

## American Democratic Support to Ghana's Fourth Republic: Assistance or Encumbrance?

Isaac Owusu-Mensah

Department of Political Science, University of Ghana, Post Office Box LG 64, Legon

[iomensah@ug.edu.gh](mailto:iomensah@ug.edu.gh)

### ABSTRACT

The end of the Cold War ushered the world into a new sphere of democratic governance. Citizens in developing countries began actively contributing to the democratic process by demanding probity and accountability within existing governance structures. The international donor community complimented their efforts by responding to the challenges of the new 'wave' of democratisation in the late 1980s by embracing democracy assistance as a core priority. In January 1993, Ghana inaugurated its Fourth Republic – a transition fraught with challenges that continue to blight the development of a democratic culture. In response to these challenges, the American Government stepped in, with financial and technical support, to assist Ghana in mitigating the stalling of democratic development. While democracy aid has been caught in a myriad of criticism regarding such issues as conditionalities, through the use of matched-area comparison, it is concluded that the USAID-initiated ECSELL and GAIT programmes have positively increased local level democratisation in Ghana by strengthening the capacities and abilities of civil society.

**Key Words:** America, Ghana, Democracy, Democratic Support, Civil Society.

### INTRODUCTION

The people of Africa whole-heartedly supported the struggle for independence against colonial rule and foreign domination. Independence was satiated with promises and hopes to make Africans masters of their own destiny, fulfill their aspirations for a better life, facilitate socio-economic development and result in a definitive end to the insalubrious conditions of squalor, superstition, avoidable disease, ignorance, malnutrition and poverty. It was also expected that Africans would be wholly in charge of their affairs and decisions would be built on African concepts of consensus building. Such hopes, however, have proven dependent on the ability to democratize because economic growth requires some sustained income and productivity (Mobarak 2005: 1).

Since independence in 1957, Ghana has embarked on four attempts to achieve a workable democratic government. In 1959, it emerged as one of the first (de facto) post-colonial one party states in tropical Africa. In 1969, after suffering from a military coup d'état, Ghana led the region by returning to constitutional government in its Second Republic, and transitioned to its Third Republic in 1979. In January 1993, the country again established a precedent when it became the first Sub-Saharan country to elect a democratic government for the fourth time. With the establishment of Ghana's Fourth Republic, the democratization process had begun. However, the process was, and still is, fraught with challenges which blight the development of a democratic culture.

Ghana was not alone in this process of democratisation. By the end of 1990, and as a result of the end of the Cold War, most African countries, whether through domestic or international pressure, were liberalizing autocratic regimes and moving towards participatory democracy where citizenry could hold leadership to account for their action and inaction through periodic elections (Clapham 1993: 424). In spite of desirable prospects of a potential good political governance to thrive in Africa, the continent fails to boast of full utilisation of these potentials as a results of huge demand of enormous human, material and technical resources required within the democratic process (Chabal 1998: 191). Such resources have failed to be attained by many African governments as a result of a wide spectrum of social, political and economic problems ranging from continuous war to extreme poverty, worsening terms of trade, drastic reduction in social welfare programmes, rising unemployment, rampant corruption and economic mismanagement, inadequate and inappropriate policies and practices, poor distribution mechanisms, deteriorating infrastructures, and the ravages of AIDS and other pandemic diseases (Boafo-Arthur 2008: 52). These social, economic and political demands and realities greatly compete with the national governance budget in respect of institutions mandated to undertake democratic development obligations. These constrain political actors with limited funding options in respect of supporting state governance institutions, consequently civil society groups must rung in to support the governance institutions to perform.

In an effort to address these resource issues and support the process of democratization, international aid has become a constant and, in many ways, a necessary support mechanism. Historically, Africa has received more per capita aid from the international community in the form of official development assistance than any other region in the world (Leonard & Straus 2003). According to Diamond (2004: 263), well over half of all

African states were receiving at least 10% of their Gross National Product (GNP) from foreign aid by the late 1990s, which also accounted for over 50% of African government revenue and 71% of public investment. Leonard and Straus (2003) have calculated that most African countries received more in development assistance than they collect in tax revenue. Dependence on external financial aid to support government processes remains a stark reality for a number of African countries transitioning to, and maintaining, democratic rule. Such reality, however, has created dichotomous opinions regarding whether external support in the form of donor aid is a help or hindrance to the process of democratization.

The US is a major player in providing donor aid to support processes of democratization. The US began channeling funds and resources to Ghana's democratization process in the form of USAID funded projects. Questions have arisen over American interventionist strategies and actual intent due to conditionalities attached to aid (Brown 2005:180). Many scholars (Knack 2004: 252; Goldsmith 2001: 125; Djankov *et al.* 2008: 169) argue that foreign aid does little to promote democracy. Others (Finkel *et al.* 2007: 405), however, continue to affirm the efforts American aid strategies are making to democracy promotion. Thus, the central problem examined is the impact democracy assistance has made in the democratization process in Ghana's Fourth Republic. Specifically, what is the impact of support provided by the US to promote civil society at the local level in Ghana? In order to address such question, a number of factors will be considered; the extent to which resources activate civil society into political action; the extent to which these funds support the effectiveness of civic groups to function at the local level; the extent to which this assistance supports civil society's capacity building and networking within local governance.

Despite criticisms to American aid initiatives, American assistance in support of Ghana's democratization process has proven successful with respect to its support of local level governance. Such conclusion has been drawn from research surrounding two specific USAID funded programmes – Enhancing Civil Society Effectiveness at the Local Level (ECSELL) and Government Accountability Improves Trust (GAIT) - both of which were designed to increase the level of transparency and accountability in District Assemblies (DAs) and increase the abilities of Civic Unions (CUs) to advance the cause of other members of the civil society.

#### METHODOLOGY

The study adopted sequential mixed method to solicit the required information from respondents. The study adhered to strict methodological standards in the selection of respondents to ensure that views expressed by the sample reflected the perspective of the entire population. To achieve this objective, multi-stage and multi-phase sampling procedure were employed to collect primary data from the field. The study adopted two methods of data collection

- Survey
- Structured interviews

The study divided the work into three phases for the purposes of data collection. The first phase of data collection included investigation at the offices of USAID and other implementing agencies such as, the International Foundation for Election Systems (IFES), the National Democratic Institute for International Affairs (NDI), and the Cooperative League of the United States of America (CLUSA). This was done through structured interviews. The American Embassy and USAID offices in Accra, as well as other democracy assistance actors in Ghana were interviewed to collect and elicit information.

The second phase involved administration of 165 questionnaires of six different outlines at the district level where USAID had implemented democracy assistance programmes. The country was divided into three clusters. Cluster one, Northern Ghana made up of Upper East, Upper West and the Northern Region. Cluster two contained the middle belt comprising the Brong-Ahafo Region, the Ashanti and Eastern Regions and cluster three, Southern Ghana, made up of the Volta, Greater Accra, the Central and Western Regions. The study purposively selected Nadowli, Wa and Damango districts to represent the Northern cluster, Berekum and Techiman to represent the middle belt and Ga, Dangbe East and Dangbe West for Southern Ghana. The selection of the districts was determined after critical demographic and political assessments of the features of the districts. It was influenced by the voting pattern, vibrancy of civil society activism and overall District Assembly-society relations. The selection was further influenced by the implementation of the ECSELL and GAIT programmes. In each cluster, one district that benefited from both programmes and a district that benefited from single programme were selected. The structured interviews and administration of questionnaires were conducted at the community and district levels.

The third phase involved interviews with the District Assembly staff. The study sought the views of the Assembly staff who were directly involved in the project and staff, which were not connected to the project. The objectives of these interviews were to ascertain holistic information about the project and to reduce the level of

prejudice. The secondary sources of data collection include perusals of official documents at the Assemblies, offices of IFES, GAIT and USAID, and some civil society organizations, implementing agencies, and other relevant stakeholders, who contributed to democratic transition and consolidation in Ghana. The Annual Reports, evaluations and various assessment reports were consulted.

#### **THEORETICAL FRAMEWORK**

Democratisation theories, and those which focus specifically on the relationship between a country's level of, or ability to, democratise and the mechanisms supporting those processes, have been central debates within political thought (Dahl 1997; Drah 1993; Ninsin 1993). Such theorists have examined specifically the conditions which make regimes or political systems more vulnerable to manipulation by the political elite and whether such factor affects their level of democratisation. Generally, theories have been divided into internal and external factors and theories which influence democratic development.

##### *Domestic/Internal Theories*

Structural theory suggests that the existence of structural prerequisites disposes a society towards democracy (Lipset 1959; Vanhanen 1990). Once these conditions are met, democracy would flourish. The absence of these fundamentals, however, undermines the growth of democracy. Accordingly by developing aspects of complex characteristics of economic and social structures in the context of legitimacy and economic development, a country's democratisation process is expected to be accelerated (Lipset 1959). There is significant relationship between education, religion and income levels as well as the level of expected democratic progress to be made by a country. Thus, it is argued, democratisation is best achieved by internally developing social structures (Olson 1993; Midlarsky 1997).

Comparatively, proponents of cultural theory (Almond & Verba 1963; Inglehart 1988; Diamond 1992; Almond & Powell 1993), explain the emergence and growth – or lack thereof - of democracy in a given country by identifying three types of political culture; parochial culture - referring to a situation in which citizens are not aware and do not participate in the political system – subject culture – in which people are aware of the political process but do not participate in the system - and participant culture – where people are aware of the political process and indeed participate in the political process and system. A mix of these cultures constitutes the civic culture of a society which determines 'associational behaviour, tolerance, and interpersonal trust' (Al-Momani 2003: 45). Thus, certain cultural practices, quite obviously promote democracy while others obstruct its growth. Contextualizing the culturalist perspective, Maxwell Owusu (1972) has observed that, political culture encompasses the total environment of ideas, beliefs, perceptions, attitudes, values, judgments, sentiments and expectations that shape, define and sustain the relationship between leaders and the led as well as politicians and the constituents.

By contrast, process theorists (Huntington 1993; Rustow 1970; Przeworski 1986) explain democracy as the end product of several developmental stages – economic growth leading to political development, which in turn transitions into modernization and ultimately democracy. Such processes require adherence to these sequenced transitions and, as Huntington (1993: 5) argues, are a lengthy process. Thus, reversion from such process would impede the growth of democracy.

Within process theory, Rustow (1970) and Przeworski (1986) emphasize the catalytic role of elites in the democratisation process. The power held by elites ensures their influence on societal conditions and rules as well as changes in the formal and informal structures of the political system. Thus, in order for democracy to thrive, elites must agree on democratic goals and norms as a mechanism for the distribution of power and resources in the society and on an effective system to institutionalise conflict (Przeworski 1986: 41-63). More relevant to this study, however, are theoretical perspectives which focus on external dimensions of democracy promotion.

##### *International/External Theories*

The external dimension of democratisation can be divided into two theories; military interventionism and financial theories of democratisation. These two theories are the principal blocks explain democratic development of a country with external support. The American support to Ghana's democratic development must be explained within the context of one of these theories.

Based within realism, military intervention theory suggests the behaviour of states is seen as the pursuit of national interests governed by the use of power; specifically, democracy is obtained through external intervention (Talentino 2005: 19). Regime change through the use of power by an external force is justified through contention that the regime is illegitimate.

According to military intervention theory, a state can employ any means to pursue its foreign policy objectives so long as such means are in line with the overriding goal of security and survival (Evans 2006). While the use of direct military intervention is principally used for the purposes of national survival or high-

priority goals such as humanitarian grounds and the promotion of human rights, most often it has been employed as a last resort to achieve foreign policy objectives as it is seen as both expensive and risky to implement (Evans 2006).

While military interventionism has its roots in Thucydides through Machiavelli, it has been discredited in democracy literature as a coercive tactic for rich, powerful, industrialised states to exert power over poor, less powerful states (Lowenthal 1991). The objective of such behavior is an effort to compel poorer states to act in a manner which is in the best interest of rich countries or to behave in a manner in which powerful nations considers permissible in the international system (Jamieson 2005). Such stance is supported by Lowenthal's (1991) research on the US's use of military intervention as a foreign policy tool. American 'efforts to promote democracy through military intervention have generally yielded negligible, often counterproductive, and only occasionally positive results' (Lowenthal 1991: 261). According to Whitehead (1991: 234) there is a grave contradiction in a state compelling other independent states to be free. Thus, democracy must be built on foundations of popular sovereignty and freedom of the people to determine their own future rather than imposed by outsiders (Whitehead 1991: 234).

Comparatively, financial transfer theories support the growth of democracy from an external agent through the use of financial and technical aid (Al-Momani 2003). Financial transfer theory suggests that states are capable of determining and influencing political systems and political classes of other states to the extent of changing a regime without the use of the military (Al-Momani 2003). Thus, rather than military might, resources are capable of changing ideas, ideals and values. Such change is conducted within one of two strategic theories - Foreign Direct Investment (FDI) and Foreign Aid theories of democratisation.

Foreign Direct Investment (FDI) is an investment made by a foreign individual or organisation in productive capacity of another country. It involves the transfers of assets or intermediary products within the investing enterprise without any change in ownership. Foreign direct investment (FDI) theory suggests there is a direct correlation between the level of democratisation and that of FDI in a country (Quan & Resnick 2003). While FDI does not initiate democracy, it facilitates the development of democratic institutions such as structural features of recipient countries since it is the dividend of good governance. A country's attractiveness to foreign direct investment is contingent on the nature of its political system or governance (Quan & Resnick 2003). Thus, investors generally consider a political system, where an independent judiciary protects their investment rather than adjudicate cases. Consequently, developing African nations have acceded to such assessments as the African Peer Review Mechanism to advertise their democratic credentials as a mechanism to persuade investors.

Olson (1993: 567-576) argues that such criterion as an independent judiciary and electoral programmes help to guarantee property rights and, hence, ensure that investments are secure long term. Thus, investors favour such regimes because their assets are shielded from predatory dictators.

In contrast, O' Donnell & Schmitter (1986) suggests that rather than supporting democratisation, FDI hinders such growth due to the intimate relationship between investors and political leaders. Competition for investment ensures that investors are given preferential treatment with regards to wage, labour and taxation leeway at the expense of the rights of citizenry (O'Donnell & Schmitter 1986).

Comparatively, a second component of financial transfer is foreign aid theory which argues developed democracies provide direct and indirect material and technical assistance to transitional countries to sustain these countries in democracy building – such as building credible elections and democratic institutions with the objectives of invigorating democratic growth (Garvey 1966).

Williamson and Haggard (1994: 526) consider foreign aid an external incentive to reward new and growing democracies in their embryonic stage and support regimes in stabilising their internal politics and thus, citizen rights. Similarly, Apodaca and Stohl (1999: 185-198), adopting foreign aid as a dependent variable and human rights record as independent, examined the relationship between human rights and US bilateral foreign aid over a period of nineteen years (1979-1996). They conclude that with the exception of the Clinton administration, human rights played a critical role in determining whether a country qualifies as a good candidate to receive aid and the amount of aid so received (Apodaca & Stohl 1999: 197).

Regan (1995: 613-628), however, using the same framework, investigated the effect of aid on changes in human rights records of countries supported by the Reagan and Carter administrations. The study established that, economic and political aid had no discernible effects on the human rights records of the recipient country and incapable to determine its political system.

Similarly, Al-Momani 2003 study assessed the impact of US foreign aid on emerging democracies over an eighteen-year period (1976-1994). While the study covered a large scope - 174 developed and developing countries - the findings indicate comparatively little impact of international financial transfers on level of democracy (Al-Momani 2003).

Additionally, Finkel *et al.* (2006) studied the effects of US democracy assistance on democracy building – specifically the growth of democratic values and institutions. While again a large sample was studied - 195 countries over a period of 13 years (1990-2003) – conclusions found that there was general growth in all countries studied. Thus, the positive impact of foreign aid on democratisation is modest in nature (Finkel *et al.* 2006).

Despite these findings, in determining the effects of American aid on Ghana's democratisation process, foreign aid theory is best suited. By evaluating the role of American aid – the independent variable – on the growth in democratic development in Ghana - dependent variable – conclusions can be drawn with regards to the effectiveness and validity of such support.

#### DEMOCRACY AID DEBATES

Funding democratisation is the result of the international donor community's response to the challenges of the new 'wave' of democratisation in the late 1980s (Santiso 2000: 1). Embracing democracy assistance as one of its core priorities, the international donor community actively shapes national democratisation processes. Diamond *et al.* (1999) suggest that such molding is proactive by stating that

[p]erhaps the most distinctive feature of the third wave...is the considerable contribution that international actors have made to democratic development by enhancing the resources, skills, techniques, ideas, linkages and legitimacy of civil society organizations, civic education efforts, the mass media, legislatures, local governments, judicial systems, political parties, and elections commissions in the developing and post-communist worlds. The prospects for democracy in the world will be much brighter if these many currents of practical engagement are sustained, refined and widened (171).

The catalogue of programmes targeted by democracy assistance is extensive, ranging from electoral assistance supporting free and fair elections to reform of government institutions through constitutional engineering to security sector reforms and the strengthening of civil society organizations (Crawford 2001: 89). While certainly each of these can be proactive steps towards democratisation, motives behind their implementation and the way in which programmes are carried out determines the actual benefit to the receiving country and citizenry (Carothers 1997: 110).

International donors have increasingly provided donor aid in support of democracy promotion since the end of the Cold War (Diamond 2004). Diamond (2004: 264) theorizes that aid to the developing world is driven by a long-standing development model which assumes the missing key ingredient for development is finance. This developmental economic model further postulates that if external donors provide the needed resources to fill the gap between a country's own capacities and the required level of investment, economic development would take place (Diamond 2004: 264).

Comparatively, Karl (2000), citing examples from Nigeria, Angola, the Democratic Republic of Congo and Cameroon, argues that the core problem obstructing economic development in Africa is not the lack of resources - though that is a grave quandary to many countries on the continent - but the inefficient management and allocation of available resources to ensure equal benefit between citizens. What is required, therefore, is a well-developed system of checks and balances rather than continual influx of funds (Karl 2000).

Despite the foundational differences in the process toward democracy, what is apparent in both positions is that the proposition that a country's democracy is intricately linked to its ability to develop economically. While such position has certainly been as the basis for such policies as the Structural Adjustment Programmes (SAP) of the 1980s, the results of which suggest that such development practice seems at odds in today's 21<sup>st</sup> Century knowledge economy. Yet, despite this new knowledge, funding democracy by encouraging economic development continues across the world. According to Carothers (2000), the American Government has consistently devoted US\$500 million annually to fund programmes that promote democracy globally since the mid-1980s. These resources, ranging from small-scale civic education assistance to massive multilateral collaboration, are meant to fund programmes designed to fortify democratic institutions, processes and ideals in the targeted countries. These perspectives provide the required direction and framework for the paper.

#### AMERICAN DEMOCRACY ASSISTANCE AND FOREIGN AID

The genesis of the US' international development assistance can be traced to the end of World War II with the formation of the European Recovery Programme of 1948 - also known as the Marshall Plan. The Marshall Plan was motivated by a combination of humanitarian concern, strategic efforts to curtail Soviet influence in Eastern Europe and the need to restore the European market for American goods (Zimmerman 1958). By October, 1951, the US' strategy had shifted to military aid and defense assistance and, to a lesser extent, economic and food aid in the form of the Mutual Security Administration (MSA). Communist fears, real and imagined, propelled and nurtured the growing importance of the MSA (Zimmerman 1958). MSA economic project components were designed to utilise large sums of money to build economic structures and political

alliances abroad deemed necessary to subvert the spread of communist ideals (Zimmerman 1958). It was not until the beginning of the 1980s that democracy promotion became one of the four core priorities of US foreign aid programmes (Carothers 1997: 120). While the rise of democracy aid during the period was the result of President Reagan's anti-communist policies, this foreign policy has been followed by all successive US governments.

#### *Models of Implementation*

The concept of democracy embarked on by the US is characterised as institutional modeling. The philosophy of institutional modelling is to nurture socio-political institutions of democracy in a developing country in a manner resembling the counter-part in western countries (Carothers 1997: 116). According to Carothers (1997: 116), democracy assistance is consequently meant to facilitate such modelling processes. However, the strategy of institutional modelling faces two limitations to democratic development; Americanisation and the failure to recognize local political structures.

Campbell *et al.* (2004: 11) defines Americanisation as 'the cultural, political and economic influence of the USA which shapes the way in which people perceive and understand difference. Thus, democracy assistance aims to strengthen endpoints of institutions to function with the requisite inputs and resources in a form similar to that in the US without consideration of alternative forms and types of democracy (Campbell *et al.* 2004: 11). US democracy support promotes an independent and robust legislature which oversees the responsibilities and actions of the executive branch of the government. Increasing accountability through such venues as alternative media outlets – that is private ownership of media as an alternative to government-owned operations – detaching race and religion from political affiliation, strengthening the capacities of trade unions to increase bargaining power are all further elements of the US's model of democracy promotion abroad (Campbell *et al.* 2004).

Yet, adhering to this framework of power division, separation of state and privatisation, ensures policy-makers discard and devalue the distinctive qualities of cooperation between the legislature and the executive; a cooperation Bofo-Arthur (1998) argues is essential in early stages of democratic promotion. The results of such framework can be detrimental to a country's successful transition to democracy as was the case in Ghana in 1979 where, as a result of separation of power, the national budget and economic policy was not approved by Parliament. Additionally, privatizing broadcasting systems detracts from the citizens' inputs obtained through public ownership.

The second flaw in this framework is the lack of recognition and appreciation for local power structures in the recipient country. Evaluating the local structures of beneficiaries receiving democracy promoting aid is essential to ensuring appropriate outputs (Carothers 1997). Such step, however, is often missing in the US' strategy. The sociological, economic and political factors and actors which shape local institutions are typically relegated to the background in pursuit of democracy promotion activities. Instead of evaluating and working with local institutional structures, US democracy promotion assistance is provided under the conditions of performing within American defined roles and strategies. It is within these understandings of the structure of American democracy aid that an evaluation of such aid to Ghana's Fourth Republic was examined.

#### **AMERICAN DEMOCRACY AID TO GHANA**

The success of Ghana's transition to the Fourth Republic, compared to its previous three attempts, is credited to the enormous financial support the country received from the international community (Bofo-Arthur 1998: 16). Bofo-Arthur (1998) argues the extent and magnitude of support provided by external partners raises doubt as to whether the Provisional National Defence Council (PNDC) would have continued with the transition programme without the involvement of the donor community (Bofo-Arthur 1998: 17). While seemingly necessary in the transition, the impact of such assistance continues to be debated especially in the face of a simultaneous growing economy and growing inequality within the Ghanaian population.

As Ghana progressed towards democracy, civil society as well as state institutions played a pertinent role in the process. The ability to achieve pro-democracy ventures conducting elections, educating citizenry of their rights and responsibilities as well as the development of governance institutions. These programmes by both the state and non-state actors required colossal resources by various stakeholders (Hearn 1997: 11). The frailty of stakeholders' internal structures, however, accentuated by the lack of requisite financial resources for pro-democracy actors to realize this objective, necessitated the contribution of external support in the country's democratisation process.

Gyimah-Boadi (2004: 126) argues that international development partners refocused development assistance shifting from a pro-state focus to one supporting the development of civil society and other non-state institutions. This refocus came as a result of the increasing importance civil society plays in holding the state

accountable (Gyimah-Boadi 2004: 126). Bilateral and multilateral agencies consequently utilized the opportunity to enhance democratic development.

During the post-Cold War era, the funding arena shifted from one in which aid was directed directly to state institutions for economic development, to one in which civil society organisations were encouraged to actively participate in the democratic process. As a result, the American Government and US-based organization provided support to promote democracy in Ghana via civil society organizations and the American State Department - for example, the American Embassy in Ghana and the US Agency for International Development (USAID).

The table below demonstrates the refocus of democracy assistance as provided by the US to sectors within Ghana during the period of 1994-2003. As the table outlines, initial democracy funding was targeted at the electoral system development with USAID and its implementing agencies investing enormous resources to establish a credible electoral platform for democratic development and growth after several years of military rule, and particularly, the controversies which surrounded the 1992 presidential and parliamentary elections. Assistance to civil society, which started with small amounts in 1995, gradually climbed to compete with other sectors of democratic development.

TABLE 1:  
 Sectoral distribution of democracy support to Ghana 1994-2003 in million dollars.

Year	Electio ns	Law	Rule of Society	Civil	Governance
1994	2.55	0	0	0	0
1995	4.35	0.39	0.2	0	0
1996	2.24	0.39	0.31	0.01	0.64
1997	0.44	0	0.38	1.02	0.83
1998	0.07	0	0.51	0.82	0.93
1999	0.54	0	0.59	0.76	0.51
2000	0.47	0	0.63	0.93	0.76
2001	0	0	0.49	0.76	0.51
2002	0	0	0.58	0.76	0.51
2003	0	0.04	0.86	0.51	0.51

Source: Report of Assessment of Effects of US Foreign Assistance on Democracy Building 1990-2003

While certainly including CSOs in democracy-funded initiatives was a welcome shift in funding arrangements, it remained just that – rhetoric, rather than reality. The funding agency rather than the recipient still largely controlled the implementation of such programmes. American Non-Governmental Organisations, such as the International Foundation for Elections Systems (IFES) and the National Democratic Institute for International Affairs (NDI), were made the implementing agencies of USAID democratic support to Ghana because the office of USAID argued that there were no developed, experienced and credible local pro-democracy NGOs in Ghana which could implement their programmes (Hansen 1996). It was with this understanding of the capacities of Ghanaian NGOs and CSOs and in specific coordination with this new focus that between 1996 and 2009, USAID, through its partners, initiated two projects to enhance the development of civil society at the local level – Enhancing Civil Society Effectiveness at the Local Level (ECSELL) and the Government Accountability Improves Trust (GAIT).

#### *Enhancing Civil Society Effectiveness at the Local Level (ECSELL)*

ECSELL was a project designed by USAID and implemented by the International Foundation of Elections System (IFES). The project was a follow-up to political and election-related programmes implemented by IFES on behalf of the USAID under the cooperative agreement, 'Supporting the Electoral Process' (STEP). The ECSELL project was a political capacity building venture which aimed to increase the capacity of civic groups to achieve their primary goals and to advocate and improve local government responsiveness to citizen's demands. Its core objective was to strengthen the interaction between civil society and local government units in

selected districts through training and disbursement of small grants. It aimed to enable groups to embark on appropriate civic engagement programmes with their respective District Assemblies (DAs). USAID channeled democratic assistance through IFES to civil society groups in all of Ghana's ten regions working in a total of twenty of the 110 districts. The beneficiary organisations or groups had limited contact with the main benefactor USAID.

USAID-Ghana generally classified civil society groups into development organisations, trade unions, advocacy groups and service providers for the implementation of its broad national programme. This classification was adopted by IFES because it promoted the inclusion of a broad segment of the civil society. IFES first conducted a baseline study to evaluate the challenges confronting the development of the civil society at the local level in particular as well as the problems of local governance in Ghana with reference to the DAs. IFES reviewed civil society with regards to the level of funding, the degree of internal democracy and the relations with the DAs. Furthermore, IFES examined the state of CSOs internal operations, the quality of relations with the national government and the extent of engagement with the civic groups in the district. IFES followed this assessment by addressing the problems impeding the development of civil society at the local level. It provided training in basic management skills for civic leaders and local government officials to facilitate their collaboration in solving the problems confronting the district.

#### *Government Accountability Improves Trust (GAIT)*

The GAIT project was a continuation of the USAID civil society empowerment programme which began with the implementation of ECSELL in the selected districts. The policy direction of the project shifted from the regular participation of civic groups in the decentralization process to include accountability of public office holders in the districts; hence leading to the name Government Accountability Improves Trust (GAIT). The GAIT project was implemented by the Cooperative League of the United States of America (CLUSA) and aimed, essentially, to continue the work of ECSELL with the added element of increasing the accountability of government stakeholders. The implementation of the project was executed in two phases: phase one between 2011-2004 and phase two between 2005-2009.

The second phase of the GAIT programme (2005-2009) progressed from fostering partnerships between civil society and local government to include community participation in education. The selection of the districts for GAIT II was based on competitive bidding to encourage full participation of CUs and DAs. Proposals were jointly submitted and defended by a team made up of CUs and the DA.

The GAIT project is the local governance component of an overall USAID-Ghana Democracy and Governance programme. The purpose of the GAIT project is to strengthen the management and organizational capabilities of civil society organizations to the level where they can be effective partners in local governance and contribute to national policy formulation. Thus, the GAIT project aimed to: increase the capacity of Ghana CSOs to advocate the interest of their members at the local government level; promote transparency, accountability and anti-corruption in local governance institutions; and increase voter turnout and political participation of CSOs at all levels of government. Strategies to meet objectives involved building CSO planning and management capacities, promoting CSO networks, establishing discussion platforms between key CU members, DA members and citizens, and providing modest matching grants by GAIT to CUs.

### **DISCUSSIONS AND RESULTS OF RESEARCH**

#### *ESCELL Project*

##### *a) Strengthening the capacity of civil society to meet primary goals of members*

In spite of the importance of a strategic plan to the development of a civic entity (Pearce *et al.* 1987: 658), less than 5% of the civic groups that IFES interacted with across the country had prepared strategic plans prior to the ECSELL project. Consequently, their management practices were precarious. As a first step, IFES offered several management training programmes to the leadership and the members of civic groups at different levels with modules on strategic planning and implementation. Hair Dressers and Beauticians Association of Nadowli and Fian Women's Groups were amongst the beneficiaries. The objectives were to equip the groups with very basic management tools. IFES considered it significant for the civic groups to assess their operations without working with strategic plans. IFES then supported them to draw up appropriate strategic plans to enable them to articulate and aggregate the concerns of the citizenry in their localities. At the end of the project 79.2% of the civic groups had drawn modest strategic plans for their organisations to ensure that they would achieve their primary objectives.

##### *b) Strengthening the capacity of CSOs to advocate*



The capacity of the civic groups and CUs to advocate was measured using the following indices: improvement in the internal democratic practice; linkages with other civic groups; and ability to mobilize resources.

*i. Improvement in the internal democratic practice*

CSOs which promote democracy as part of their external goals must also demonstrate appropriate internal democratic practice in their organization in order to provide the required political legitimacy for their activities (Brysk 2000: 151). Committee elections and decision making processes were examined to measure the extent of internal democracy practiced within associations.

The study assessed the electoral process of each association that was a member of the CUs in the selected districts. Of the 28 associations interviewed, 75% selected their leaders through elections. About 25% of the associations corroborated that there were irregular and to some extent no elections before the intervention of the projects. The study, however, could not evaluate how free and fair the elections were, although secondary sources from their respective district electoral officers suggested that EC officers had supervised those elections.

A second important feature of liberal democracy is the decision-making structure manifested in the extent of articulation and aggregation of individual voice (Owusu 1972, as cited in Bofo-Arthur 1993: 114). An organisation is undemocratic when the leadership controls the decision-making process. The study shows that members actively participated in the decision-making process within their organisations. Findings demonstrated comprehensive decision-making arrangements within the civic group: 3.6% of the civic groups make decisions through the executive committees and consensus; decisions made by the entire membership of the association constituted 21.40%; 71.40% of members of the associations maintain that decisions are made by the members and the executive committees in association. A combined participation in the decision-making process increases members' sense of ownership. Additionally, it provides the ability and capacity of its leadership to educate members on prevailing conditions and the consequences of decisions made. Results of data analysis suggested that the civic organisations that implemented the ECSELL programme developed internal organizational democracy and provided the required space for members to participate in governance.

*ii. Development of networks and linkages*

Further results demonstrated that 55.6% of the civic groups belonged to a vertical network before the introduction of ECSELL. After participating in the ECSELL programme, 87.50% of the civic groups were integrated into at least one network either horizontal or vertical. The ECSELL project revealed that artisans and professional group bodies joined resources to champion a common cause such as the collection of revenues on behalf of the DA. The networks equipped members with skills and knowledge to improve their efficiency and broadened understandings of governance through programmes such as organised trips to Parliament.

Through the ECSELL project, a number of civic groups such as Feo Leather Workers Associations in Bongo and Butchers Association in Wa re-established intra and inter-professional networks. Although some of the professional groups did already belong to their national associations, their participation in ECSELL provided new impetus in terms of redefinition of mandate and direction of organisations. Civic groups from the ECSELL districts were able to properly articulate and aggregate interest amongst members.

*iii. Ability to mobilize resources to promote primary objectives*

The ECSELL project fostered collaboration between the state and civic groups. The small grant component of the project for example was jointly administered by civic groups and their respective DAs. Following various training programmes conducted by IFES, small grants of an average of USD \$400 per grant were disbursed to 78 civil society groups representing 36% of civic groups that applied for support in the 20 selected districts in the country. IFES provided a total of US \$32,000 in small grants to the civic groups (IFES: 2006). Six CUs and 72 individual civic groups benefited from the support. The objectives of the award were to strengthen the capacity of civic groups to advocate and implement the ideas and knowledge acquired during the training programmes and to support their fund-raising activities. Civic groups and unions utilized the small grants for various projects, ranging from civic education programmes, such as the Parliamentary Candidates' debates in 2000, and other programmes that focused on the need and the mechanism of preventing bush fire outbreaks.

*c) Enhanced local government responsiveness to citizens' demands*

The third objective of ECSELL was to improve local government responsiveness to citizens' demands. Local priorities differ between DAs and citizens, especially where citizens' participation in DA programmes is minimal. Consequently, the ECSELL project supported the DAs to be responsive to the demands of the local population as well as strengthen the capacity of the civil society groups to engage with DAs through various advocacy programmes.

Prior to the inception of the ECSELL project, the DAs regarded civic groups as important stakeholders in good governance. The civic groups in these districts were considered as development partners who could provide alternatives to programmes modelled and implemented by DAs. However, it was at the discretion of the DAs to recognize as well as legitimize these groups. For a group to be considered legitimate, it had to meet all DA stated conditions of a patron-client relationship such as a willingness to support the ruling political party and its programmes.

After the implementation of the ECSELL project and as a result of the cordial interaction established between CUs and DAs, the CUs in some districts were given the mandate to mobilize taxes and DA rates from their members on behalf of DAs on commission basis. In Nadowli, this system worked very well. Each party adhered to the contractual agreement outlined in a Memorandum of Understanding (MOU). The system continued to serve the interest of both parties. However, in Ada, the Dangbe East DA did not adhere to the agreement. CU members collected the appropriate taxes on behalf of the DA but were refused payment of the previously agreed upon commission. This resulted in a series of civil disobedience by the CU. Hence, during the entire 2000 financial year, none of the CU members paid taxes or other rates to the DA. According to the Dangbe East DA, the problem arose from poor communication between the out-going and in-coming District Coordinating Directors.

*Government Accountability Improve Trust (GAIT) Project*

*a) Improved collaboration between DAs and CUs to support good governance*

Before the GAIT project, the majority of DAs and CSOs worked separately to achieve their primary objectives. Analyzed data collected from the field suggested 56.8% of CSOs had no direct working relationship or official business with DAs. Of respondents, 25% considered the DA to be hostile towards CSOs in the districts and only 20.3% indicated the existence of cordial relationships with DAs. After GAIT's implementation, the relationship between the DAs and CUs improved. Only 14.9% of the CUs claimed that the CUs and DAs did not interact in comparison to 56.8% before GAIT implementation. Additionally, the hostile relationship between CSOs and DAs reduced from 25% to 2.7%. Correspondingly, the atmosphere of cordiality improved tremendously from 20.3% to 82.4%.

The growth of cordial relations between DAs and CUs was mutually beneficial. It enabled civic groups to articulate their interests more easily and ensured DAs saw civic groups as valuable stakeholders for government programme implementation as well as effective channels for revenue mobilization for the Assemblies.

*b) Participatory decision-making in development planning*

The GAIT project offered leadership training to CSOs and DAs as a mechanism to involve various stakeholders at the district level in the development process. As part of the training, leaders were educated on community opportunities and key responsibilities required for community benefit. DA staff and CUs attended workshops together which provided space for CUs to articulate community concerns to the DA. Evaluations in districts where GAIT pulled out confirmed that DAs continue to support working with CUs to consolidate gains achieved.

*c) Formation of networks and coalition building among CSOs*

The GAIT project encouraged CUs to form networks beyond their communities to advocate on issues of mutual community concern. As a result, the Northern Network of Civil Society was established for the three Northern Regions - Upper East, Upper West and Northern. In the Volta Region, Volta Regional Network of CUs (VONCU) was established to facilitate cooperation, idea sharing and regional problem solving. VONCU developed and signed an MOU with MPs from the Volta Region. The National Network of CUs also emerged to campaign on issues raised at the regional or zone level and brought them to the attention of the state. Networks also developed with organisations; in Wa and Bole, for example, CUs teamed up with Plan International and Adventist Development Relief Agency (ADRA) respectively to undertake joint civic education programmes.

*d) Demanding accountability from the DAs*

CUs initiated several programmes with the objective of promoting vertical accountability in local communities. CUs began the process by actively contacting public office holders, either individually or collectively with specific demands and sometimes backed with financial contributions. Before the GAIT project, only 12.2% of CU members had the basic knowledge of the internal accountability structures of the DAs while 12.3% of CU members directly demanded accountability from DAs. Transparency and accountability increased in various districts as a result of GAIT. As a result of advocacy programs in Techiman, the municipal DA began displaying the cost of all development projects undertaken from 2001 to 2004 on public notice boards to inform the general public about DAs' expenditure. The CU in Damango organized public information sharing on

various government policies such as the Youth Employment Programme and the National Health Insurance Scheme.

CUs used the most pragmatic available means to obtain answers from the DAs; letters and demand notices to their respective DAs, questions during 'Peoples DA' sessions, questions during DA programmes either individually or a combination of them. Letters constituted 55.8% of the total requests made to DAs. The CUs regarded this mechanism as most appropriate because it allowed for easy follow-up and helped to form relationships as discussions were held before letters sent. Some CSOs continued to use DAs' internal accountability structures such as those on procurement, budgeting and auditing procedure. However, there are legal limits to their involvement and the extent of use of such internal accountability structures.

*e) Participatory budgeting*

A participatory budgeting process has become an integral part of the public administration, especially in developing countries. Integrating a diversity of interests remains critical to the success of the budgeting process. In a study of participatory budgeting in Porto Alegre, Brazil, Mehrotra (2006:12) observed that such process deepens democratic decentralization and improves output indicators of services delivered by the state. Although the GAIT project did not satisfy all these requirements of participatory budgeting, it made a significant contribution to the DAs budgeting process.

*f) Revenue mobilization and financial dynamism*

CUs introduced a number of dynamic financial measures to bolster DAs' revenue bases. In Bole, government officials occupying state bungalows without paying the requisite rent were compelled by CUs to honour their obligations to the DA. DAs involved CUs in revenue mobilization to demonstrate that CUs are partners in development and to emphasize the importance of working together. Findings demonstrated CUs' contributions to revenue mobilization strengthened their relationship with DAs and outlined their progressive contribution to the communities which they serve.

*g) Contributions to Districts' revenue bases*

CU advocacy programmes administered through GAIT projects made tremendous contributions to the Internally Generated Fund (IGF) of some districts. CUs signed MOUs with their respective DAs to help in the collection of revenue in exchange for a small commission; which resulted in mutual revenue increases. As an incentive to CUs, Assemblies appointed executive committee members of CUs into various DA committees.

*h) Promoting women in governance*

The women's wings of CUs actively participated in education campaigns on issues relating to the domestic violence bill. Women organised sensitisation workshops in markets on topics affecting the well-being of women and children. These included testing for breast cancer and girl child education. Advocacy campaigns by women were considered successful because they created awareness of issues which hitherto were not given priority in the community.

The GAIT project encouraged equal opportunity for men and women to contribute to advocacy programmes. A cumulative total of 97.1 % of respondents claimed that the project was sensitive to the plight of women and provided equal opportunity for both male and female to engage the DA. This is highly commendable compared to the national governance matrix ratio of 1:9 in favour of men.

*i) Dialogue between citizens and Assemblies*

Through CUs, the GAIT project bridged the gap between DAs and citizens. The initiative started with a dissemination of programmes and information from the district to the individual citizen. In Wa, Nadowli, Bongo and Damango, suggestion boxes were located at vantage points where individuals could express their views on governance in the district to the DA in the language of their choice. Public notice boards were also erected in Bole where citizens were informed about progress and development in the district. Furthermore, CUs in various districts engaged their DAs in the provision of social services to improve quality of life. Water was an engagement issue which permeated most districts and heightened the dialogue between citizens and DAs.

## ANALYSIS

While certainly an impressive amount of funding was provided to IFES from USAID in order to implement both the ECSELL and GAIT programmes, the key results from these programs come from the practical outputs CSOs gained as a result of their participation rather than an economic development. The emphasis on skill development, and increasing transparency and collaboration were the clear benefits of the programme and highlight the importance funding can have when channeled in the appropriate avenues.

While significant progress was made to increase the democratic process in Ghana, questions remain as to the sustainability of such progress in the face of project conclusion and thus a lack of support – both technical and financial. What is evident from the findings above is that the financial aspect of the projects were highly

important. Not only did they provide the necessary funds and resources for program participants to participate, but also they offered clear objectives to work towards and guidelines for targeting this work. Were the support mechanisms put in place by both projects strong enough to ensure continuation at the individual community level or did the temporary funding demonstrate solely a temporary success? Did project participants invest in the program objectives to the extent that they will promote its longevity post funding? Ultimately, such questions emphasize the importance of effective project planning regardless of where project funding originates.

The clear success of the implementation of both projects emphasize the importance of a number of key project and funding elements – specifically with regards to sustainability. The clear discrepancy in transparency and collaboration between communities involved in the projects and those which were not, highlight the importance implementing project elements on the large-scale and ensuring clear key lessons are adequately learnt and thus enforced.

CUs proved highly effective at bridging the gap between the DAs and the citizenry. They served as a common platform where divergent opinions based on occupational and sectional interests could be aggregated. They provided space for demanding accountability from public office holders - elected and appointed - facilitating dialogue between the DAs and citizens to ensure transparency. Generally, they became the umbrella body by which civil society engaged the state and participated in local governance leading to greater accountability, transparency, and improved governance. Institutionalizing the CU concept throughout the country, extending the concept to all 170 districts in Ghana, could have been an essential part of the initial project planning. That the project did not incorporate this aspect, but instead gathered data for reporting on democracy growth within civil society in Ghana, seems to demonstrate the short-sighted nature of some US aid projects.

Additionally, Bräutigam(2000) argues that aid programs require clear leadership for sustainability and providing such leadership is greatly challenging especially in a constrained donor and resource environment. Both the ECSELL and GAIT projects demonstrate that while individuals were often eager to take on CU leadership roles – arguably seduced by the power and stature of their positions - sustaining enthusiasm and momentum of civic interaction in local governance proved greatly challenging. The fervour for demanding accountability wanes as leaders begin to taste benefits of integration into the inner DA systems. Currently, CU leaders do not have tenure of office and are seen as emperors who are unwilling to share power or hand over responsibilities irrespective of their ability and availability. Additionally, transfer of power and responsibilities within CUs pose huge challenges for CU leadership. In Bole, for example, four key executive members left the town to pursue personal development opportunities - education, marriage, employment - without handing over responsibilities. In Berekum, three core executive committee members left the union without replacement. This created a vacuum and caused the loss of institutional memory for future generations of CU leaders. As a consequence, the new executive committee had to reinvent the dialogue process with DA. Thus, it is important to have a defined tenure of office for CU leaders and a mechanism of transfer of power and responsibilities amongst CU members. Without these clear leadership roles and terms of reference for exchanges of power, the same corruption that plagues many national governments across Africa continues is none-the-less emulated at the local level.

Further challenging the continuity and independence of projects' successes are issues of sustainable funding. Critics of donor aid projects, cite the sudden loss of resources at a project's end, without adequate avenues for potential support or self-sustaining resources as a major oversight of development practitioners(Dichte 2003; Kosack. 2003;Riddell 1987). Such was the case for both the ECSELL and GAIT projects. Integrating economic opportunities into the projects with the objective of building the economic capacity of CU members could have improved their financial status and ensured high commitment to the programme. In similar local governance programmes such as the Local Regional Economic Development (LRED) implemented by GTZ, appropriate approaches of harnessing local resources for income generation were integrated into the programme which empowered the communities economically as well as politically. The integration of economic opportunities into the programmes will ensure that CU members who invest their time in advocacy programmes will reap economic dividends thus continuing their efforts. Thus, the single-sided nature of both projects – political transparency, accountability and collaboration - neglects the interdisciplinary reality of political systems. Political systems do not stand alone but function interconnected with social and economic systems.

Aside from these program specific aspects, central to the debate around democratization aid are issues of exit strategy. While the US's contribution to Ghana's development process has been noted above as not only substantial, but in the case of the ECSELL and GAIT projects, highly effective at active collaboration and transparency and encouraging citizens to see their right to such processes, there is little evidence of

sustainable and systemic change strategies post project cycle. Stark criticism for quick exit strategies which lead to limited project outcome follow-through continue to plague many US funded projects through Africa.

The current exit strategy implemented by USAID is detrimental to the development of a dynamic civic advocacy culture as it fails to consider three key exit processes: a mutually agreed upon end date and procedure of exit by key stakeholders, strategies and supports for project sustainability, and effective transfer of responsibilities through the selection of a new project lead. Both the GAIT and ECSELL projects were withdrawn without concern for any of the above processes leading to mass layoff of staff and national service personnel. Without developing a clear exit strategy which is effectively communicated to successive leaders, avenues for growth and further development remain limited at best.

Khang & Moe (2008) argue that an effective project management cycle is one that, overall, represents clarity – specifically in terms of leadership, terms of reference involves, and subsequent funding. In the case of both ECSELL and GAIT, these elements were overlooked. What was necessary to build on the programmes successes was the identification of a project lead and provision of appropriate training needs, the identification of subsidiary stakeholders, the development of relationships and terms of reference between stakeholders and a clear monitoring and evaluation system and, perhaps quite obviously, determined opportunities for funding the project post US-funds. Thus the issues surrounding democracy aid are not so much the funding in the case of Ghana's ECSELL and GAIT projects, but their sustainability oversight and limited scope.

### CONCLUSION

It is clear from the research results that foreign financial and technical support could serve as a catalyst for empowering civil society organizations to be active participants in their development and democratic processes. This contribution and collaboration proved, in both the ECSELL and GAIT programs, to be driving force in greater democratic processes such as improved transparency and accountability from government stakeholders to their constituents. The ECSELL projected lead to the formation of CUs. CUs proved to bridge the gap between the community and DAs and also serve as the link between the DAs and the various civil society groups. This led to convergence of interest between various decentralized departments and communities' needs. The effective formation of CUs, their contribution to communities and the community and local government support they received seems to address a long held challenge to democratic development; that low economic status prevents sovereign citizens from ensuring their representatives are responsive and accountable (Ninsin 1993:184). Although other aspects of Ninsin's (1993) proposition, such as mass illiteracy, ignorance and superstition continue to remain threats to democratic development in Ghana, the financial and technical support CUs received from USAID, to a large degree, enhanced their participation in the democratic process at the local level and thus enhanced democracy overall. Ultimately, the support, both financial and technical, provided by USAID ensured the active formation of CUs in project districts and thus the democratic enhancement of those districts. The formation of CUs remains to be seen in non-project districts and the spectrum of democracy remains limited, thus suggesting the importance of such aid and programming.

The gains made in democratic development by civil society through CUs further contest conclusions by theorists (Carothers & Ottaway 2000; Hearn 2003: 22; Brown 2005: 15) who suggest that democratic assistance to civil society depicts a picture of disappointment in terms of democratic outcomes and dividends derived from such investments. The advocacy responsibilities entrusted to CUs by civil society helped to establish an improved relationship between the CSOs and DAs in the project implemented districts. Improved relationships enhanced local government's responsiveness to citizens' demands and community concerns. In various districts – Techiman and Berekum - CUs and DAs collaboratively bid for projects. Such enhanced relationships confirmed Gaventa's (2004:10) assertion that with appropriate support, citizens and governments could collaborate in new ways to participate, deliberate and develop solutions to pressing social, economic and community development issues. Such collaboration improved citizens' ability to make informed political choices as well as provided a platform for civic education programmes on various government policy directions.

In ECSELL and GAIT projects areas, CUs participated in the preparation of district budgets and revenue mobilization. The improved relations between the DAs and the CUs contributed to the strengthening of local governance in these districts. Budgets were based on the needs of the community. Challenges to revenue mobilization were amended as CSOs and DAs partnered and CSOs became the community sensitization agents for revenue mobilization.

Ultimately, the level of transparency and accountability in project area DAs was considerably improved. The study identified several areas of engagement between the CUs and the DAs ranging from participation, financial mobilization, performance monitoring as well as accountability. The GAIT project has rejuvenated effective accountability systems in DAs through CUs' programmes. Budget hearings were

conducted with diverse stakeholders before DAs' approval. As part of the drive to improve accountability through transparency as espoused by Broz (2002: 1), analyses of various DA budget estimates were made by relevant stakeholders. CUs were able to monitor and assess the implementation of various components of the budget. This contributed to the prudent use of public resources thus increasing effectiveness and efficiency, which are critical virtues in public administration.

CUs further encouraged the DAs to publish the cost of projects they had executed on public notice boards. This publication served as the basis of investigating projects, which in the view of civil society could provide opportunity for public office holders to engage in financial malfeasance. Access to such critical information enabled civil society to hold DAs accountable for the use and management of public resources.

DAs responded to the demands of CUs to provide a number of social services for the communities. Fulfilling community aspirations is an critical index to measure that democracy is on track (Papadopoulos 2007: 2). The formation of CUs strengthened networks and ensured community needs were brought forth into political schema.

As demonstrated in these conclusions, USAID support in the form of technical and financial resources, has contributed significantly to support the democratization process in Ghana's civil society. What is emphasized is the importance foreign aid played in the democratisation process of Ghana's Fourth Republic. While such conclusion can be drawn, missing elements into the discussion of democracy aid, such as the impact and influence of donor assistance on the priorities of governments and citizens alike, demand further research. As noted above, there is a real propensity to take advantage of positions of power is enticing in a constrained donor and resource environment. Leaders in developing countries have to make difficult choices between either financing democracy and its related institutions or, financing other pressing social services such as security, education, health, water and infrastructure. Complicated with rampant corruption that has plagued many nations' pasts – and in some cases, presents – democracy is further constrained. Thus, foreign aid is especially critical where the cost and sophistication of democracy have become too high.

Consequently, the hypothesis of the paper, that the USAID democratic support in the form of ECSELL and GAIT projects at the local level enhanced the formation and operation of Civic Unions, which subsequently improved civil society activism at the local level, is hereby accepted. This affirms the position held by the financial transfer theorists, that aid has the capacity to influence the governance structure of a society and country by enlarging the political space for citizenry to participate in their own affairs.

Ghana, as it officially becomes a middle-income country, is faced with the additional challenge of managing a fast growing economy – the fastest in West Africa – against an equally fast growing social, political and economic inequality. Faced with such a reality, democratic foundations such as transparency, accountability and civil society and state collaboration become even more pertinent. If Ghana is to continue to hold its successful international designation as a 'stable democracy' and middle-income country, it must ensure the aid it receives is tied to the conditions of sustainability, longevity and skill development for a 21<sup>st</sup> Century knowledge economy. Without these elements, real and practiced democratic processes remained limited to the funding that promotes them rather than the ability to grow a culture and constituency who are self-sustainable and self-empowering and active agents in their own development processes.

## REFERENCES

- Al-Momani, H. M. 2003. *Financial Transfer and its Impact on the Level of Democracy: A pooled cross-sectional time series model*. Texas: University of North Texas.
- Almond G & Powell G.B. 1966. *Comparative Politics: A developmental approach*. Boston: Little Brown and Company.
- Almond G and Verba S. 1963. *The Civic Culture*. Massachusetts: Princeton University Press.
- Apodaca, C. & M. Stohl 1999. 'United States human rights policy and foreign assistance', *International Studies Quarterly* 43, 1: 185-98.
- Boafo-Arthur, K. 2008. *Democracy and Stability in West Africa: The Ghanaian experience*. Claude Ake Memorial Papers No. 4, Uppsala University.
- Boafo-Arthur, K. 1993. 'Political parties and prospects for national stability', in Ninsin & Drah, eds. *Political Parties and Ghana's Forth Republic*. Accra: Woeli Publishing Services, 224-45.
- Broz, Lawrence J. 2002. 'Political system transparency and monetary commitment regimes', *International Organization* 56, 4: 861-87.
- Brands, H.W. 1998. *What America Owes the World: The struggle for the soul of foreign policy*. Cambridge: Cambridge University Press.
- Bräutigam, D. 2000. *Aid dependence and governance*, Vol. 1, Expert Group on Development Issues.

- Brown, S. 2005. 'Foreign Aid and Democracy Promotion: Lessons from Africa', *European Journal of Development Research* 17, 2: 179-98.
- Brysk, A. 2000. 'Democratising civil society in Latin America', *Journal of Democracy* 11, 3: 151- 65.
- Camerer L. 2000. 'Terms of Endearment: Bilateral donor engagement in fight corruption in South Africa', *African Security Review* 9, 5/6: 3-14.
- Campbell, N., Jude Davis & George McKay 2004. 'Conclusions: globalization, Americanisation and the 'New World Order'', in Neil Campbell, Jude Davis & George McKay, eds. *Issues in Americanisation and Culture*. Edinburgh: Edinburgh University Press Ltd., 295-307.
- Carothers, T. 2000. 'Taking stock of democracy assistance', in M. Cox, G.J Ikenberry & T. Inoguchi, eds. *American Democracy Promotion: impulse, strategies and impacts*. Oxford: Oxford University Press, 181-99.
- Carothers, T. 1997. 'Democracy Assistance: The question of strategy', *Democratization* 4, 3: 109- 32.
- Carothers, T. & Ottaway, M. 2000. '*Funding Virtue: civil society aid and democracy promotion*', Washington: Brookings Institution Press.
- Chabal, P. 1998. 'A few considerations on democracy in Africa', *International Affairs* 74, 2,: 289-303.
- Clapham, C. 1993. 'Democratisation in Africa: obstacles and prospects', *Third World Quarterly* 14, 3: 423-38.
- Crawford, G. 2001. *Implementing Political Aid Programmes in Foreign Aid and Political Reform: A comparative analysis of democracy assistance and political conditionality*. New York: Palgrave.
- Crook, R. C. 1994. 'Four years of the Ghana district assemblies in operation: decentralization, democratization and administrative performance', *Public Administration and Development* 14, 4: 339-64.
- Dahl R. 1997. 'Development and democratic culture', in Diamond, ed. *Consolidating the Third Wave Democracies, Themes and Perspectives*. Baltimore: John Hopkins University Press, 34-39.
- Diamond L. 2004. 'Promoting real reform in Africa', E. Gyimah-Boadi, ed. *Democratic Reform in Africa: the quality of progress*. Colorado: Lynne Rienner Publisher, 263-82.
- Diamond L. 1999. *Developing Democracy: toward consolidation*. Baltimore: John Hopkins University Press.
- Diamond L. 1992. 'Economic development and democracy reconsidered', *American Behavioral Scientist* 35,4/5: 450-99.
- Dichte, Thomas W 2003. *Despite good intentions: Why development assistance to the third world has failed*, Massachusetts: University of Massachusetts Press.
- Djankov, S., J. Montalvo & M. Reynal-Querol. 2008. 'The curse of aid', *Journal of Economic Growth* 13,3: 169-94.
- Drah K. 1993. 'Civil society and the transition to pluralist democracy', in Ninsin & Drah, eds. *Political Parties and Democracy in Ghana's Fourth Republic*. Accra: Woeli Publishing Services, 72-115.
- Dunning, T. 2004. 'Conditioning the Effects of Aid: Cold War politics, donor credibility, and democracy in Africa', *International Organization* 58: 409-23.
- Evans, G. 2006. 'From humanitarian intervention to the responsibility to protect', *Wisconsin International Law Journal* 24, 3: 703-22.
- Finkel, S.E., Aníbal Pérez-Liñán & Mitchell A. Seligson 2007. The effects of U.S. foreign assistance on democracy building 1990-2003', *World Politics* 59: 404-39.
- Gaventa, J. 2004. 'Strengthening participatory approaches to local governance leaning the lessons from abroad', *National Civic Union Review* Winter: 16-27.
- Gerald G. 1966. 'Foreign Aid Theory: where do we go from here?', *World Politics* 18, 4: 735-48.
- Goldsmith, A. 2001. 'Foreign Aid and Statehood in Africa', *International Organization* 55, 1: 123-48.
- Gyimah-Boadi E. 2004. 'Introduction', in Gyimah-Boadi, ed. *Democratic Reform in Africa: the quality of progress*. London: Lynne Rienner Publishers, 1-4.
- Hansen G. 1996. *Constituencies for Reform: strategic approaches for donor-supported civic advocacy programs*. USAID Program and Operations Assessment Report (12).
- Haynes, J. 2003. 'Democratic consolidation in Africa: the problematic case of Ghana', *Commonwealth and Comparative Politics* 41,1: 48-76.
- Hearn, J. 2000. 'Aiding Democracy? Donors and Civil society in South Africa', *Third World Quarterly* 21, 5: 815-30.
- Hearn, J. 1999. *Foreign Aid, Democratisation and Civil Society in Africa: A study of South Africa, Ghana and Uganda*. Discussion paper number 368, Institute of Development Studies, United Kingdom: University of Sussex.
- Huntington S. P. 1993. *The Third Wave Democratisation in the Late Twentieth Century*. Norman: University of Oklahoma Press.
- International Foundation for Election Systems (IFES) 2006 Report of Assessment of Support to Civil Society.

- Inglehart R. 1988. 'The renaissance of political culture', *American Political Science Review* 82: 1203-30.
- Jamieson, D. 2005. 'Duties to the Distant: aid, assistance, and intervention in the developing world', *The Journal of Ethics* 9: 151-70.
- Karl, Terry L. 1997. *The Paradox of Plenty: oil booms and petro-states*. Berkeley: University of California Press.
- Khang, Do Ba & Moe, Tun Lin. 2008. 'Success criteria and factors for International development projects: A life-cycle based framework', *Project Management Journal*, 39, 1: 72-84.
- Knack, S. 2004. 'Does foreign aid promote democracy?', *International Studies Quarterly* 48, 1: 251-66.
- Kosack, S. 2003. 'Effective aid: How democracy allows development aid to improve the quality of life', *World Development*, 31, 1: 1-22.
- Leonard D.K & Scott Straus 2003. *Africa's Stalled Development: international causes and cures*. Boulder Colorado: Lynne Rienner.
- Lipset, S.M. 1959. 'Social Requisites of Democracy: economic development and political legitimacy', *American Political Science Review* 53, 1: 69-105.
- Lowenthal, A. 1991. *The United States and Latin American Democracy: learning from history*. Baltimore: Johns Hopkins University Press.
- Mehrotra, S. 2006. 'Governance and Basic Social Service: ensuring accountability in service delivery through deep democratic decentralization' *Journal of International Development* 18, 2: 263-83.
- Midlarsky, M. 1989. *Handbook of war studies*. Ann Arbor: University of Michigan Press.
- Monten, J. 2005. 'The Roots of the Bush Doctrine: power, nationalism, and democracy promotion in U.S. strategy', *International Security* 29, 4: 112-56.
- Ninsin K. 1993. 'The electoral system, elections and democracy in Ghana', in Ninsin & Drah, eds. *Political Parties and Democracy in Ghana's Fourth Republic*. Accra: Woeli Publishing Services, 175-191.
- O'Donnell, G & Schmitter, P.C. 1986. 'Negotiating (Renegotiating)', in Guillermo O'Donnell & Philippe Schmitter, eds. *Transitions from Authoritarian Rule: tentative conclusion about uncertain democracy*. Baltimore: John Hopkins University Press, 37-47.
- Olson M. 1993. 'Dictatorship, democracy and development', *American Political Science Review* 87, 3: 567-76.
- Papadopoulos Y. 2007. 'Problems of democratic accountability in network and multilevel governance', *European Law Journal* 13, 4: 447-68.
- Pearce, J., Freeman, E. & Robinson, R.B. 1987. 'The tenuous link between formal strategic planning and financial performance', *Academy of Management Review* 12, 4: 658-75.
- Przeworski, A. 1986. 'Some problems in the study of the transition to democracy', in Guillermo O'Donnell, Philippe Schmitter & Laurence Whitehead, eds. *Transition from Authoritarian Rule: comparative perspectives*. Baltimore: John Hopkins University Press, 47-63.
- Quan L. & Adam Resnick 2003. 'Reversal of Fortunes: democratic institutions and foreign direct investment inflows to developing countries', *International Organization* 57, 1: 175-211.
- Regan, P. 1995. 'US Economic Aid and Political Repression: an empirical evaluation of US foreign policy', *Political Research Quarterly* 48, 3: 613-28.
- Report of Assessment of Effects of US Foreign Assistance on Democracy Building 1990-2003 (pdf.usaid.gov/pdf\_docs/Pnades694.Pdf)
- Riddell, R. C. 1987. *Foreign aid reconsidered*. Overseas Development Institute.
- Rustow D. 1970. 'Transition to Democracy: toward a dynamic model', *Comparative Politics* 2, 3: 337-363.
- Santiso, C. 2000. 'Towards Democratic Governance: the contribution of the multilateral development banks in Latin America', in Peter Burnell, ed. *Democracy Assistance International Co-operation for Democratisation*. United Kingdom: Frank Cass Publishers, 150-190.
- Szeftel, M. 1998. 'Misunderstanding African Politics: corruption and the government agenda', *Review of African Political Economy* 25, 76: 221-40.
- Talentino, K. 2005. *Military Intervention After the Cold War: the evolution of theory and practice* Ohio, Center for International Studies Ohio University Press.
- Vanhnen, T. 1990. *The process of democratisation*, Washington, D. C.: Crane Russak.
- Whitehead, L. 2002. *Democratisation theory and experience*. Oxford: Oxford University Press.
- Whitehead, L. 1991. 'The imposition of democracy', in A Lowenthal, ed. *Exporting Democracy: Themes and Issues*. Baltimore: John Hopkins University Press, 216-42.
- Williamson, J. & Stephen Haggard 1994. 'The political conditions for economic reforms', in John Williamson, ed. *Political Economy of Policy Reform*. Washington: Institute for International Economics, 525-96.