal change towards the use of electricity and its conservation. While the government is under pressure to mitigate the energy crisis, we can cushion this effort greatly

by turning off all home appliances while we shall be away for work and vice versa. Again, the government should put in place sound policies to embark on a nationwide road construction that aims at meeting long-term goals. It is hereby advised that, the implementation of shoddy road construction by successive governments and their contractors must be put to stop and effort must be made to reassure Ghanaians of quality and not quantity. Often, governments have sacrificed sound-long-term-projects (SLTP) for shoddy-short-term-projects (SSTP) in order to be reelected into political offices. This is rather unfortunate.

In addition, it is important for Ghana to strive and keep the U.S. sanitary and phytosanitary measures. The bar will never be lowered down, no matter what. Tactically, it seems that the U.S. uses these standards to ward off *too much* in her market. AGOA is a policy designed to usher Sub-Saharan African counties into serious competition with one another. Given the previous level of mediocrity, how can Ghana improve upon the general prevailing skill levels in the Ghanaian workforce? Three possible ways have been suggested here. The first two may serve to resolve the short-term problems facing the country, while the last one contributes towards long-term targets. One, there must be some form of education to sensitize Ghanaian producers and exporters on U.S. SPS standards. In fact, the kind of education suggested here extends to include building the capacity of local producers and exporters after they have been sensitized. Two, I think that the overall production process may have to be fragmented to allow Ghana export semi-processed AGOA products to feed the U.S. industries and still be qualified as though they were finished products. And final, the state should equip existing educational institutions of all the necessary apparatuses with well-upgraded teachers, and should refrain from extending empty educational infrastructure across the country. Scholarships should be awarded to needy but brilliant students and enrollment should be backed by legal force. In fact,

Ghana needs a system that emphasizes the entrepreneurial and technological aspect other than the current social-science based system of education.

The problem posed by international transportation costs also emerged as one of the major critical issues during the discussion. It is important to note that, AGOA does not extend coverage to international transportation costs and, therefore, all exporters will have to find their way out. The two major routes used for transporting containers are either by air or by the sea. It is recommended that Ghanaian exporters should consider transporting their containers via the former other than the latter. Research has shown that, air transport costs have reduced massively with the invention of the jet engines in the past decades. In addition jet engines are more reliable, faster, and consume less fuel than the outdated piston engines. Thus, the opportunities for reducing costs by air transport could be explored more in the post-2015 AGOA world.

The impact of AGOA in the lives of the rural folks is far less compared to those in urban areas. Some people, perhaps, may not have even heard of the name, **AGOA**, let alone tell what it stands for and how it impacts their lives. Often, government attention is geared towards maximizing output in the textile and apparel industries at the expense of the agricultural sector. It is hereby recommended that Regional and Sub-regional AGOA Implementation Committees should be created to help raise awareness about the benefits of AGOA at the rural areas. In most cases, the processing of agricultural products for export begins after the products have been transported into urban areas. This is a mistake. The awareness of farmers on the production, processing, and transportation techniques should be raised from day one and the necessary support should be given as early as possible.

High interest rates charged for contracting loans have the potential of stalling business activities in Ghana. Financial institutions can contribute immensely to ignite the growth of businesses by keeping the cost of capital low. When businessmen and women alike can be assured of low interest rates with better terms and conditions for making repayment, the scope of economic activities will be expanded and more jobs will be created as well. Therefore, it is hereby recommended that, financial institutions, such as the banks and credit unions, should open up their doors by way of granting soft loans to those who possess both the bravery and requisite skills for venturing into the world of business. This will go a long way to keep existing businesses running and promote the creation of new ones in addition.

AGOA is a U.S.-designed foreign policy and this fact alone makes the technical assistance of the United States of America inescapable. Certainly, the implementation of AGOA will prove disastrous in Ghana if the U.S. fails to append the appropriate technical and financial backing to the designed policy on the ground. This fact is amply substantiated by the results of the performance appraisals conducted by this research to ascertain the impacts of AGOA in Ghana since 2000. In the light of this calculation, it is hereby recommended that, the U.S. should kindly extend her magnanimity to include the appropriate technical and financial backing needed to make the designed policy a success in Ghana.

No matter the proportion the country radiates, the struggle to overcome the negative consequences of global warming requires Ghana to congregate with the rest of the world in controlling the volume of greenhouse gases emission. It requires some degree of political commitment in passing legislations that superimpose a quantitative limit on industrial emissions. There must also be some concerted national effort geared towards managing our natural forests and commissioning tree planting exercises to help absorb the amount of carbon

dioxide in the atmosphere, naturally. Therefore, it is hereby recommended for the state to establish regulatory bodies to monitor and control the rate of carbon dioxide emissions from our industries and firms. It is also recommended for the state to put in place sound measures to undertake serious and continuous tree planting exercises across the country. In order to properly achieve these objectives, it is important not to politicize issues when developing policies and programs to control carbon dioxide emissions in Ghana.

There must also be a national effort intended to control and manage dumping of waste products in Ghana. Some research shows that industrial waste, both hazardous and non-hazardous, can be buried in well-structured underground depressions. Again scrap metals and other waste products can be gathered up and used as raw materials to either feed local industries or be exported to feed industries abroad. In addition, Ghanaian citizens need to be given sound education on how to manage waste products at the local, district, regional, and national levels. Sound education will enable some individuals to avoid the dangers associated with dismantling the computer CPU and other metal scraps ignorantly. This is important because most children in our communities see this act as a fun. It is hereby recommended that government agencies at the local, district, regional, and national levels should devise sound ways of reaching out to the rural and urban communities in order to sensitize them on proper waste management methods.

Finally, given the outcome of this research, would the researcher dare to recommend the ratification of the Economic Partnership Agreement (EPA) *in haste* for Ghana? There is certainly some suggestion the researcher can offer. I will begin by first commenting on the view point of a former Ghanaian Deputy Minister for Trade and Industry, Mr. Murtala Mohammed. The country relished a duty-free/quota-free penetration into the EU markets under the Market Access Regulation, and further enjoyment after 2014 depended on her eager readiness to sign

the highly criticized EPA agenda with the E.U. In the midst of a nationwide consternation, the Ghanaian Minister contended that, it was important for the country to sign the EPA in order not to destabilize Ghana's penetration into the E.U. markets after 1st January, 2015. Well, he was right. But Ghana could not have opened up completely for the E.U. when the country had not specialized enough to compete with this trade giant. Granting Ghana a quota-free/duty-free access to the E.U. market for a stipulated time period and using that as the basis for a final ratification of the EPA could prove disastrous for Ghana. That thing could have been used as a snare to entrap Ghana, knowing very well that the country will be unable to specialize or do her homework well by the end of the ultimatum. Therefore, signing the EPA agenda is possible provided that the following condition could be met. That: the E.U. will refrain from exporting those products that have the potential of damaging burgeoning firms in Ghana. We will have to stay alert and never jeopardize nor compromise the future of our country to serve the interest of nations that have already developed and only seek riches in profusion. It is hereby recommended that, Ghanaian politicians should be guided by theoretical propositions in their actions and inactions.

5.4.1. Conclusion:

Signed into force on 18th July, 2000, AGOA officially terminated in September, 2015. In order to demonstrate U.S. unwavering commitment towards alleviating abject poverty in Sub-Saharan Africa, AGOA was extended to last for the next one decade at a forum held in Gabon in August, 2015. Since its inception in 2000, the challenges impeding progress have varied across each country and the way forward was to be determined by each country as well. In the case of Ghana, some contributory factors that explained her poor performance are lack of a high-powered national AGOA coordinating body, poor infrastructural development, and low skill

levels among others. In the midst of these challenges, however, the records reveal that there have been some positive gains that the nation accrued under AGOA initiatives. And what is even more remarkable about this U.S.-Ghana bilateral trade is that, AGOA does not exert any negative influence on the activities of local industries and firms in Ghana.



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INTERVIEWS

1. Assistant Industrial Promotion Officer (AIPO), interviewed on 20th April, 2016
2. Administrative Contracting Officer (ACO), interviewed on 27th May, 2016
3. Commercial Officer (CO₁), interviewed on 23st May, 2016
4. Commercial Officer (CO₂), interviewed on 25st May, 2016
5. Mr. Richard X. Chen, USAID U. S. Embassy, Interviewed on 13th April, 2016
6. Mr. Mickson Opoku, Senior Commercial Officer (SCO), interviewed on 19th April, 2016



Appendix

THE INTERVIEW DISCUSSION GUIDE

GHANA'S TRADE RELATIONS WITH THE UNITED STATES OF AMERICA: A CASE STUDY OF THE AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA)

INTRODUCTION:

This section includes an introduction of the researcher's topic and a brief overview of the Statement of the Research Problem. Respondents will be briefly enlightened on the central purpose for which this research is being conducted. Again, respondents will be made to understand that, their views and opinions would be greatly appreciated in this study. The answers they provide, too, will be highly confidential and used for academic purposes only.

BACKGROUND:

1. Gender: Male..... Female.....
2. Age.....
3. Institution.....
4. Position.....

INVESTIGATE THE GENERAL BACKGROUND OF THE AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA)

5. Who makes decision regarding the implementation of AGOA in Ghana?

How are these decisions made in Ghana?

6. Who is to be blamed when these decisions do not yield fruits?
7. Some scholars have argued that, the decision on the part of developing countries to enter into free trade relations with the developed world is a mistake. According to them, third

world countries generally do not have what it takes to compete favorably with the developed world. What is your opinion on this matter?

8. On the other hand, there are those who assert that free trade relations with the developed world tend to favor developing countries. Do you also agree with this assessment?
9. Based on your answers to question 6 and 7, would you describe Ghana's signatory to the Act (AGOA) as a mistake, given the fact that the nation has recorded serious trade deficits against the U.S. throughout the period under review? Please give some explanations
10. What is Ghana's leading export products into the U.S. market under AGOA?

INVESTIGATE THE GAINS MADE SINCE GHANA SIGNED UNTO AGOA IN 2000

11. Would you describe the gains made, so far, as satisfactory, in terms of:
 - infrastructural development?
 - the ratio of U.S. foreign direct investment in Ghana?
 - Ghana's performance in relation to other AGOA beneficiary countries in SSA?
 - Job creations or employment opportunities for the citizenry?
 - inter-regional trade with other African countries under AGOA?
 - revenue generation
 - the benefits of U.S. exports into Ghana
12. Would you describe the gains made, so far, as satisfactory, in terms of enhancing/promoting:

- diplomatic ties with the U.S. and other Sub-Saharan African countries?
 - good governance in Ghana?
13. On the other hand, do you think that AGOA has contributed to undermine/infect:
- Ghana's political sovereignty?
 - Ghana's local industries?
14. Are there some U.S. imports that Ghana restricts for security or any other reasons?
15. Are there specific areas of investment that the Ghanaian government seeks to prevent U.S. investors from venturing in order to preserve for local investors under AGOA? If so, please state and give some reasons
16. What are some government laws/regulations, aside Intellectual Property Right laws, which U.S. investors must abide by in order to be able to do business in Ghana?
17. What challenges do U.S. investors face under these laws?
18. Based on your answers above, do you think that the laws make starting a business difficult in Ghana? Please explain
19. How do Ghana's relations with the E.U. (EPA) and the WTO affect her trade relations with the U.S. under AGOA?
20. How do the following affect U.S. exports in Ghana?
- a. Ad valorem tariffs (computed as a percentage based on the value of items)
 - b. Specific tariffs (fixed)
21. Do you think that AGOA has contributed to worsen dumping of waste products in Ghana?
22. What is your opinion about the impact of greenhouse gas emissions in Ghana under this trade relation with the U.S.?
23. Compared to other AGOA beneficiary countries in SSA, Ghana's performance under AGOA is nothing to write home about.

- Do you think that Ghana has not been able to make positive impacts because she is unable to compete with other competitors with similar products at the world market? In other words, do you think the nation has not been able to get her comparative advantage right prior to this trade with the U.S.?

INVESTIGATE THE CHALLENGES GHANA HAS ENCOUNTERED SINCE SIGNING UNTO AGOA IN 2000

24. Would you describe the Ghanaian AGOA National Implementation Committee as active or dormant?

Can you please give some explanation in either case?

25. What challenges does the country face with respect to AGOA rules of origin?

26. What challenges does the country face with respect to AGOA eligibility requirements?

27. How do the U.S. SPS standards pose a threat to Ghanaian producers and exporters?

28. What do you think about the participation of AGOA stakeholders in Ghana?

- are Ghanaian producers and exporters active or dormant?
- does this participation have a broader base or extends to include even those at the rural areas?
- what do you think is their major problem (the producers and exporters)?

INVESTIGATE THE WAY FORWARD IN THE POST-2015 AGOA EXTENSION

29. How can the National AGOA implementation Committee (*NAIC*) contribute to enhance Ghana's performance in the post-2015 AGOA extension?

30. Which export products, in your opinion, do you think Ghana can do better in the post 2015 AGOA extension?

31. Do you think that extending coverage to AGOA eligible products for Ghana will prove beneficial? In other words, why not concentrate on those that have been enlisted? Please explain

32. What do you recommend should be done in order to improve upon U.S. Sanitary and Phytosanitary measures in Ghana?

33. What do you recommend should be done to enable Ghana attract more U.S. foreign investment?

Thank you so much!!!

