Assessment of Industrial Policies in Ghana: A Case Study on the Current Policy of One District One Factory Policy (1D1F)

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Industrialization has been the weakest link in Ghana’s economic development efforts. Import-substitution industrialization policy of the 1960s-1980s and the outward liberalized industrialization policy of 1990-2020 (Vision 2020), have failed to achieve the goals of industrialization. This is due to several reasons including the selfish interests of these political leaders and lack of technological advancement. In 2017, the elected New Patriotic Party (NPP), announced a new industrialization policy known as “one district, one factory" (1D1F), which was a political campaign promise to realign industrial strategies. The goal of this policy is to ensure that industries are spread equitably among the country's 261 districts and to boost economic development. This thesis examines the efficacy of this 1D1F industrialization policy within the context of Ghana’s failed industrialization policies in the past. Analysis of data collected through online surveys and supplemented with in-depth interviews show that the new 1D1F industrialization policy will face problems like past industrialization policies. Suggestions and recommendations are offered to ensure the long-term viability and success of the policy.
ASSESSMENT OF INDUSTRIAL POLICIES IN GHANA: A CASE STUDY ON THE CURRENT POLICY OF ONE DISTRICT ONE FACTORY POLICY (1D1F)

by

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A thesis submitted to the Graduate College in partial fulfillment of the requirements for the degree of Master of Science Geography, Environment, and Tourism Western Michigan University April 2023

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Ama Nyamekye Obenewa Otoo
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CHAPTER 1

THE PROBLEM

The necessity for Ghana to industrialize has long been recognized. The creation of wealth in a state's economy is accounted for by industrialization. This process necessitates a costly reorganization of the nation's economy to manufacturing most of the country's essential products (Adams et al 2021). It does not only deal with the production of materials and capital goods, but also with the construction of infrastructure. Since the commencement of the industrial revolution, the influence of manufacturing operations in changing people's living situations has been acknowledged. Manufacturing operations generate connections within the local economy, which leads to more jobs in other industries. These jobs are not immune to the broader economy's difficulties, but they are far more stable than the seasonality that defines industries like agriculture, mining, and tourism (Ofori-Amoah. 2019).

Prior to Ghana's independence in 1957, the industrial sector was restricted because of the colonial economic system. Because it was mostly made up of domestic manufacturing, it contributed extraordinarily little to economic growth. The colonial authorities' emphasis on obtaining raw materials from Ghana while also developing an economy based mostly on manufactured goods from the United Kingdom, left the inherited industrial sector underdeveloped. It is worth noting that, contrary to forecasts, rising industrial output during the 1960s did not result in improved economic growth or per capita wages. Rather, over this time, real GDP decreased from 4.8 percent in 1961 to 1.1 percent in 1966. Although the Ghana Economic Survey (1966: 100) says that the drop in real GDP was due to lower agricultural and
forestry output, Steel (1972) claims that the ISI strategy was partially to blame since it redirected resources away from growth-promoting industries.

As a result of this recognition, many efforts have been made by past governments to industrialize Ghana, including the import-substitution industrialization strategies of the 1960s-1980s and outward liberalized industrialization policies of 1990-2020 also known as Vision 2020. Political leaders frequently introduce new policies in the hopes of appeasing constituents and ridiculing the previous government out of self-interest and greed. As a result, projects are often halted or not funded, when there is a change in government (Otoo, 2013). Due to all these, industrial growth has slowed since the late 1980s.

In 2017, the elected New Patriotic Party (NPP) announced a new industrialization policy known as “one district, one factory” (1D1F), which was a political campaign promise to realign industrial strategies. The goal of this policy is to ensure that industries are spread equitably among the country's 261 districts and to boost economic development (Dzansi et al, 2018). This policy was announced amidst political fanfare with supporters claiming it to be the most comprehensive industrialization program since the time of Kwame Nkrumah, Ghana’s first president in the late 50’s, it would move Ghana to an industrial powerhouse of West Africa (Haruna, 2017). To support this initiative, the government of Ghana has obtained a loan of $2 billion from China. However, uncertainty persists four years after the announcement of this initiative.

A few studies on the initiative have raised some doubts. For example, Dzansi et al (2018) found that the evaluation of proposed projects tends to leave out more key factors. For example, Eshun (2019) found that project selection was driven more by political affiliation than climate
change mitigation strategies. In the same way, Hlover & Shaibu (2019) observed that lobbying by local communities to attract funding tended to override factors that are crucial to successful operations such as power supply, good infrastructure, and availability of local resources. These studies have indicated that if these problems are solved the policy might then be successful. However, given Ghana’s checkered history of industrialization policies, the question is, Is the One District One Factory a viable and sustainable industrial policy? Can the government and stakeholders ensure the successful development and pragmatic sustainability of this policy for a long time? This study will examine the new policy in relation to the past policies and concentrate on the variations in logic and implementation techniques between them.

Objectives

Specifically, the objectives of this study are as follows:

1. To critically examine why Ghana’s past industrialization policies failed
2. To critically evaluate the one-district one-factory within the context of the past failures
3. To recommend how the pitfalls of past policies could be avoided.

Research Questions

To achieve the objectives above, the thesis will attempt to answer the following questions:

1. Why did past industrialization policies fail?
2. What are the similarities and differences between past and current industrialization policies that will make the latter succeed or fail?
3. What are the factors that influence the effectiveness of an industrialization policy?
Significance of Research

This study identifies the factors that led to the failure of Ghana’s past policies, determine whether the one district one factory policy will succeed, and finally, provide practical advice to assist policymakers in improving 1D1F while also ensuring long-term viability.

Organization of Thesis

The rest of the thesis consists of four chapters. Chapter two presents the literature review for the thesis. This review covers the role of industrialization in economic development and the relationship between them, industrialization policies and strategies, and Ghana’s industrialization efforts. Chapter three discusses the research methodology, which includes the selection of the study area, types and sources of data, methods of data collection, sample size and sampling technique and methods of data analysis, and finally the chapter summary. Chapter four discusses the results of the study and compares the old policies to the new policy. Chapter five presents a summary of the key findings and the recommendations of the study.
CHAPTER 2

LITERATURE REVIEW

This chapter reviews some relevant literature on this thesis's topic. The chapter is divided into four sections. The first section reviews the concepts of industrialization and economic development. The second section reviews the role of industrialization in economic development. The third section discusses industrialization policies, and the fourth section reviews work on Ghana’s industrialization experience.

Industrialization and Economic Development: Concepts and Relationship

Industrialization and economic development are concepts with many meanings. For example, Dzanzi et al. (2018) define industrialization as the process of growing an economy's manufacturing production and the transition from an agricultural to a manufacturing-based economy. The United Nations Industrial Development Organization (UNIDO, 2009) sees industrialization as the transition from an agriculture-based economy to one in which manufacturing is the primary source of income. According to O'Sullivan and Shiffrin (2007), industrialization is the process of sociocultural and economic development that converts a human from an agricultural to an industrial being. Similarly, for Forsyth, CluniesRoss, & Hug (2010) industrialization may be thought of as a movement in a country's production and worker pattern toward manufacturing or secondary industry. Based on these definitions, industrialization may be defined as an economic transition in which a society shifts its emphasis from agriculture and manual labor to the mass production of finished goods in mechanized factories and other manufacturing settings.
On its part, economic development is a program, set of policies, or set of actions aimed at improving a country's economic well-being and quality of life through job creation, company growth, income growth, and improvements to the wider social and natural environment (International Economic Development Council (IEDC), 2022). Hodder (2005) described development as an economic, social, and political process that results in a progressive rise in the perceived quality of life for a growing proportion of the population. Further development refers to national-level economic, political, and social change, as well as improvement resulting from deliberate actions to improve the living conditions of the poor or populations whose access to resources, assets, and services is limited or prevented by social, political, economic, ecological, or biophysical circumstances. Hart (2001) distinguished between small “d” and big “D” development. Little “d” development referred to the changing character of capitalism, whereas big “D” development referred to a collection of programs and policies aimed at improving the lives of people. Industrialization, which has made a significant contribution to many countries, is closely related to economic development. When an economy begins to rely more on manufacturing and mechanized activities rather than agriculture and other traditional activities it is said to have undergone industrialization. This transformation has been associated with notable increases in innovation, productivity, and job creation, all of which have contributed to the expansion and development of the economy. According to Chenery & Syrquin (1975), the development of technology and innovation, which are both essential for the expansion of the economy, is also promoted by industrialization. By putting money into research and innovation and implementing modern technologies, businesses can create brand-new goods and services, improve their current offerings, and reduce costs, all of which contribute to economic growth and development. Additionally, this innovation spurs the growth of both new and existing industries, which contributes to economic development.
Theoretically, Harrod (1939) and Domar (1946) suggested raising a nation's savings rate and investing the savings in fixed capital, such as factories, machinery, and human capital, would lead to economic growth. Likewise, Rosenstein-Rodan (1943) maintained that industrializing economically struggling regions throughout the world, such as eastern and southern Europe, was in everyone's best interests. He saw the surplus agricultural population in eastern Europe and thought that it might be reduced by migration and industrialization. This would lead to increased earnings in poorer areas more quickly than in richer places, leading to a fair income distribution between the various regions of the world. However, he argued that the problems facing underdeveloped regions were so immense that it required what he called a big-push approach at several sectors instead of piecemeal or bit-by-bit approaches.

On the other hand, Nurkse (1952) argued that there was a vicious circle of poverty in poor countries. Starting with poverty, this circle led to low production, which led to low income. Low income led to low demand, which led to low capital, low investment, low production, and back to poverty. For Nurkse, this circle could only be broken by a balanced growth approach or a frontal attack at all sectors in the form of massive investments in all sectors or what he called a balanced growth model. So, while Nurkse saw the role of industrialization in economic development, the other sectors of the economy were equally important.

Lewis (1954) also promoted industrialization in his development with unlimited supply of labor theory. He attributed the gap between developed countries and less developed countries to low wages in the latter’s large traditional agricultural sector. He argued that if developing countries engaged in labor-intensive industries, which paid higher wages, labor would be attracted from agriculture to industry until industry reached its maximum profit. Eventually, the
surplus labor in agriculture would be eliminated narrowing the gap between developed and less developed countries (Ofori-Amoah, 2019).

Empirically, Kaldor (1960) saw the industrial sector as the growth engine and a source of prospective productivity increase. Similarly, Murphy et al (1989) noted that countries that made a breakthrough in development in the previous 200 years, as shown by high sustained growth and high quality of life, did so through industrialization. Chandler (1990) observed that industrialization has already made a considerable contribution to industrialized nations' economic prosperity, as well as its role in the economic growth of emerging countries, through the creation of scale and scope economies. Marti & Ssenkubuge (2009), believe that higher-skilled jobs are generated by industrial production, and greater interconnection is fostered between consumer goods, intermediate goods, and capital goods industries, as well as between the rural and urban economies. Industrialization is also an important instrument in policies aimed at combating poverty, creating jobs, and fostering growth in underdeveloped areas. Finally, it can play the role of development more appropriately than the agricultural sector because it can spur technological advancement and innovation as well as productivity gain. Rapid industrial growth has also been historically associated with structural economic change including rising per capita incomes, rapid technological development, productivity rises, employment rises, wages rise, rising per capita incomes and rising standard of living (Hill, 2011; Peet & Hartwick, 2015; Alvarez & Brando, 2019).

Arthukorale and Sen (2015) also explain the power of industrialization in transforming economies. They note that when a developing economy is transitioning from an agrarian to a modern economy, the manufacturing sector typically has a greater capacity to absorb surplus labor than the service or agricultural sector. Industrialization is a key factor in increasing
employment and reducing poverty in developing countries. Workers in low-productivity agricultural sectors are enticed into the manufacturing sector as countries undergo industrialization, resulting in higher overall economic productivity and a larger proportion of the workforce being employed in higher-paying manufacturing roles than in agriculture. Pay increases caused by industrialization can help lift many people out of poverty. Other studies have also attributed the differences in economic development between East Asian countries and African and Latin American countries to different industrialization policies adopted by governments in these regions (Cassen and Lall, 1996; Kholi, 2004). Similarly, Ojonemi & Ofuebe (2021), assert that industrialization is the most widely acknowledged dynamic driver of national prosperity and well-being. No nation has ever achieved a uniform level of economic and social development without a robust manufacturing base. All these demonstrate that there is a favorable relationship between industrialization and the country's economic progress and that it would be impossible to overstate industrialization's role as the driving force behind modern economic growth and development.

Industrialization Policies

An industrialization policy is a type of industrial strategy that consists of a set of statements aimed at advancing a developing economy to the next stage of development by encouraging the expansion of the manufacturing sector (Organization for Economic Cooperation and Development (OECD), 2020). Industrial policy aims to foster industrialization, productivity growth, the development of a certain sub-sector, and the creation or preservation of jobs. There are many ways of classifying industrialization policies, but the most common in the literature is import substitution and export-led industrialization policies. According to Lall and Wangwe (1998), either of these could take one of two forms: functional or selective. Functional policies
aim to improve markets, for example, infrastructure and education, while selective policies support businesses or economic actors. Thus, while functional industrialization policies do not discriminate, selective policies involve "picking winners at the level of specific technologies or firms," (Lall and Wangwe, 1998 p. 745) but there are many levels of selectivity that can be used, such as in education and training, the promotion of all export-oriented activities, and providing incentives to all technological activities. These two forms of policies all have an impact on resource allocation. Bjorvatn & Coniglio (2011), believe that a perennial and hotly contested topic in political and economic discourse is the proper role of the government in the industrialization process. Many economists would contend that "government failures" make picking winners strategies more likely to fail, particularly in developing nations. Governments may fail in the challenging process of picking the proper policy objectives, picking the right policy tools, and successfully putting these policies into practice. To understand this better it is helpful to review the various kinds of industrialization policies.

Import-Substitution Industrialization

Import Substitution industrialization (ISI) is an industrialization strategy that focuses on encouraging in-country manufacturing of formerly imported commodities. ISI is also a theory of economics that developing and emerging market countries follow to reduce their reliance on industrialized countries (Segal, 2019). From the 1930s until the 1960s, this approach was used in areas of Latin America, Asia, and Africa. According to Jackson and Jabbie (2020), the ISI is a type of self-actualization that aims to improve prospects for economies by lowering their significant reliance on imports of products, allowing them to have the ability and capacities to begin industrial production. The ISI was supposed to integrate three primary stages: (1) local production of previously imported consumer goods, (2) domestic production of a larger variety
of consumer goods and manufactured items, and (3) manufacturing exports and industrial
diversification. The ISI had some flaws by the 1960s. There were worldwide tendencies such as
weak job growth, agriculture sector decline, and poor productivity growth that differed from
country to country (Bussell, nd). The ISI strategy protects a country's future because it is an
inward-looking strategy that places an emphasis on domestic development initiatives (Rodrick,
1992; Streeten, 1973). This policy promotes learning by doing it in a way that combines
technological and manufacturing innovations (Sikkink, 1991). To do this, trade restrictions and
other bureaucratic measures are used to build economic barriers (Shikida, 2005). As a result,
industrial diversification is achieved, resulting in "balanced growth" (Todaro and Smith, 2009).
Additionally, ISI is a mechanism for reversing external imbalances that may result from
unbalanced macroeconomic policy, such as trade deficits. Adewale (2012), stated that the
governments of developing nations, especially those in Africa and Latin America, were hesitant
to implement the suggested neoliberal policies, though, judging from the colonization
experience. As a result, these nations' governments adopted domestic economic policies, like the
ISI strategy, to foster growth and independence. The assumption that more industrialization leads
to more wealth is the foundation for the adoption of ISI (Linder, 1961). There is evidence from
some classical economists that a country's level of industrialization and income per capita
growth are correlated (Knox, Agnew, and McCarthy, 2003; Peng, 2009). The idea is that as a
nation's population participates in manufacturing activities at a higher rate, the per capita income
rises (Todaro and Smith, 2009). Some developing economies adopted ISI under the theory put
forth by Davis (1994) that countries can only escape their underdevelopment status by improving
their industrialization.
Export-led Industrialization

After the failure of import substitution, a new approach, export-led industrialization, was developed. Export-led industrialization (ELI), also known as export-oriented industrialization, is a policy aimed at hastening a country's industrialization by exporting products for which the country has a competitive edge. In exchange for access to the worldwide market, governments are required to open their local markets to foreign competition (UKEssays, 2018). This strategy is prevalent in Asian nations. Gibson and Ward (1992). According to Krainara (2007), because competition and collaboration coexist, export-led industrialization became a popular trend, particularly among developing nations, and it was also viewed as a valuable trade and economic strategy for assisting countries in improving their industrial growth and creating jobs. Export-oriented industrialization (EOI) aims to hasten industrialization by exporting manufactured goods for which the economy gains a competitive advantage. This calls for an open economy and a greater reliance on international markets. Thus far we have discussed the concepts and relationship between industrialization and economic development, now we will shift our attention to industrial location.

Industrial Location Theories

Whether a country pursues ISI or ELI policy, the specific locations of manufacturing activities are crucial. The location of the factory is one of the four decisions all manufacturing firms make. The other three are the product, the size of the operation, and the methods of production. The best locations may provide a competitive edge and contribute to an industry's success (MacCarthy & Atthirawong, 2003). Many organizations recognize the relevance of their geographic location and how it affects their success (Shawkat, S et al., 2020). The traditional economic theory covers the product, size, and technique questions but industrial location is based
on both economic and geographical theories. Also, location variables are qualities that differ from place to place and impact the viability of enterprises directly or indirectly. Among these are the availability of capital, land, and labor; transportation cost, agglomeration or closeness of other manufacturers, access to raw material, access to market, and government policies (Hayter, 1997). Industrial location theories aim to investigate the variables that influence the placement of industries (Twumasi, 1961). Hayter (1997), identified that there are three theories of industrial location, and these are: neoclassical, behavioral, and the geography of enterprise.

Neoclassical location theory is a type of economic determinism in which the placement of factories is determined by economic factors. The firm, according to this theory, is a rational economic unit that possesses the requisite information and reason to determine the best location. The firm is viewed as a black box in this case, and it functions as a computer that connects location circumstances represented by cost and revenue surfaces to locational results (Hayter, 1997). This theory has been developed along two primary lines. Weber (1929), who pioneered this theory emphasized cost minimization, and Losch (1954) who emphasized revenue-maximization. Under the assumption of an isotropic plane with steady-state economy, distribution of raw materials, some of which are localized and some ubiquitous, transportation cost that increases with distance and the weight of material carried and immobile labor, Weber (1909) identified three factors that determined the location of factories. They were transportation costs, labor costs, and agglomeration economies. Of these, Weber showed that the best location for the factory was where assembly and distribution costs were minimized. For Weber (1909), transportation cost thus was key. As a result, cheaper labor-cost locations or agglomerations would be better areas of the location provided the savings from labor cost or agglomeration is more than extra transportation cost from the least transport-cost location. Alfred Weber popularized the least cost theory school in 1909, even though it was suggested in Marshall's
external economics. Marshall and Weber shared the goal of developing a location theory that could be used across all sectors. The least cost theory is a generalized theoretical school of thinking that divides the elements affecting location into two categories: those influencing intra-regional location and those influencing inter-regional placement of industries. Costs of raw materials, transportation, and labor are the three components in the first category that differ locally. Agglomeration is defined as the concentration of production for a commodity in a single location in the second category. Agglomeration economies are the results of this concentration, much like in Marshall's scenario. In his condensed analysis, Weber (1909) employed a location triangle where the location was a function of transportation costs. Where labor costs were the primary determinant of location, a company may leave its site with the lowest transportation costs and move to an area with affordable labor. Similarly, the site choice would favor the center of the agglomeration when it was evident that location is a function of agglomeration.

There have been several extensions to the least cost theory, Locsh (1954), combines the methods into a general theory, but his ideas are better suited to retail than production. As opposed to what is assumed by the least cost and locational interdependence schools, Locsh holds that the rational entrepreneur should choose the location that maximizes profits. A model that simultaneously relaxes both assumptions to define the optimal location as the point where total revenues minus total costs are greatest has, however, been argued to be impossible to construct. According to Loch (1954), a producer's goal is to maximize profits, which may not be the same as the point of lowest costs. Each hub of production, he said, enjoys a degree of spatial monopoly because it is best able to meet the needs of its own operation.

Agglomeration may also draw a company through merger and expansion, which would result in transaction economies and other associated benefits of mergers, according to Weber's
other claim. (Kapunda, 2017). Although it only takes other costs such as production costs into account, the theory of transport costs primarily focuses on transportation expenses. The costs associated with the terminal and the haul are divided into two groups. Haul expenses include fuel costs and driver and crew pay, whereas terminal costs are considered the fixed costs of warehouses, docks, offices, and maintenance (Kapunda, 2017). According to Hoover's seminal publications (1937, 1948), while water transportation had high terminal costs but low running costs, rail transportation had cheap terminal costs but high running costs. Because of this, an entrepreneur would choose a location far from the source of raw materials if there was access to water transportation, but not if there was access to road or rail transportation, presuming terminal costs were fixed regardless of the length of the haul. Hoover’s transport cost theory was challenged because it ignored government interference. When the government manages rail transportation, for instance, that mode of transportation may be the least expensive.

Kapunda (2017), indicated that like Marshall's and Weber's ideas, market area theory is a school that grew independently of its generation. It centered on Weber's consumption center or the demand circumstances, as Marshall would describe the focus. Fetter (1924) produced one of the earliest pieces; To increase sales and, consequently, profit, most business owners would set their shop close to the market. As sales volume directly affects a company's performance, it seems sensible that a company would want to undercut competitors' pricing to expand its market share, revenue, and profit. To increase profits, manufacturers tended to prefer situating their businesses close to places with sizable markets, according to Losch (1940), who also expanded the thesis. The analysis considered labor, transportation, and other expenses neutrally.

Neoclassical theory has been criticized for its unrealistic assumptions, by the behavioral location theory which sees the location of a factory in terms of decision-maker preferences. The theory argues that the rational economic person at the center of the neoclassical theory does not
exist. Instead, decision-makers in the real world are satisficers. They make decisions that are
good enough based on limited information and logic, available to them. They make locational
decisions, which they code and assess. These decision-makers firms are information processors.
(Hayter,1997). The key to industrial location according to the behavioral perspectives is how
firms perceive, collect, code, and evaluate information, and the factors which influence their
choice processes. Pred (1967) modeled this in his famous behavioral matrix in which the best
location decisions are influenced by two variables: the availability of information and the
investors' ability to process and use information. Firms with greater abilities to use available
information are expected to locate closer to the optimum places while firms with poor abilities to
use available information are expected to locate in suboptimal places and even fail. This in turn
has generated two sets of location hypotheses as it pertains specifically to multinational
corporations. On the one hand is the “world is our oyster” hypothesis that says that multinational
corporations (MNCs) are already global and familiar with all cultures and territories. In addition,
the power of MNCs as well as standardization of production and homogenization of tastes have
causd cultural barriers to decline. As a result, multinational corporations can locate and
organize anywhere regardless of national boundaries. On the other end is the “power of
Geography” hypothesis that says that geographic structures of location conditions, the location
specific nature of markets still limit where MNC’s can locate.

The geography of enterprise perspective on industrial location emphasizes how internal
long-term motives, acquired experience and established company structures, as well as external
strategies and structures of other business organizations, determine the geography of corporate
strategy. The geography of enterprise interprets the location of a factory as part of a company's
investment strategy, particularly for big multi-plant companies. (Hayter, 1997). New factories
are essential to this definition because strategies define the long-term competitive positions of firms. From this perspective, location conditions and factors, the cost, and revenue surfaces are not just given data points. Instead, they are subject to negotiations. These include pay and labor rates, prices, infrastructure availability, and transportation rates. The economic landscape is seen as countervailing powers of big business, governments, and labor, and industrial location is seen as a bargaining process. Big businesses bargain with each other through oligopolistic rivalry or price and market collusion. Big businesses bargain with both government and non-governmental entities such as environmental groups. Finally, manufacturing firms bargain with labor through spatial division of labor (Clark, 1981).

Closely related to the industrial location theories is the spatial organization of industry in economic development. Typically, an economy is not evenly distributed throughout the nation but instead tends to concentrate or be situated at certain locations (localization). Consequently, industrial localization can be understood as the concentration of various industries either broadly speaking or in more detail, in a particular region or location. Malecki (1998) and Scott (1988) both draw attention to the link between geographic concentration and industrial growth. An industrial district, according to Scott (1988), is a collection of companies that utilize a similar labor force and a specific method of labor distribution. This can be used as a justification for why businesses are more concentrated in one area than they were previously. There is evidence to support the notion that a region's capacity for the creation of new businesses, services, and methodologies is what drives its successful development.

One of the earliest ideas of the importance of industrial concentration was the theory of growth poles formulated by the French economist, Francois Perroux (1953, 1956). Contrary to the balanced growth debate of Rosenstein-Rodan (1943), Nurkse (1953) and Lewis (1954),
Perroux believed that not all places experience progress simultaneously. Instead, progress manifests or happens in varying degrees of intensity at growth poles or points. He conceived a growth pole as a center in an abstract field of forces from which centrifugal forces emanated and to which centripetal forces attracted. This propulsive nature of the center is derived from its large size, high degree of dominance in the field, and high level of innovativeness and interaction within the field (Ofori-Amoah, 1998). Given these characteristics, a growth pole may be regarded as a sector of certain large scale, innovative, and fast-growing industries from which economic growth and change are initiated (Darwent, 1969; Thomas, 1972). According to Thomas (1972), this initiation starts when the large-scale, innovative, and fast-growing or propulsive industry decides to expand output. This induces growth in the industries that supply the propulsive firm industry’s inputs. Under increasing economies of scale, the propulsive industry is angled to reduce the price of its output. Industries that depend on the output for their input then increase their purchase, which in turn leads to purchases of other inputs. The amount of growth that is generated therefore depends on the activity of the growth pole and interconnections between it and other industries within its influence (Darwent, 1969). “The key to economic growth according to the growth pole idea is not to spread scarce resources thinly, as advocated by the balanced growth strategy, but to put investment into high growth sectors or industries that serve as growth poles” Ofori-Amoah, 1998 p. 155).

Perroux’s growth pole concept was extended by Hirschman (1958) and Boudeville (1961, 1966). Like Perroux, Hirschman argued for an economy to grow, it must develop within itself one or two centers of growth. Once growth is established in these areas two forces will come into play to help distribute the effects of the growth. The first will be polarization effects which concentrate more growth at the initial place and the second is the trickle-down effects which will eventually distribute the positive effects of growth to other areas. In his view, growth is a series
of disequilibrium states. Maintaining tensions, disparities, and unbalances is the responsibility of development policy. By claiming that industrialization's issues do not require simultaneous solutions, he criticized the balanced growth idea. He believed that the big push theory was fictitious since it was based on resources that were scarce in underdeveloped nations. Unbalancing should be done in a process with forward and backward linkages.

Boudeville (1966) also argued that economic growth is not a spontaneous homogenous or harmonized phenomenon. Instead, economic growth appeared in dynamic regions through propulsive sectors and their spillover effects on other regions. Combining geographic space and the idea of propulsive industry, Boudeville defined a regional growth pole as “a set of expanding industries located in urban area and inducing further development of economic activity throughout its zone of influence.” (Boudeville 1966 p. 112). The translation of Perroux’s growth pole by Hirschman and Boudeville introduced the concept of the growth center which came to be confused with Perroux’s original concept. To avoid confusion Darwent (1969) suggested the term “growth pole” should refer to the aspatial set of industries and activities at the “growth center” to the spatial location of the set of industries and activities and their effects on the surrounding areas.

Alfred Weber’s theory of agglomeration, Perroux’s theory of growth pole, Hirschman’s unbalanced growth, and Boudeville’s concept of growth centers all offer a framework for comprehending the emergence and prosperity of industrial districts and clusters by postulating that businesses tend to locate in proximity to cut costs. Therefore, an industrial cluster is a collection of distinct industrial activities and associated services that are in a condensed geographic area. Participating businesses, regardless of where they are in their development, can gain from clusters in a variety of ways. For participating businesses, clustering facilitates both
overt and covert financial gains. The basis for collaborative actions to invest in shared facilities and infrastructure and facilitate more seamless commercial transactions, reducing transaction costs and risks, is provided by the trust and peer pressure that naturally develop within clusters. By lowering the cost of searching, clusters give businesses the chance to access consolidated markets while also giving consumers more options (World Bank, 2010). According to Warwick (2013), the agglomeration of businesses and their suppliers can give the involved businesses a competitive advantage, as is well known. Agglomeration, for instance, can lead to regionally concentrated labor markets, specialization and labor division within businesses, and buyer and seller attraction. To understand the current state of Ghana’s industrial policy, it is necessary to look back at its industrialization experience.

Ghana’s Industrialization Experience

According to Ackah et al., (2014), Ghana has gone through three major episodes of industrialization since independence: an inward overprotected (import substitution industrialization) strategy (1965-1983), an outward liberalized industrialization strategy (1984-2000), and since 2001, an industrial architecture based on value-added processing of Ghana's natural resource endowments through a private sector-led acceleration. These strategies were grouped into 3 sections namely the pre-economic recovery program (1965-1983), the economic recovery program, and the post-economic recovery program (1984-2000). These were the major industrial policies developed or commissioned by various heads of state.

Import substitution industrialization strategy (1965 -1983)

This policy was introduced in 1962 by Ghana’s first president, Dr. Kwame Nkrumah. This was an import substitution program aimed at transforming Ghana’s manufacturing sector and reducing reliance on imported commodities. The creation of large-scale, capital-intensive
state-owned manufacturing enterprises was the center of this approach, according to Ackah et al., (2014). The government made significant investments to make this goal a reality, including the construction of mechanical industries, the processing of primary goods for export, and other initiatives. This strategy, which dates to the mid-1960s, was characterized by a strong reliance on import substitution through elevated levels of effective protection to reduce economic dependence on imported goods and resolve balance-of-payment problems caused by rising import bills and stagnant export earnings. To decide incentives and resource distribution, this system depended on administrative controls rather than market mechanisms.

According to Killick (2010), the Convention Peoples Party (CPP) administration stressed the import substitution plan because it was hoped that it would eliminate previous system distortions, provide an escape from export dependency, and break the poverty cycle. Instead of a solution to the balance of payment crisis, this ISI approach was viewed as a tool for gaining economic independence and prosperity (Steel, 1972). By the early 1970s, the ISI strategy had run into structural bottlenecks, resulting in a drop in economic growth. From the mid-1970s to 1983, balance-of-payments issues arose, and production and capacity utilization in most import-substitution industries, particularly state-owned industries, declined (Ackah et al., 2014). Between 1970 and 1977, capacity utilization varied between 43 and 52 percent, but by the end of 1982, it had dropped to 21 percent due to a lack of foreign exchange to import the raw materials that state-owned businesses needed to keep them functioning (Ackah et al., 2014). This ISI approach had certain drawbacks in that it discouraged the growth of exports and agriculture, and it was more focused on creating items to replace imports than considering the need to cultivate more agricultural produce that functioned as raw materials for these companies. Examples of the industries built in this era were Akosombo Textiles Limited (Akosombo), Ghana Sugar Estate
Limited (Asutsuare), and Twifo Oil Palm Plantation (Twifo Praso), Bonsaso Tyre Factory, Kade Match Factory, Wenchi Tomato Factory, Pawlugu Tomato Factory, Bolga Volta Beef Factory, Kumasi Shoe Factory, Samreboi Plywood Factory, Nsawam Cannery, Saltpond Ceramic Factory, and Komenda Sugar Factory.


Ghana's industrial policy shifted from traditional import substitution to an outward liberalized private sector-led industrial strategy. Ghana at that time wanted to be in an international situation where they wanted to produce on a large excess capacity for exports. It was the objective of this strategy to provide employment for the citizens of Ghana by focusing on the creation of jobs in small and medium-scale industries. For the government to achieve this aim, they focused on promoting the indigenous private sector, reviving major industries, and endorsing a favorable environment for the operations of industries.

According to Ackah et al, (2014), this strategy also aimed to restructure the industrial sector by addressing the problems created by the import substitution strategy. For example, by increasing production, removing bottlenecks, and others. This strategy also aimed to guarantee that Ghana developed resources to supply local businesses and support agriculture. The manufacturing industry responded positively to this policy when it was announced. However, growth rates began to drop in the late 1980s, owing to the private sector's tardy reaction to the industrial sector, which in turn was caused by structural constraints such as power outages, bottlenecks, and other issues.
The private sector-led accelerated industrial development strategy (2000-2006)

This focused on creating wealth for the country to promote growth and reduce poverty, so with this strategy there was a shift in the industrialization policy, but this happened in the initial stages of the policy. Later, it focused on promoting agro-processing and adding value to products. This also led to major infrastructural development. Ackah et al. (2014) then discussed growing industrial policy concerns such as how to empower the private sector and reduce poverty. Hlovor & Shaibu (2019), focusing on the historical study of industrial strategies, indicated that Ghana has tried with many paradigms to discover a lasting cure. Kwame Nkrumah sought to change Ghana's agricultural and cash-crop-reliant economy to an industrial society. According to Hlovor & Shaibu (2019), several state-owned enterprises were developed in the mid-1950s and 1960s and these sectors were created to produce things using local raw materials for domestic consumption as well as exports. The Convention Peoples’ Party, led by Dr. Kwame Nkrumah, stressed state-led import substitution; however, in 1966 a coup done by the National Liberation Council, which was comprised of military personnel, ousted the Convention Peoples’ Party administration, and switched to neoliberal policies such as privatization and devaluation. Some state-owned enterprises were privatized as a result, and the economy was opened to foreign competition. During their time, all the state-owned industries were privatized. This study went on to discuss the industrial strategies that were enacted during the administrations of previous presidents of state. Hlovor & Shaibu (2019) adopted the historical analysis approach with qualitative research design which relied on secondary data.

One district one factory initiative (2016-Now) Light at the end of the tunnel?

The Ghanaian government, led by Nana Addo Danquah Akuffo Addo, launched an industrial initiative called one district, one factory, (1D1F) with the goal of establishing a factory
in each of Ghana's 261 local government districts. The government's involvement was to get loans for the construction of these industries, which are owned and controlled by private entrepreneurs. The restoration of the New Patriotic Party (NPP) to power in 2016 with an overwhelming majority was due to the country's economic woes (Hlovor & Shaibu, 2019). This new administration, like previous governments in Ghanaian history, was tasked with altering the economy by ensuring the addition of value to our raw materials during the manufacturing process.

The adoption of the 1D1F policy is a crucial approach in developing Ghana into an industrial powerhouse in the West African sub-region. The government's goal, to (One District One Factory secretariat, 2018), is to address Ghana's crisis by launching a large-scale industrialization push across the country. This geographical dispersion of industrialization across the country is thought to aid communities in making better use of their local resources. This strategy is set to achieve the goals of industrialization, for example, reduction in the dependence on imports, increase in agricultural and manufacturing inputs, increase in living conditions, and increase in the availability of food. With this promising strategy, the minimum target of the government is to provide 261 industries in the 261 districts in Ghana. Currently, there are 150 factories in operation as shown in Figure 2.1 below. The map was generated by geocoding the factory addresses and using data from the IDIF website to show the spatial distribution of these 1D1F industries. This map has some limitations, though, as it may not accurately reflect the locations of all the factories and cannot be relied on to show that they are all open and operating.

According to Haruna (2017), this strategy is quite broad in scope, and no administration has shown dedication to the economic development of Ghana's districts since the time of Ghana's first president, Dr. Kwame Nkrumah. This prospective plan focuses on eight key areas:
agriculture and business, textiles and apparel, information and communication technology, pharmaceuticals and cosmetics, waste management, distribution and commerce, tourism, and arts and crafts (One District One Factory Secretariat, 2018). This demonstrates that Ghanaian policy intends to reform all areas of the economy. This strategy is the result of a collaboration between the Ghanaian government and financial organizations such as Ghana Exim Bank, Ghana Commercial Bank, UMB, CNBM, and Access Bank (Hlovor & Shaibu, 2019). The government of Ghana has obtained a loan of US $ 2 billion from the government of the People's Republic of China to fund this endeavor (Haruna, 2017).
Studies on One District One Factory (1D1F) Initiative

Dzansi et al, (2018) stated that the government of Ghana accepts proposals from potential factories, reviews, and evaluates them to select the most promising projects. Dzansi et al, (2018) went on to say that the objective of this approach is to equip and empower local people to use their local resources for manufacturing, as well as to give Ghana a chance to grow its manufacturing industry. They finished by mentioning several elements that should be evaluated.
separately from the plant, such as input procurement arrangements, support, and concessions. Hlovor & Shaibu (2019) defined the policy as a public or state-led and private-sector driven industrialization strategy, with the state playing a key role in assisting private investors to explore and invest in areas suggested by the government, with these investors having the potential to create jobs and add value to our exportable products. He also concluded by stating the issues to be addressed to ensure the long-term sustainability of this policy and these issues are power supply, improving infrastructural facilities, and avoiding political patronage in selecting investors but he failed to provide recommendations or ways to address the issues arising from this policy.

On the feasibility analysis of 1D1F, Adu & Opoku Kumi (2019) raised several concerns. First, they observed that the development of these factories will be heavily reliant on agricultural promotion within the economy. Second, the choice of factory locations is driven by the lobbying of traditional authorities for their jurisdiction. As lobbying is not prohibited in democratic governance, the grave issue about this is the location of factories disregarding the availability of resources and human capacities. Third, there was the issue of reliable power supply and improvement of infrastructure facilities. To this end, Opoku and Kumi (2019) suggested that the government should focus on agricultural raw materials, removal of conflict of interest in the location of factories and ensure the availability of power supply and improvement of infrastructure.

In conclusion, this chapter discussed the concepts and relationship between industrialization and economic development. Regarding industrialization policies, they aim to advance a developing economy to the next stage by encouraging the expansion of the
manufacturing sector. It was also evident that industrial location significantly impacts the success of industrial policies. This chapter also emphasized the history of Ghana’s industrial policies namely, import substitution, and outward liberalized and private sector-led industrialization policies. It reviewed some work done on the new policy, 1D1F, to assess its fate. However, the question that remains unanswered is given Ghana’s checkered industrialization history, what guarantees that this new policy can be sustained? This is the question explored in this thesis.
CHAPTER 3

RESEARCH METHODOLOGY

Introduction

This chapter presents the methodology used to conduct the research. It discusses the research design methods of data collection, data analysis, and the ethical considerations which were considered during the study's conduction.

Research Design

The questions addressed in this thesis required information about how much Ghanaians knew about the 1D1F policy, its implementation, and its challenges. To do this, I needed both primary and secondary data about the policy. I obtained the primary data through an online survey and interviews with the selected respondents, and the secondary data through a review of existing work on the policy. In this section, I discuss the study area and the sampling technique used to select the sample.

The Study Area

Ghana is a Sub-Saharan African country. It is bordered on the west by Cote d’Ivoire, on the north by Burkina Faso, on the east by Togo, and on the south by the Gulf of Guinea and the Atlantic Ocean. With a total area of 238,535 km², (92,099 sq. mi.) Ghana's geography and habitat are diverse, ranging from coastal savannas to tropical rain forests. With a population of almost 31 million people, Ghana is the second-most populous country in West Africa, after Nigeria. Accra is the capital and largest city, alongside notable cities including Kumasi, Tamale, and Sekondi-Takoradi. It was formerly known as the Gold Coast, a name given to it by the first Europeans, the Portuguese, who landed on the Gulf of Guinea's coast in 1471. The name Gold
Coast was because of the gold they found on the shores. On March 6, 1957, Kwame Nkrumah declared Ghana's independence from Britain. On July 1, 1960, Ghana became a republic, with Nkrumah as its first President. The colors red, gold, green, and black star make up Ghana's flag. Ghana was the wealthiest African country, with a strong political and economic foundation. It was the world's largest producer of gold and cocoa, had abundant wood, and was a stable human resource (Warner, 1960). But Ghana's wonderful narrative did not continue long, as the country was thrown into a condition of lengthy power conflicts, which resulted in a prolonged period of political unrest, as well as economic hardship and social instability (Donani et al., 2021). Lewis (2018) observes that at the heart of developing countries’ challenges is their inability to change the structure of their economies from one of providing raw materials to adding value to create jobs for its citizens and reduce poverty. It is in this context that industrialization becomes imperative in dealing with the challenges.

Industrial development has been a key component of President Nana Akufo-Addo's administration since he assumed office in 2017. In the same year, the Ghana Beyond Aid project was created with the purpose of increasing global and regional trade and investment competitiveness, as well as ensuring the mobilization of local resources through industrialization and value addition. Local manufacturers have benefited from significant government backing and several public and private initiatives in recent years, with industrialization being a key component of the government's plan. Manufacturing was Ghana's fourth-largest industry in 2018, accounting for 11.3 percent of GDP.

According to the African Development Bank, the contribution to GDP in 2018 was GHS31.4 billion ($6.1 billion), up from GHS26.8 billion ($5.2 billion) in 2017. The sector's growth dropped to 4.1 percent in 2018, down from 9.5 percent in 2017 - the highest in five years.
Ghana has adopted far-reaching steps to diversify its economy by increasing local manufacturing potential after several years of promising growth. The development of new industries, industrial parks, and free zones, as well as the mobilization of natural resources to create high-value export products, are at the heart of the country's industrialization effort. These initiatives should aid in resolving the structural issues associated with dependence on imports, resulting in enhanced currency stability. Lower import tariffs and improved ease of doing business have opened new supply lines for important industries at the same time. As local value addition remains a top objective, industrial expansion and the building of integrated local value chains are likely to boost the aluminum, agro-processing, and automotive sectors.

Ghana was chosen for several factors. First, I wanted to contribute to closing the knowledge gap by conducting research on Ghana’s industrial policies. Second, my research has the potential to impact industrial policies and practices in the country, which is crucial given the country’s high economic significance. The fact that this area fascinates me individually also encouraged me to dig deeper into it. In addition, I have access to all the resources and people I need to carry out my research, making this an ideal location for my research. Finally, Ghana is conducive to my research aims, as it provides many opportunities to find answers to the questions I have posed, and I am confident that my efforts will help improve the industrial sector.

Sample Size and Sampling Technique

In all, 50 respondents were selected for this study, and out of the 50, 5 people were selected for further interviews. Respondents were persons 18 years, and above which involved students, graduates, and workers of Ghana who are citizens of Ghana. This study adopted the purposive sampling technique which helped in selecting some respondents who were willing to
provide information based on their experience and perceptions of the One District One Factory policy. This technique was used to select people for the interview who, as per their answers, had more experience than other respondents. The convenience sampling technique also helped people share their opinions about the 1D1F policy and helped get easy access to respondents. The convenience sampling technique was helpful in selecting respondents, as there was no pattern in selecting them; respondents were available and convenient to the research at the time the survey was conducted. The secondary data used for this research were obtained from a review of literature from internet sources related to industrial policies, books, Ghana Statistical Service, and the Secretariat of One District One Factory policy.

Although this study was anonymous, the demographics of respondents was important as some variable can be used to compare responses from them. The following are some of the important variables the author considered, education level, age group, gender, and party affiliation. This study employed 50 Ghanaians to participate in the online survey,

Table 1. Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>38</td>
<td>76%</td>
</tr>
<tr>
<td>Female</td>
<td>12</td>
<td>24%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

From Table 1 above, out of 50 respondents, 38 representing 76% were males and 12 representing 24% were females and most of them were found between the ages of 18 -25 representing 56%, followed by age groups 26-35 and 36-45 representing 32% and 12% respectively. The Table 2 below shows the age group that participated.
Table 2. Age group

<table>
<thead>
<tr>
<th></th>
<th>18-25</th>
<th>26-35</th>
<th>36-45</th>
<th>46-55</th>
<th>56-65</th>
<th>66+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>28</td>
<td>16</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>%</td>
<td>56%</td>
<td>32%</td>
<td>12%</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: Generated by author.

The education level of respondents was also collated in order to see if there will be some dynamics in the responses given by comparing them to their age groups.

Table 3. Education level

<table>
<thead>
<tr>
<th></th>
<th>Basic</th>
<th>Junior High</th>
<th>Senior High</th>
<th>University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>48</td>
</tr>
<tr>
<td>%</td>
<td>0%</td>
<td>0%</td>
<td>2%</td>
<td>96%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

These education levels are the most common in Ghana, from the table above, 48 respondents representing 96% have attained education at least at the university level which is higher educational attainment. As this policy was introduced by a political party, thus the New Patriotic Party, it was then necessary to allow respondents to provide their party affiliations.

Table 4. Party affiliation

<table>
<thead>
<tr>
<th></th>
<th>NDC</th>
<th>NPP</th>
<th>CPP</th>
<th>PNC</th>
<th>PPP</th>
<th>NO PARTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>4</td>
<td>12</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>30</td>
</tr>
<tr>
<td>Percentage</td>
<td>8%</td>
<td>24%</td>
<td>0</td>
<td>0</td>
<td>2%</td>
<td>60%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

Table 4 shows that most respondents representing 60% have no party affiliation, 24% are New Patriotic Party (NPP) members followed by National Democratic Congress (NDC) and People Progressive Party (PPP) representing 8% and 2% respectively. This clearly shows that
most responses derived from this survey and interview were not driven by party affiliation but by patriotic citizens of Ghana.

**Method of Data Collection**

This research adopted in-depth and semi-structured interviews and an online survey. This allowed flexibility while maintaining the research guidelines, reliable qualitative data was collected, and this helped develop a friendly rapport with the participants which led to gaining insights in extreme detail without much conscious effort. However, this design was appropriate due to the limited time span used to undertake this study. Respondents for collecting the primary data for this study were drawn from an online survey conducted using WMU (Western Michigan University) Qualtrics. In-depth and semi-structured interviews and online surveys were employed in this study. Links to the online survey were shared on WhatsApp, a social media platform. This platform is one of the most popular and used social media platforms in Ghana. This was used due to the expense and non-reliability of the internet which I have personally experienced. Also, this method of distribution was adopted to get data from the 16 regions of Ghana. Informed consent was added to the survey links, and respondents agreed to have their replies included in the study findings. Respondents had every right to refuse to participate in the survey at any moment and had the option of not responding to all the questions. Respondents' sensitive information, such as their names, was eliminated and not recorded in any way.

For the interviews, respondents were given the chance to provide their contact if interested in further interviews, 16 people showed interest in it but only 5 people were selected. Four follow-up in-depth interviews were evaluated qualitatively because of the study, and the interviewees were participants who were specifically chosen from the quantitative pool of survey respondents. The interview was also conducted on WhatsApp in a chat between the researcher
and respondents, then documented for analysis. Sensitive information like the contact and names of respondents were eliminated from the analysis as the research is anonymous. This allowed flexibility while maintaining the research guidelines, reliable qualitative data was collected, and this helped to develop a friendly rapport with the participants which led to gaining insights in extreme detail without much conscious effort.

Method of Data Analysis

In this study, qualitative procedures were used, Content analysis is the process of analyzing verbal or written communications in a systematic way to measure variables quantitatively (Polit & Hungler, 1995). Qualitative data were analyzed through the examination of themes, trends, differences, and similarities in the responses that were provided by respondents. The data that was obtained from the interviews were documented and analyzed using thematic analysis and the themes developed were guided by the literature review, the research questions, and the survey. Close-ended answers from the online surveys were analyzed using Microsoft Excel, and some were represented using tables from Qualtrics and Excel, which helped in the easy interpretation of results. Results were interpreted in percentages which helped to highlight the trends and patterns which may have been difficult if the counts were used. It also made it possible to see the relative proportions of each category which it easier to compare data sets.

Ethical Considerations

All participants were guaranteed their right to anonymity, confidentiality, and privacy in accordance with the standards of ethical research in the social sciences. This study was approved by the Human Subject Institutional Review Board (HSIRB) of Western Michigan University The researcher made an informed consent letter available to the participants to adhere to these ethical
guidelines. Participants in the online surveys were reassured that they were participating voluntarily and that they could stop at any time if they so desired. Therefore, they were briefed on the possible outcomes, and they were assured that their participation was for scientific investigation only. Data subjects' names were not recorded, and extensive measures were taken to maintain their privacy both during and after the data collection process.
CHAPTER 4

FINDINGS AND ANALYSIS

This chapter presents the analysis in response to the research questions and objectives of the study. This is done through thematic analysis from the questions of the survey and interview. One of the objectives of this study was to evaluate the One District One Factory Policy within the context of the past policies, to achieve this objective, questions related to the one district one factory policy were asked. In evaluating this policy questions based on these themes were asked.

Updates on One District One Factory Policy

The first step of the study was to find out if respondents were aware of the 1D1F policy, how they became aware of it, and what they thought were the objectives. The results are shown in Tables 5, 6, and 7, respectively.

Table 5. Knowledge about 1D1F

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>An Industrial policy focused on spreading factories in all the districts of Ghana.</td>
<td>29 (57%)</td>
<td>17</td>
<td>2 (4%)</td>
<td>1 (2%)</td>
</tr>
<tr>
<td>A campaign promise of the New Patriotic Party.</td>
<td>30 (60%)</td>
<td>17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Never heard of this policy.</td>
<td>1 (2%)</td>
<td>3 (6%)</td>
<td>12 (23%)</td>
<td>28 (55%)</td>
</tr>
</tbody>
</table>

Source: Generated by author.

Table 5 shows that out of the fifty respondents who agreed to do this survey, 29 (57 %) strongly agreed that One District One Factory was an industrialization policy focused on spreading factories in all the districts of Ghana, 30 (60%) strongly agreed that it was a campaign promise
by the New Patriotic Party and only one (2%) respondent strongly agreeing that he or she has never heard of this policy. The Table also shows that most of those who participated in the survey strongly disagreed that they have never heard of this industrial policy. This clearly shows that most Ghanaians are aware of 1D1F based on two main reasons, it being a policy focused on the spread of factories in all districts and a campaign promise of the New Patriotic Party.

Table 6. Medium of information

<table>
<thead>
<tr>
<th>Medium of information</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media</td>
<td>14</td>
<td>27%</td>
</tr>
<tr>
<td>Political campaign</td>
<td>35</td>
<td>69%</td>
</tr>
<tr>
<td>No Answer</td>
<td>2</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

Table 6 shows that 35 respondents representing 69% heard about the 1D1F policy through the political campaign, while 14 respondents representing 27% got to know about the policy through the media. This shows that the New Patriotic Party did a massive campaign for this policy and that most Ghanaians heard it through the campaign. These results also correlate with what the respondents know about the 1D1F policy.

Regarding the main objectives of the policy, respondents were asked to check as many as applicable from a list of five objectives. The results are shown in Table 7 below.
Table 7. Objectives of the 1D1F policy

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Count</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in agricultural and manufacturing output</td>
<td>40</td>
<td>78%</td>
</tr>
<tr>
<td>Increase in standards of living</td>
<td>34</td>
<td>67%</td>
</tr>
<tr>
<td>Increase in food availability</td>
<td>34</td>
<td>67%</td>
</tr>
<tr>
<td>Reduction of imports</td>
<td>33</td>
<td>65%</td>
</tr>
<tr>
<td>Increase in consumer goods</td>
<td>33</td>
<td>65%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

From Table 7, 40 respondents representing 78% identified the objectives of the policy as increasing agricultural and manufacturing output, which also signifies the most important objective, Next were an increase in food availability and an increase in standards of living representing 67% each, and reduction of imports and increase in consumer goods each accounting for 65%. From these results, either the known objectives are visible to the citizens, or they are not experiencing them.

Respondents were asked if any of the objectives they selected in the previous question have been met so far and the reason for their answers.

Table 8. Achieved objectives

<table>
<thead>
<tr>
<th></th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>26</td>
<td>51%</td>
</tr>
<tr>
<td>No</td>
<td>19</td>
<td>37%</td>
</tr>
</tbody>
</table>

Source: Generated by author.
Table 8 shows that 26 respondents representing 51% agreed that the objectives selected in the previous questions have been met, and the reasons for these answers were evidence that few processing factories have been built. Some also believed that there has been an increase in agricultural and manufacturing output, an increase in food availability as well as the creation of jobs. However, 19 respondents representing 37% answered that the objectives they selected have not been met because there was a high importation of goods and a high cost of living. Some also believed that the high inflation rate in Ghana now was causing the inability of these objectives to be achieved.

To follow up on whether the policy achieved its objectives, respondents were asked to indicate if any operating factories had been established in their districts.

Table 9. Views on established factories

<table>
<thead>
<tr>
<th></th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>11</td>
<td>22%</td>
</tr>
<tr>
<td>No</td>
<td>37</td>
<td>72%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

From Table 9, above, most of the respondents, about 72% of them, were of the view that their districts had not seen any factories yet representing 72% while only 22% had seen factories within their districts. This shows that most Ghanaians were yet to experience this industrial policy they had heard about and were anxious as to if this was just a campaign promise to win their votes or if it was a policy that had the development of Ghana in mind. Examples of factories that had been established included the Casa de Ropa, Bodukwan Multifruit Juice factory, and Sent-up Ceramic Ghana. Respondents were also asked if they were aware of any
factories outside their districts, this was done not to create any limitation to respondents as to if they were aware of factories outside their districts. From Table 10, the results show that

Table 10. Factories outside the respondents’ district

<table>
<thead>
<tr>
<th></th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>31</td>
<td>61%</td>
</tr>
<tr>
<td>No</td>
<td>16</td>
<td>31%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

Ghanaians were more aware of or have seen some industries outside their districts that have been established through the 1D1F policy. This is due to the popularity of these industries and their products. The following factories were mentioned by respondents, Ekumfi Fruit Juice Factory, Komenda Sugar Factory, Nissan Assembly Plant, Shoe Fabriek, Bodukwan Multifruit Factory, and the Watermelon Factory.

Implementation of One District One Factory Initiative

For the objectives to be met and research questions to be answered in this study, the implementation process, and perceptions of how this policy was carried out needed to be examined. This looked at community involvement, policy process, economic condition, and changes.

a. Policy implementation and Involvement

To find out if community members were involved in the policy's implementation, respondents were asked if they knew how it was implemented.
Table 11. Policy implementation process

<table>
<thead>
<tr>
<th>Awareness of Implementation Process</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>11</td>
<td>22%</td>
</tr>
<tr>
<td>No</td>
<td>37</td>
<td>72%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

In Table 11 above, 37 or 72% of the respondents said they were unaware of the process, while 11, or 22%, had some awareness of the policy's implementation. Respondents were given the opportunity to elaborate on how the policy was implemented. Most of them believe that this policy involved a public-private partnership (PPP), where the government helps by acquiring enough land in building the factories and assisting already established factories to expand their capacity.

Table 12. Community or citizens involvement

<table>
<thead>
<tr>
<th>Community Participation</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>29</td>
<td>57%</td>
</tr>
<tr>
<td>No</td>
<td>16</td>
<td>31%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

From Table 12 above 29 or 57% of the 50 respondents thought that citizens must play a part in the policy's success, whereas 16 (31%) did not think so. According to the respondents who thought community participation was important, said citizens or communities contributed to the success of policy by serving as human resources and some think that citizens or communities contributed by producing ideas or helping with the acquisition of land for factories. Respondents
that did not think the community needed to be involved in the implementation believed that it is the responsibility of the government and entrepreneurs, but citizens are the benefactors of this policy.

b. Policy timeline and economic condition

These questions allowed respondents to give their views on the time the policy was introduced, the economic condition before the policy was executed, and if they have seen any changes in the economic condition of Ghana.

Table 13. Policy timeline

<table>
<thead>
<tr>
<th>Implementation Time</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>33</td>
<td>65%</td>
</tr>
<tr>
<td>No</td>
<td>13</td>
<td>25%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

From Table 13 above, 33 (65%) respondents think the policy was implemented at the appropriate time, while 13 (25%) think it was implemented at the wrong time. Respondents who responded in the affirmative believed that the policy being introduced will help with unemployment issues. Some also thought it would help reduce imports and stabilize the economy to relieve the pressure in the country. Respondents that did think the policy was implemented at the appropriate time indicated that at the time the policy was introduced, the economy was not stable enough for it and the government needed to study the economy well before implementation in other to gather resources. Some also believed this policy is vital, so it needed utmost focus, merging it with the Free Education initiative will affect its success. Some also see this as a campaign motive that was used to win votes. Following this question, the economic condition of Ghana before the
policy needed to be known in other to see if they have been some changes after the policy was implemented.

Table 14. Economic condition before the policy

<table>
<thead>
<tr>
<th></th>
<th>Very Good</th>
<th>Good</th>
<th>Fairly Good</th>
<th>Bad</th>
<th>Very Bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>4</td>
<td>9</td>
<td>26</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Percentage</td>
<td>8%</td>
<td>18%</td>
<td>52%</td>
<td>20%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

From Table 14 above, just four percent of the respondents thought Ghana's economic situation was very good prior to the implementation of the 1D1F policy, nine percent thought it was good, twenty-six (26) thought it was only fairly good, and ten (10) and two percent said it was bad or very bad, respectively. One can say that the economy prior to 1D1F was in between good and bad. The question of if they have seen any changes since the policy was implemented helped to gain more insight as to why more people thought that the economy was fairly good prior to the policy.

Table 15. Changes in economic condition

<table>
<thead>
<tr>
<th></th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>13</td>
<td>26%</td>
</tr>
<tr>
<td>No</td>
<td>32</td>
<td>64%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

In Table 15 above, 13 (26%) respondents say there have been positive improvements to the economy because of the policy's implementation, while thirty-two or 64% feel there have been
negative changes to Ghana's economic situation. The most frequently cited causes of the negative effects are stagnation, a low standard of living, high imports, a high unemployment rate, and inflation. Respondents that answered Yes, believed that there has been a small reduction in imports, an increase in exports, and an improvement in the standard of living of communities. With all these perceptions of the Policy’s time and Ghana’s economic situation, it was then necessary to assess if they find this policy to be credible thus if they think it is capable of transforming Ghana’s economy from an agrarian to an industrialized one.

Table 16. Economic transition

<table>
<thead>
<tr>
<th></th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>38</td>
<td>76%</td>
</tr>
<tr>
<td>No</td>
<td>7</td>
<td>14%</td>
</tr>
</tbody>
</table>

Source: Generated by author.

Table 16 displays those 38 respondents, or 76%, think the 1D1F program may assist Ghana to move from an agrarian to an industrial economy. seven, or 14%, do not think the program can completely alter the economy. Assisting Ghana to move from an agrarian economy to an industrialized one will require the implementers to look beyond the lenses of politics, make more efforts to attract investors, and add value to raw materials and preservation of perishable products. Some also believe that if this is well sustained it will bring satisfactory results eventually. Respondents that answered no believe that Ghana’s economy is agrarian and the constraints in the implementation of 1D1F are preventing this to happen. The analysis clearly shows that the citizens must play a significant role in the policy's success for it to be effective. This result indicates that people from all social classes are willing to support the government in putting the 1D1F industrial policy into practice.
Challenges and Recommendation

This study examined Ghanaians’ perception of the challenges of 1D1F and the possible recommendation that can help rectify these issues. From the response gathered, 12 representing 23% of respondents believe that source funding is the biggest issue for 1D1F. Ten respondents believe poor planning is also a major challenge, 14 representing 7% each believed lack of leadership and stakeholder influence, they believe that there is too much interference from the government and others see that this policy lacks public accountability, marketing channels, low patronage, and publicity, respectively. Only three representing 6% believe politics posed the major challenge to the 1D1F policy.

On how to solve these problems, 10 respondents proposed that strategic planning is the sure solution to the challenges of the policy which must include feasibility studies, brainstorming ideas from citizens and experts, and a timeline for the policy. Eleven respondents answered that more funding is needed in order for the policy to be sustainable therefore, there should be a drive for foreign and local investors for support. Four respondents believe the 1D1F needs good publicity and patronage and three respondents say the policy needs transparency and establishment to solve the major challenges. Seven respondents suggested that factories should start on a small scale before looking at expansion, new and innovative minds are needed at the stakeholder levels and government should find a way for this policy to be a national policy.

Analysis on Interviews

The analysis of the data gathered in connection with the study's research queries is presented in this chapter. The information collected from the formal investigations was contrasted with that gleaned from the other important interviewees, such as business owners, as
well as the papers and literature read. Additionally, the outcomes were contrasted with the examined literature and the research's main conceptual approaches as part of the analysis. Key interviewee replies that highlight the themes covered in the analysis are offered as vignettes in italics to help put the debate in context.

Knowledge and Progress

The study's first theme investigated the knowledge interviewees had about the 1D1F policy's development. Whether the policy is succeeding in attaining its goals or moving in the correct direction, interaction with the selected respondents was used to gather the data for this purpose. The study indicates and demonstrates that the current president, Nana Addo Dankwa, introduced the 1D1F policy when he was running for office. The intention was to construct factories in every district of Ghana to add value to raw goods. Respondents explained how they perceive the 1D1F policy.

“In an effort to advance industrialization, lower imports, boost employment, and lower prices for goods, the NPP, led by Nana Addo, launched a campaign pledge to erect factories in each of Ghana's 275 districts. These points were shared by every respondent.” [respondents]

The common thread running through all four responses is that the initiative to build factories across Ghana is a government-led initiative under the current ruling party, the NPP, to boost industrialization, decrease imports, and increase employment. The specific information provided, such as the number of districts where factories will be established or the place where the campaign pledge originated, is what distinguishes the responses from one another. Respondents also thought the policy was implemented at the ideal period and that it was a very smart move from the present president at a time when Ghana needed an industrial revolution.

“Yes, in my opinion, it was launched at the appropriate time given the urgent necessity for the nation to undergo an industrialization transformation.”
“Yes, because we cannot wait forever, at least starting something is in a right direction, because Ghana is facing the problem of exchange rate depreciation, and the major factor is over-importing goods and services. so, it is a step in the right direction like I said earlier” [respondent 3]

“Yes, I believe. This is because the country suffers huge debts through the importation of processed raw materials. This initiative has come at a suitable time to help save government revenue and taxpayers’ money.”

[respondent 1]

Also, expert reviews indicated that the 1D1F was being adopted at the ideal time and that this fact, along with the policy's high likelihood of success and reachability, would significantly aid Ghana's industrial revolution.

“Yes, I think the policy is realistic and resourceful with the correct mindset and capable leaders.” [respondent 4]

“Everything is feasible, like I said earlier, we can’t keep being a forever importing country, we need to start something which 1D1F has started, despite little challenges it is better than before” [respondent 3]

“Yes, this policy is feasible. The government has even started the production and processing of fruit juice in some districts (the popular Ekumfi fruit juice is an example). And the feedback is impressive” [respondent 1]

Despite their high acclaim for the preliminary stages of the policy, they also expressed some strong reservations and what they would like to see changed in terms of the policy's sustainability.

“My belief is that a long-term plan, such as the adoption of contemporary technology and creative leaders, should be connected to the policy for it to be sustainable. If there should be a change in administration, I wish to see leaders who can carry the policy forward to ensure continuity.” [respondent 4]

“I hope more private companies and stakeholders are given the opportunity to support this great initiative since the government at this initial stage is not strong enough to single-handedly provide adequate funding. I hope the government goes hard on its marketing strategies and awareness creation so that the policy does not remain as a mere initiative or proposal but rather implemented in its full capacity in all the districts.” [responding 1]
Respondent 2 continued by asserting that the policy is not accomplishing its goals, including expanding employment and lowering imports, in its current form.

“No, as at now even the unemployment rate has increased so has imports. Prices of goods have increased tremendously. So, if the factories are working, all these problems would have been minimized”

Challenges and Recommendations

Investigating the challenges limiting the 1D1F was the objective of the last theme. Additionally, it was intended to examine lessons on how the 1D1F could be successfully applied to improve the quality of life for locals. The discussions uncovered several significant obstacles impeding the policy's efficacy. These range from problems with resource availability and funding, poor leadership and corruption, lack of clear and consistent principles on the policy, political interference of the policy, inadequate intervention and sale of intended recipients and relevant stakeholders, and a lack of coordination and cooperation with pertinent departments and agencies. Additionally, it was found that while some of the highlighted obstacles appeared to be a direct outcome of the 1D1F policy's implementation process, most of them were basic structural barriers that restrict efforts in Ghana.

The problem of corruption is one of those;

“As I said earlier, corruption. This is the major problem. Corruption in the sense that even if the government is given funds to undertake this project, they will disburse the funds at the end of the day, there will be no project at all or there will be no quality of work done or even the time will delay”

[respondent 2]

Another is a lack of funds and resources.
“Financial constraints, raw materials (for example a fruit juice factory at Trede called BODUKWAN fruit juice factory) most times short of raw mangoes to process, and in the end, the finished products are not sold in Ghana but exported outside due to high cost of production” [respondent 3]

“According to me, the most common problems include a lack of sufficient financing to implement the strategy, a low usage of technology, inadequate rural infrastructure, and ineffective marketing channels.” [respondent 4]

“A major challenge is the lack of equipped factories around the districts for manufacturing and processing. This initiative involves lots of money which the government lacks now, and poor revenue leads to low productivity and inefficiency of this policy. There is too much political influence so other separate or nonpartisan bodies or non-party members are not welcome to share their technical knowledge and this will not help the long-term existence of this initiative” [respondent 1]

The study found that the provision of important social facilities, such as roads, the fight against corruption among policy facilitators, and the availability of sufficient financing to see out the policy's lifecycle all affect how well the 1D1F can accomplish its intended goals. These opinions demonstrated not just the difficulties facing the 1D1F strategy, but also how Ghanaian industrialization has mostly failed over time.

The government and the pertinent parties must take on their roles in making sure that any problems resulting from the policy are resolved. Some of the respondents contended that it is the government's only duty to adopt a distinct perspective and operate effectively.

“The government should partner with international bodies and other corporate bodies that are ready to put in money to build more factories within the shortest possible time. Also, the government should find new sources of revenue by expanding the tax base and strict regulations to reduce corruption in the local government sector. The government should give these industries some level of autonomy so they can operate freely, manage, and control their production and create their internal rules to ensure the initiative succeeds” [respondent 1]

“Nothing can be done except for the leaders to change their ways. For the funds, they can impose a 1D1F tax on the citizens to generate money to fund the project” [respondent 2]
All necessary stakeholders must be engaged if government programs are to be successful. This is crucial for a private sector-led strategy like the 1D1F since stakeholders and customers may act as a framework and a form of criticism to help the process move forward. Including previous industrialization initiatives, the 1D1F depends on essential elements like the supply of raw materials and an available demand for the products manufactured. However, the interviews made clear that the policy was being restricted by ineffective communication and cooperation between the concerned institutions. The respondents provided some suggestions for how the policy may be sustained.

“By equipping farmers and other producers of raw materials with tools, machines, and equipment to make their work easier so they produce more to feed the factories. Provision of storage facilities in copious quantities to preserve perishables so they do not go bad. Provision of financial and technical support for local entrepreneurs to encourage them to produce more.” [respondent 1]

“The government must get the abled institution to do proper monitoring and evaluation, in this regard, everything will work properly” [respondent 3]

Respondent 4 also noted;

“It is imperative that government appoint capable and able leaders who can think long-term. Also, there should be continuity of started policy irrespective of the current party in power. And last but not the least, there should be high use of modern technology which would in turn improve human resources through training and retraining”

These viewpoints strongly emphasize the importance of partnerships, inclusion, and coordination between the necessary stakeholders and the government. To foster cooperation and advancement, there should also be an ideal relationship between the policy and other programs. Based on the idea that there are many players, institutions, and stakeholders involved in policy execution, it is necessary for connected agencies to work together to guarantee the policy is implemented smoothly, but it was discovered that the 1D1F policy lacked this.
Differences and Similarities between the Old Industrial Policies and the One District One Factory Initiative

Ghana has long been committed to industrial development, with various policies put in place to support the growth of the manufacturing sector. The import substitution policy, introduced in 1962 by Ghana's first president Dr. Kwame Nkrumah, aimed at transforming the manufacturing sector and reducing the reliance on imported commodities. This approach centered on the creation of large-scale, capital-intensive state-owned manufacturing enterprises with significant investment made by the government which made this a reality. Examples of these factories are Akosombo Textiles Limited, Bonsa Tyre Factory, GIHOC Fiber Products, Wenchi Tomato Factory, and Aboso Glass Factory. This strategy was characterized by a strong reliance on imported goods and resolving balance of payment problems caused by rising import bills and stagnant export earnings.

In comparison, the outward liberalized industrialization strategy (1983-2000) policy focused on promoting the indigenous private sector and reviving major industries to increase exports, provide employment for citizens, and create favorable environments for industries to operate in. Growth rates began to drop in the late 1980s due to the structural constraints such as power outages and bottlenecks.

In addition, the private sector-led accelerated industrial development strategy was implemented during the early 2000s and focused on promoting economic growth and reducing poverty through industrialization and agro-processing and adding value to products. The ultimate political goal of the policy was to establish an industrial base to construct a socialist society.
On the other hand, the One District One Factory policy is a more recent policy that aims to geographically disperse industrialization across the country. The government’s goal is to address Ghana’s economic crisis by launching a large-scale industrialization push across the country. This strategy is thought to aid communities in making better use of their local resources and reaping the benefits of industrialization such as improved living conditions, increased agricultural and manufacturing inputs, and reduction in dependence on imports.

Despite the differences in focus and implementation all these policies share some key similarities, they aim to promote industrial development in Ghana, and they also share the goal of improving the economy and living conditions for citizens. They also aim to reduce dependence on imports, support local businesses and agriculture, and provide employment for citizens. Also, these policies are state-led initiatives, they were implemented by the government to achieve their goals.

Moreover, the old policies focused on building an industrial base which may not have considered transportation costs, access to markets, labor availability, and others when choosing locations for development. Similarly, the One District One Factory aims to promote industrialization in all districts, but it is not clear if it considers factors such as infrastructure and the potential for economic development in different regions of the country when selecting locations for industrial development.

There are several issues with this strategy that need to be considered, even though evenly dispersing factories may seem like an innovative idea. It may not be the most effective use of resources and can be difficult logistically and financially to spread factories out over a large area. A further consequence of evenly dispersed factories could be the creation of "ghost towns" in underdeveloped areas.
To create regionally concentrated labor markets, specialization, and labor division within businesses, buyer and seller attraction, businesses in related industries are grouped together in clusters. Additionally, it makes ideas and information easier to transfer, which helps productivity increase. The ability of businesses to work together while still maintaining healthy levels of competition makes industrial clusters the most pertinent level of analysis for industrial policy because they grow up around strategically significant industries.

In conclusion, the concept of location is a vital aspect of industrial development, and it is essential that any industrial policy takes into consideration numerous factors and theories of the industrial location to be successful. Factors such as access to raw materials, and labor availability can have a significant impact on the success of industrial development and should be considered when choosing locations for development. As Ghana’s industrial development policies have evolved over time, the country’s commitment remains unchanged. As a country that continues to be developed, it is important to evaluate the effectiveness of the new policy and adjust as it is necessary to ensure that Ghana reaches its full potential.
CHAPTER 5

SUMMARY CONCLUSION AND RECOMMENDATIONS

Introduction

This study aimed at assessing Ghana’s industrial policies, using the new industrial policy as a case study dubbed the One District One Factory Initiative (1D1F), drawing on perceptions of Ghanaians about the 1D1F policy which was done through interviews and a literature review on the past industrial policies. Having analyzed and discussed the study findings in the previous chapter, this chapter presents the summary, conclusions, and recommendations from the study.

General Summary of the Study

This study examined Ghana’s industrial policies both past and present, it focused on the implementation process, and the similarities and differences between the policies. The study was organized into five chapters. Chapter one introduced the study and situated it in the right background. It also covered the problem statement, research questions and objectives, and the significance of the study. Chapter Two reviewed the relevant concepts and literature on industrialization, economic development, and Ghana’s past industrial policies.

Chapter three presented the research methodology of the study with discussions on the study area, research design, sampling techniques, sample size, types and sources of data, methods of data collection, data analysis procedures, and limitations of the study.

Chapter four analyzed the findings from the online survey and interviews and interpreted the similarities and differences between policies through the existing literature review. This chapter, chapter 5 summarizes this study and draws conclusions and recommendations.
Summary of Findings

The findings of this study are summarized under the following subheadings: why the past policies failed; differences and similarities between the past and present policies; factors that influence the effectiveness of an industrialization policy.

In terms of why the past policies failed, it was proven by literature that the past industrial policies namely, import substitution (1965-1983), Outward liberalized (1983-2000), and Private sector-led accelerated (2000-2006) industrial development strategies had drawbacks that discouraged their growth. These policies faced structural constraints like power outages and bottlenecks. This study also revealed that these policies were overambitious and were introduced without thorough planning to a point that the focus of these policies was just reviving manufacturing industries, creating wealth to promote growth, reducing poverty, promoting the private sector, agro-processing and adding value to our products without taking particular attention to how to the source of raw materials for these developments and the location of industries. These issues led to the failure of these industrial policies and industries brought up during those periods.

Although, the past policies and 1D1F had or have the same goal of promoting industrial development in Ghana, improving the economy, and living conditions for citizens, promoting agriculture, reducing imports and the last thing they have in common is not taking into considerations factors like access to raw materials, transportation cost when selecting locations for industries. The differences between these policies are their focus and implementation, for instance, 1D1F is focused on geographically dispersing industries in all the districts of Ghana but the past policies do not.
This study also revealed that the concept of location and factors to be considered before selecting a location for industries is essential for industrial development. Factors like access to raw materials, transportation costs, and availability of labor. This shows that the 1D1F policy needs strong adjustments for it to succeed.

Conclusion

The geographic patterns of development and industrialization in Ghana have been influenced by a complex interplay of historical, political, economic factors. Over the past century, the country has experienced rapid urbanization, population growth, as well as high cost of living and unemployment. Literature has demonstrated that the concept of clustering, which entails a planned assembling of related economic activities and industries in one location, is a key component of geographies of development. Economies of scale can be achieved through clustering, which can also assist businesses in overcoming some market imperfections like a lack of adequate access to labor, capital, or technological resources. Due to the ability of businesses in a cluster to exchange knowledge and resources with one another.

From the findings and results above, industrialization is central to a country’s economic development which means that it can help transform Ghana from an agrarian economy to a more industrialized one. The One District One Factory initiative (1D1F) for respondents was seen as just a campaign promise without thorough planning. However, it will be a great industrial policy if well-adjusted and replanned. It has the potential of igniting industrial development to reduce imports, provide Ghanaians with good living conditions and add value to our products. Policies like Ghana's "One District One Factory" plan need to be viewed through the analytical lens of development geography. The policy's stated goal is to stimulate local economic growth by placing a minimum of one manufacturing facility in each of the nation's 261 districts. If this
policy fails to account for the specifics of the local environment and the broader context of economic development in Ghana, it may not be effective. Policymakers may want to consider concentrating food-related industries in a region known for its agricultural output, for instance. This has the potential to improve economic conditions in the area by allowing small-scale farmers to sell their goods to nearby factories. As a bonus, by concentrating like-minded businesses in one area, clustering can reduce the environmental and societal costs of things like pollution and traffic.

As one may deem that this policy is too early to have challenges, just as the past policies had some challenges, 1D1F is facing a similar challenge like financial constraints and lack of raw materials to feed industries born out of this policy. Also, the politicization of this policy does not auger well for its effectiveness, if these emerging challenges are not dealt with in the initial stages it is likely that the 1D1F may end up like past policies.

Lastly, industrial location is important regarding industrial development, but this is lacking in 1D1F. it is not clear that policymakers considered certain factors like access to raw materials and transportation costs before implementing this policy because the geographical dispersion of industries all over Ghana is a shred of unmistakable evidence. Ghana’s effort to industrialize through policy will not achieve its goals if this is not considered.

Recommendations

From the above conclusion, the following recommendations are offered to enhance the effectiveness and ensure the success of the One District One Factory Initiative. Everything will run smoothly if the government instructs the competent institution to conduct appropriate monitoring and evaluation.
First, not all districts in Ghana need industries or will be viable for the growth of industries, therefore the 1D1F needs to be adjusted. Rather than geographically dispersing industries or factories all over the country, industrial districts should be created by employing the concept of industrial location and considering some crucial factors like access to raw materials, transportation networks, availability of land, and availability of labor. Factories or industries within these industrial districts will be closer to their source of raw materials, roads to transportation networks, and even markets. This can be done by employing some GIS (Geographic Information Systems) methods like cartographic modeling, network, and hotspot analysis.

This study also recommends that this policy should not just be a political campaign but rather an industrial policy with is aimed at achieving its objectives this will help Ghanaians to embrace this policy more.

The factories that rely on raw materials need to be supplied by farmers and other producers who have access to efficient tools, machines, and equipment. Numerous storage facilities to prevent the spoilage of perishable goods should be made available to farmers. Local entrepreneurs should be given financial and technical aid to boost their output.

The government should collaborate with foreign organizations and corporations willing to invest in the construction of new manufacturing facilities. Additionally, the government needs to find new revenue sources by increasing the size of the tax base and enforcing stringent regulations to cut down on corruption at the government level. To ensure the success of the initiative, the government should grant these industries a certain amount of independence, allowing them to set their own rules for how to run their businesses, manage their output, and govern themselves.
Finally, cooperation, participation, and coordination between the government and the relevant parties should be given considerable weight. The policy and other initiatives should have a strong connection to encourage collaboration and progress. Given the number of entities and groups that must coordinate for a policy's successful implementation, interdependent organizations must do so.

According to this thesis, Ghana's industrialization history has been rife with both successes and failures. Some researchers have identified several factors that they believe are impeding Ghana's industrial development, including colonial legacies, political unpredictability, lack of capital, and conflict of interest in siting factories also, 1D1F policy, on the other hand, aims to encourage industrial development, lower imports, and improve living conditions for Ghanaians. However, this policy also encounters difficulties like financial limitations and a lack of raw materials to support industries created because of the policy. The policy has also become politicized, which might reduce its efficacy. Despite sharing common ground with these authors, this study also highlighted the significance of considering industrial location for efficient industrial development. The 1D1F policy needs to be significantly altered to consider aspects like transportation costs and the accessibility of raw materials when deciding where to locate industries. If these elements are ignored, the same issues that previous policies encountered may surface, impeding Ghana's industrialization objectives.

The fact that I relied on preexisting literature, which might be biased or lacking, is one of my work's limitations. Furthermore, the time frame for completing this study was short, and my analysis is based on a knowledge cutoff of 2021, so there may be more recent developments that are not reflected in my findings. The limitations of the 1D1F policy, feasible methods for selecting industrial sites, and the impact of politicization on Ghana's industrial growth are all
topics that this study has sparked new interest in exploring. By overcoming these obstacles, Ghana can successfully industrialize and boost its economic development.
REFERENCES


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APPENDICES

A: HSIRB APPROVAL LETTER

WESTERN MICHIGAN UNIVERSITY
Human Subjects Institutional Review Board

Date: June 28, 2022
To: Benjamin Ofori-Amoah, Principal Investigator [Co-PI],
Co-Principal Investigator

Re: Initial - IRB-2022-183
Assessment of industrial policies in Ghana. A case study on the current policy One District One Factory Initiative

This letter will serve as confirmation that your research project titled “Assessment of industrial policies in Ghana. A case study on the current policy One District One Factory Initiative” has been reviewed by the Western Michigan University Institutional Review Board (WMU IRB) and approved under the Expedited 7. Research on individual or group characteristics or behavior (including, but not limited to, research on perception, cognition, motivation, identity, language, communication, cultural beliefs or practices, and social behavior) or research employing survey, interview, oral history, focus group, program evaluation, human factors evaluation, or quality assurance methodologies. The conditions and duration of this approval are specified in the policies of Western Michigan University. You may now begin to implement the research as described in the application. Please note: This research may only be conducted exactly in the form it was approved. You must seek specific board approval for any changes to this project (e.g., add an investigator, increase number of subjects beyond the number stated in your application, etc.). Failure to obtain approval for changes will result in a protocol deviation.

In addition, if there are any unanticipated adverse reactions or unanticipated events associated with the conduct of this research, you should immediately suspend the project and contact the Chair of the IRB or the Associate Director Research Compliance for consultation.

The Board wishes you success in the pursuit of your research goals. Sincerely,

Amy Naugle, Ph.D., Chair

WMU IRB

For a study to remain open after one year, a Post Approval Monitoring report (please use the continuing review submission form) is required on or prior to (no more than 30 days) -- and each year thereafter until closure of the study. When this study closes, complete a Closure Submission.

Note: All research data must be kept in a secure location on the WMU campus for at least three (3) years after the study closes.
Hello, my name is Ama Nyamekye Obenewa Otoo, a graduate student in the Geography, Environment, and Tourism Department, concentrating in Geographic Information Science at Western Michigan University. I am assessing the industrial policies of Ghana and evaluating the One District One Factory Initiative as a case study for this research. This study seeks to compare the current policy, One District One Factory Initiative, to previous policies and to focus on the differences in rationale and implementation strategies between them. This questionnaire seeks to get the views and perceptions of Ghanaians about this policy. Would you be interested in participating in this survey to evaluate and examine the One District One Factory Initiative?

If you agree to do this Questionnaire

*Are you 18 years of age or older?*

If you are not at least 18 years of age

Thank you for your interest in participating; unfortunately, I am only seeking those aged 18 and over. Have a wonderful day.

*If you are at least 18 years of age:*

Please read the attached consent form. You have the option of not responding to any of the questions. Please complete the following survey questions to the best of your knowledge. Please note that no personal information will be requested, and the survey will remain fully anonymous.

If you do not agree:

I understand and appreciate your consideration. Have a wonderful day.

**Progress of One District One Factory**

1. What do you know about One District One Factory (1D1F) Policy?

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>An Industrial policy focused on spreading factories in all the districts of Ghana.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A campaign promise of the New Patriotic Party.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Never heard of this policy.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. How did you hear about the One Factory, One District (1D1F) initiative?
a. Media
b. Political campaign
c. Others

Please specify_____________________________________________________

3. What are the objectives of this policy? (Please tick all the objectives you are aware of).

<table>
<thead>
<tr>
<th>Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction of imports</td>
</tr>
<tr>
<td>Increase in agricultural and manufacturing output</td>
</tr>
<tr>
<td>Increase in standards of living</td>
</tr>
<tr>
<td>Increase in food availability</td>
</tr>
<tr>
<td>Increase consumer goods</td>
</tr>
</tbody>
</table>

4. Has any of these objectives been met so far that you are aware of?
   a. Yes
      If Yes, please specify the objective ____________________________
   b. No
      If No, please specify the objective ____________________________

5. Has any factory been established in your district by the 1D1F policy?
   a. Yes
      If Yes, please what factory is it? ________________________________
         b. No

6. Do you know of any company or factory that has been established elsewhere in the country by the 1D1F policy?
   a. Yes
      b. If Yes, what is the factory and where it is? ______________________________________
         b. No

   Implementation of One District One Factory Initiative

7. Do you know how the policy is being implemented? Yes_____ No. _____
   If Yes, explain ____________________________________________________________

8. Do you think the community or citizens have a role in the implementation of this policy?
   a. Yes _____ b. No _____
Please explain your answer

9. Do you believe the policy was introduced at the right time?
   a. Yes ______   b. No _____
   Please explain your answer

10. What was Ghana's economic condition like before this policy was implemented?

   Please tick your answer

<table>
<thead>
<tr>
<th>Very Good</th>
<th>Good</th>
<th>Fairly Good</th>
<th>Bad</th>
<th>Very Bad</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

11. Have you seen any changes in Ghana's economy since this policy was implemented?
   a. Yes   b. No
   If Yes, why? ________________________________________________________
   b. If No, why? _______________________________________________________

12. Can this policy help Ghana transition from an agrarian to an industrialized economy?
   a. Yes  b. No
   If Yes, why? _______________________________________________________
   If No, why? _______________________________________________________

Challenges and Recommendations

13. What do you think are some of the problems facing this policy?
    _____________________________________________________________
    _____________________________________________________________
    _____________________________________________________________

14. What do you think can be done to alleviate these problems?
    _____________________________________________________________
    _____________________________________________________________
    _____________________________________________________________

15. Demographics
   a. Hometown _____
b. District _____ c. Region _____
d. Education Level: Basic ___ Junior High ___ Senior High School ___ University ___
e. Age group: 18 – 25 ___ 26 - 35 ___ 36 - 45 ___ 46 - 55 ___ 56 - 65 ___ 66+ ___
f. Sex: Male ___ Female ___
g. Party Affiliation: NDC ___ NPP ___ CPP ___ PNC ___ PPP ___
C: INTERVIEW GUIDE

ASSESSMENT OF INDUSTRIAL POLICIES IN GHANA: 
A CASE STUDY ON THE CURRENT POLICY OF ONE DISTRICT ONE FACTORY 
POLICY (1D1F)

Hello, my name is Ama Nyamekye Obenewa Otoo, a graduate student in the Geography, Environment, and Tourism Department, concentrating in Geographic Information Science at Western Michigan University. I am assessing the industrial policies of Ghana and evaluating the One District One Factory Policy as a case study for this research. This study seeks to compare the current policy, One District One Factory Policy, to previous policies and to focus on the differences in rationale and implementation strategies between them. This interview seeks to get the views and perceptions of Ghanaians about this policy. Would you be interested in participating in this interview to evaluate and examine the One District One Factory Policy?

If you agree to do this Interview

Are you 18 years of age or older?

If you are not at least 18 years of age

Thank you for your interest in participating; unfortunately, I am only seeking those aged 18 and over. Have a wonderful day.

If you are at least 18 years of age:

Please read the attached consent form. You have the option of not responding to any of the questions. Please complete the following survey questions to the best of your knowledge. Please note that no personal information will be requested, and the interview will remain fully anonymous.

If you do not agree:

I understand and appreciate your consideration. Have a wonderful day.

Interview Questions for Experts

1. What do you know about One District One Factory (1D1F)?

2. Do you believe the policy was introduced at the right time?

3. Looking at Ghana’s history with industrial policies, do you think this policy is feasible?

4. What changes do you hope to see with this policy?

5. What do you think are some of the problems facing this policy?

6. What should be done to solve these problems that are arising?

7. What should be done to sustain this policy?