



AALBORG UNIVERSITY
DENMARK

Globalisation and Economic Nationalism in Ghana

An Analysis of the Made-in-Ghana Policy

Esther Wahabu

Master Thesis in Development and International Relations

Aalborg University

31st July, 2017

Acknowledgements

I want to acknowledge with profound gratitude my supervisor Abdulkadir Osman Farah for his guidance and support throughout the writing of this thesis. His expertise and counsel contributed immensely to the completion of this thesis.

My gratitude goes to the respondents, particularly from the Ministry of Trade and Industry, Trades Union Congress, Association of Ghana Industries, Institute of Public Relations, Ghana, and Chartered Institute of Marketing, Ghana for their kind cooperation and critical contributions.

My heartfelt appreciation also goes to the Danish International Development Agency (DANIDA) for the wonderful opportunity granted me to fulfil my dreams of studying abroad. I acknowledge the workers of the Danish Fellowship Centre especially Lene Christiana Mosegaard for her constant assistance throughout the study period.

I want to extend my sincerest appreciation to my family and friends for their constant love, support and encouragement. Ultimately, I thank Almighty God for his favours and mercies and for guiding me through this study period.

List of Abbreviations

AGI	The Association of Ghana Industries
CIMG	Chartered Institute of Marketing, Ghana
EU	European Union
GATT	General Agreements on Tariffs and Trade
GPE	Global Political Economy
IMF	International Monetary Fund
IPRG	Institute of public relations, Ghana
IR	International Relations
ISI	Import Substitution Industrialisation
MIG	Made-in-Ghana Policy
OECD	Organisation for Economic Co-operation and Development
SAPs	Structural Adjustment Programs
SMEs	Small to Medium Scale Enterprises
SSA	Sub Saharan Africa
TUC	Trades Union Congress
US	United States
WB	World Bank
WPR	‘What is the Problem Represented to be’
WTO	World Trade Organisation

Abstract

The dynamics between globalisation and economic nationalism have been gaining much attention in world politics in recent times as more and more states seek to shield their economies from the forces of globalisation. Most surprisingly, countries that are considered the bulwarks of liberalisation and market oriented policies are among such countries. This has led to a conclusion by many scholars that economic nationalism is a response to globalisation or is as a result of scepticism of globalisation generated by populist elites and grass-root nationalists. This thesis contributes to the literature on globalisation and economic nationalism by studying the case of Ghana's nationalist trade policy; the Made-in-Ghana policy. Ghana has a liberalised economy as its borders are open to all kinds of trade and investment, but it recently enacted an essentially nationalist trade policy to increase the patronage of local goods and services at the expense of imported ones. This thesis investigates specifically the influences globalisation had on the adoption of the policy.

By using a literature review of the concepts of globalisation and economic nationalism and liberal and nationalist theories, data collected by a semi-structured interview with political elites and other stakeholders that were party to enactment of the Made-in- Ghana policy are analysed together with official documents. The findings show that Ghana's enactment of the Made-in-Ghana policy to some extent is a response to globalisation, as well as a response to domestic challenges in the form of low nationalism and a lackadaisical attitude of government procurement agencies and departments towards local goods and services. This is discovered from an examination of problems underlying the goals and objectives of the policy which are to spur patronage of local goods and services, to balance trade deficits, to achieve economic development and achieve a balance between protectionism and opening up to beneficial competition.

Keywords: globalisation, economic nationalism, Ghana, Made-in-Ghana policy, neoliberalism

Table of Contents

Acknowledgements	II
List of Abbreviations	III
Abstract.....	IV
Chapter 1. Introduction	1
1.2 Research Questions.....	2
1.3 Structure of the thesis	3
Chapter 2. Methodology.....	4
2.1 Qualitative Research.....	4
2.2 Deductive and inductive	4
2.3 Literature review	5
2.4 Case study research design	5
2.5 Choice of theory	6
2.6 Data collection	7
2.6. 1 Sampling for interviews.....	7
2.6. 2 Semi structured interviews.....	9
2. 6. 3 Reliability and Validity.....	10
2.6.4 Table 1: A list of the data used	10
2.7 Analytic Strategy.....	11
2.8 Study Limitations.....	12
2.9 Sub-conclusion.....	13
Chapter 3. Literature review of concepts and theoretical considerations.....	13
3.1 Globalisation.....	13
3.1. 1 Globalisation in Africa.....	15
3. 1. 2 Table 2: A summary of the dominant dimensions on Globalisation	16
3. 2 Economic Nationalism	17
3.3 Globalisation and Economic Nationalism.....	18
3.4 Globalisation and economic nationalism in Ghana	22
3.4. 1 Ghana’s neoliberal history	22
2.4.2 The rise of economic Nationalism in Ghana.....	24
3.5 Theoretical Considerations	25

3.5.1 Neoliberalism.....	25
3.5.2 Nationalist Political Economy	30
3.5. 3 Theoretical frames and aspects of the theory that will be explored.....	35
Chapter 4. Findings and Discussion	37
4.1 The primary Goal of the Made-in-Ghana Policy is to increase patronage of local goods and services	37
4. 1. 1 Trade liberalisation contributing to lower patronage.....	39
4.1.2 Low nationalism contributing to lower patronage	41
4.1. 3 Proposing specific prescriptions aiming to elevate patronage.....	43
4.2 The Policy as a Measure to Balance Trade Deficit and to Cut Import Bill.....	46
4.2. 1 Attitude of government agencies and departments contributing to trade deficits .	47
4.2.2 Using public procurement as a specific policy to balance trade deficit.....	47
4.3 The Policy as a strategy to fulfil economic development objectives	50
4.4 The Policy’s goal is striking a balance between opening up the economy to fair trade while shielding it from harsh competition	58
4. 5 Sub-conclusions: how did globalisation influence the policy?	61
Chapter 5. Conclusions.....	64
Bibliography	68

Chapter 1. Introduction

Globalisation is a complex process with some contradictions. On the one hand, it ensures a worldwide convergence towards the production and consumption of goods and services on a global scale. On the other hand, it creates resentment among local forces who mobilize to resist these forces. Thus, the concept of nationalism which galvanizes national sentiments and identity to gain national self-determination and economic independence has become prominent in anti- globalisation forces (Gao, 2012, p. 181). This particular resistance has been gaining tract as can be witnessed by a number of governments whose commitment to liberal ideals seems to falter every now and then. Adewale for instance, attest to how the 2008/2009 financial and economic instability led the United States (US) and the members of the European Union (EU) to frequently suspend their neoliberal ideals and opt for protectionist measures instead (2012, p.288). These debates and doubts about globalisation seem to be spreading around the world as it is experienced by both the developed and the developing world.

Ghana, a West African country, practices a neoliberal development trajectory. It was among the first Sub-Saharan African countries to undergo an extensive IMF economic and structural reforms from 1983-91 (Kapur, et al., 1991). Ghana pursues an open trade and investment system with its borders wide open to all manner of products with minimal inhibitions (Minsistry of Trade and Industry, 2016). Hence, Ghana is a highly-globalised country. Globalised here means the degree of openness to the world economy (Lee & Lee, 2015). Nonetheless, in march 2016, Ghana adopted a demand-driven policy to increase the patronage of indigenous goods and services. This policy, referred to as the Made-in-Ghana Policy (MIG), was put together by the Government of Ghana acting through the Ministry of Trade and Industry, in conjunction with other stakeholders from industry and civil society to favour local production by spurring patronage of goods and services made locally. This adopted policy is seen as an economic nationalist effort as the policy intends to promote domestic products at the expense of imported ones. The Ministry of Trade and Industry (2017) highlights the fact that the policy is based on ‘moral persuasion and encouragement’. Thus, slogans such as; “buy Ghana, build Ghana”, “a better Ghana and a prosperous homeland begins with all of us”, let us all make an effort to buy locally produced Goods and Services to support Ghana’s economy”, “it all begins with you” (Ministry of Trade and Industry, 2016) are found on the Made-in-Ghana policy document as an attempt to sensitize the general public and government agencies

and departments to favour their indigenous products above imported ones (Minsistry of Trade and Industry, 2016)

The enactment of this policy raises questions about why a country which seems to be engrossed in neoliberalism is unexpectedly turning to pursue economic nationalism. And more importantly, whether Ghana's nationalist policy is also as a result of the resentment of globalisation or a product of the anti-globalists as discussed in the literature. Thus, this study forms part of the recent controversies surrounding why countries which seem to be champions of neoliberal globalisation are turning nationalist. The objective of this study is therefore to ascertain whether Ghana's enactment of a nationalist trade policy conforms with the dominant theoretical frames about globalisation and economic nationalism or it has other complexities, by examining the facts of the Made-in-Ghana policy.

1.2 Research Questions

Thus, this thesis seeks to investigate the dynamics between globalization and Ghana's economic nationalist trade policy. Specifically, the influences of economic globalisation on the adoption of the Made-in-Ghana policy(MIG). This research will deal with one main question, but in an attempt to answer the main question, two sub-questions will also be investigated.

How did globalisation influence the adoption of the Made-in-Ghana policy?

Why did Ghana adopt such an essentially nationalist trade policy?

What role did neoliberal globalisation play?

In order to answer these questions, both primary and secondary data sources are employed. The various stakeholders ranging from government officials, civil society and academia involved in the formulation and implementation of the policy will be interviewed for their perspectives and understandings of the policy. They will be asked specifically of why Ghana enacted a nationalist trade policy and the role that neoliberal globalisation play. These interviews as well as the MIG policy documents will be analysed. The analysis and discussions will be done in line with certain theoretical frames concluded from a literature review and theoretical considerations to see whether Ghana's case complements these existing frames or it shows a complexity. The theories considered are neoliberalism and nationalist political

economy theory. These theories are chosen because they provide the basis for the frames that scepticism of globalisation leads to economic nationalism.

1.3 Structure of the thesis

The thesis contains five Chapters. The opening chapter is the introductory chapter. It introduces the research area, the specific focus of the research which is the impact of globalisation on economic nationalism in Ghana. The research questions as well as the objective of this whole endeavour are presented. The chapter also contains a structure of the thesis.

The second chapter is the methodology considerations chapter. This chapter describes the various actions taken in order to answer the research questions. It presents the research strategy which is predominantly qualitative and the research design which is a case study. Specific methods of data collection in the form of semi-structured interviews and official documents. The choice of theory and rationale for these choices as well as the limitations of these methods is also stated.

The third chapter contains the literature review and theoretical considerations. The concepts of globalisation and economic nationalism are reviewed. The chapter also includes the background of the case study; Ghana's neoliberal environment as well as its economic nationalist efforts which culminated in the formulation of MIG policy. The basic characteristics of MIG policy are also presented. Lastly, neoliberalism and nationalist political economy theory are explored.

The fourth chapter titled findings and discussion contains the empirical findings from the fieldwork and official documents. The objectives and goals and overall facts of the MIG policy are discussed in line with the theoretical frames discussed in the literature review and theoretical considerations as well as other facts.

In the fifth and final chapter, a conclusion is drawn. The chapter presents the conclusions of the empirical findings and states the answers to the research questions.

Chapter 2. Methodology

This section describes the methods chosen to conduct this research and rationale behind the choices. It describes the research strategy and design and the specific methods of data collection, choice of theory, the analytic strategy as well as limitations of the study.

2.1 Qualitative Research

This thesis used a qualitative research strategy. One prominent way scholars define qualitative research strategy is contrasting it with quantitative research strategy. Bryman states that quantitative research is one that makes use of quantification in the ‘collection and analysis of data’ and it uses a deductive approach which is it starts with theoretical considerations. (Bryman, 2012, p. 36). Qualitative research, on the other hand, uses words rather than numbers in the collection and analysis of data. It uses an inductive approach as it is geared towards the generation of theories. It also has a tendency to put emphasis on individuals understanding and interpretations (Ibid.). This thesis used predominantly a qualitative research, as the emphasis was on words rather than numbers in the collection and analysis of the data. Emphasis was likewise put on the study group’s understanding. To the contrary, the primary aim of the research was not to generate theory as argued to be the pre-occupation of qualitative research. Instead, the thesis started out with conceptual and theoretical considerations before the data was collected, hence the thesis started deductively which is a quantitative feature. The theoretical frames also guided the analysis of the data as themes were generated based on these frames. However, an open mind was kept to allow new categories to emerge from the data. In other words, data was analysed based on the predetermined theoretical framework yet much room was given to allow new ideas that diverge from these theoretical frames to emerge.

2.2 Deductive and inductive

According to Bryman, a deductive research is one where the researcher starts with theoretical considerations of the area of interest, then a hypothesis is deduced from the theory. Thereafter, data is collected to affirm or reject the hypothesis. The final step involves a bit of induction, as the researcher tries to feed back their work into the existing theory and literature, by stating the implications of their findings to the theory that informed the research in the first place (Bryman, 2012, p. 22). This thesis had a similar plan, but with a bit of a twist. The research started out

deductively, with a literature review and theoretical considerations, from thence a conceptual frame was reached, which is scepticism of neoliberal globalisation leads to economic nationalism. Then a semi-structured interview was conducted concerning the link between scepticism of globalisation and the adoption of the MIG policy. Thus, the literature review and theoretical considerations guided the data collection to a large extent. However, contrary to what Bryman (2012) stated, the induction is much extensive in this thesis. It goes beyond just stating the implication of the findings to the theory. New perspectives different from the existing literature were induced from the findings and explained. The respondents brought surprising facts that showed economic nationalism in Ghana goes beyond just being a reaction to globalisation.

2.3 Literature review

A literature review is an academic exercise that identifies, evaluates and synthesises the relevant knowledge about a topic. Its main purpose is to put forward the current ‘knowledge or argument’ about the research topic (Pierce, 2008, p. 100). This knowledge consists of concepts, theories, research methods, major controversies, the main contributors to the topic. A literature review helps the researcher to avoid “going over old ground” and enables the researcher to fit their own findings into the existing literature and thereby exhibiting their individual contributions (Bryman, 2012, p. 8). Similarly, my research starts with a literature review to establish the state of knowledge about globalisation and economic nationalism. Published works written by scholars in this field were examined to provide an extensive overview of the major themes of the topic. The literature review guided the data collection as the conceptual and theoretical conclusions from the review were used. And the findings were compared and contrasted with the existing literature thereby separating the new perspectives from what complemented the existing literature, and in so doing showing the contributions of this thesis.

2.4 Case study research design

Pierce describes a case study as a method of data collection involving a “sample of one event, instance, state or sub-unit at one point in time” (Pierce, 2008, p. 51). Similarly, Bryman explains a case study as a ‘detailed and intensive analysis of a single case (Bryman, 2012, p. 66). In other words, a case study involves an extensive and in-depth study of a particular setting or phenomenon. This thesis looked at one event which is the adoption of nationalist economic policy (The Made-in-Ghana policy) in a state that seems to practice neoliberalism. According

to Yin (2009) a case might be chosen because of its distinctiveness such as the Cuban Missile Crisis, the availability of relevant data or because it has a compelling theoretical framework and there is a chance your findings does not only complement the literature and but also possibly extends the literature. My case study was not selected because of its distinctiveness since globalisation and economic nationalism is a rampant studied phenomenon. However, the case was chosen first of all because it fits into a theoretical framework (scepticism of globalisation leads into economic nationalism) and has a chance of extending the literature on globalisation and economic nationalism. Hence, the aim of the research was to contribute to the literature on economic nationalism and globalisation based on the findings of the case at hand. Secondly, the case for this thesis was chosen because of the availability of relevant data. The researcher is a Ghanaian and thought that it will be pretty easy to get experts on the phenomenon to interview. However, this did not turn out as planned as some potential interviewees were unwilling and unavailable for interviewing.

2.5 Choice of theory

Liberal and nationalist theories were considered for this research. Specifically, neoliberalism and nationalist political economy were chosen as the theories to aid in the collection and analysis of the data. Smith et al., emphasize the importance of theory to understanding a phenomenon when they argue that there is so much data out there and theories enable you to determine “which facts matter and which do not” (Smith, et al., 2014, p. 3). In a similar vein, Kuada states that theories will help you to determine the kind of data to use in the analysis and a suitable means to acquire this data. And these theories can be discovered in the literature on the topic of interest (Kuada, 2011, p. 39). Likewise, the theories for thesis were chosen after an in-depth review of the existing literature on globalisation and economic nationalism. A conceptual conclusion was reached that neoliberal enthusiasts within a state encourage market-oriented policies, at the same time scepticism of neoliberal globalisation pressure elites and civil society within a state to pursue economic nationalism. These theoretical frames guided the collection and the analysis of the data.

Neoliberalism according to Colás is often seen as ‘an ideology of globalisation’ as it formulates and spreads certain market ideas to every corner of the world. Thus, the kind of globalisation we are witnessing now is a neoliberal one as neoliberal policy practice seems to be embraced

by almost every part of the world (Colás, 2005, p. 76). Globalisation could and often generate negative effects on the economies of certain countries and this could lead to resentment towards it, hence the pursuance of economic nationalism. Nationalist political economy also dwells on the scepticism of open markets and free trade to make their points, while pushing instead for protectionists policies (Chang, 2003); (Nakano, 2004); (Watson, 2014). Thus, these theories are used because they stress the adverse effects of neoliberal globalisation on especially developing states or late industrializers which generates scepticism of globalisation and the result is economic nationalism. The facts of Ghana's nationalist trade policy were collected and analysed to determine whether they complement the conceptual conclusions or they are more complex.

2.6 Data collection

The data for analysis were from diverse data sources. Both primary and secondary data sources were used. This was needed to corroborate the findings to reduce biases. The secondary sources comprised of the MIG policy document and other relevant documents provided by the Ministry of Trade and Industry. The primary data were from interviews with key actors engaged in the enactment of the policy. Many scholars stress the importance of combining different sources of data to establish credibility by presenting multiple accounts of the same phenomenon (Golafshani, 2003); (Bryman, 2012). Thus, the combination of primary and secondary sources allowed for multiple accounts of the MIG policy to corroborate the findings. More importantly, the interviews were conducted with different persons ranging from government officials, civil society and academia and this in itself presents different accounts of the same phenomenon and hence allows for triangulations, as pierce (2008, p. 90) describes triangulation as seeking data from three or more perspectives.

2.6. 1 Sampling for interviews

The sampling method used was purposeful sampling. This is a technique used commonly in qualitative research to identify and select 'information rich cases' related to the area of interest (Palinkas, et al., 2013, p. 533). It basically identifies and selects individuals that are knowledgeable in or have experienced the phenomenon under investigation. It also depends on whether participants are available and willing to participate (Ibid.) In this thesis, the list of

people that were interviewed came from a wide array of institutional membership of the MIG policy committee. Thus, the sampling frame comprised of a list of key actors that the Ministry of Trade and Industry of Ghana provided as playing an invaluable role to the crafting and implementation of the Policy. This included the committee and sub- committee members drawn from the various stakeholder institutions. Specifically, the Ministry of Trade and Industry and its departments and Agencies, business/trade associations as well as academia. From this list, the official, civil society and academia perspectives of the policy were sought. This was done to gain a comprehensive empiric insight into the policy and to corroborate the data.

After having identified the list of people to get interviewed, their secretaries were contacted via emails to schedule meetings. This method did not really produce the desired results. However, a few accepted to be interviewed and they in turn recommended other potential interviewees from the policy committee. Some took it upon themselves to personally contact them on my behalf. Hence, it also became somewhat of snow-ball sampling as some interviewees were based on referrals from those I had interviewed earlier. All in all, just a number of them consented to be interviewed. Below is list of the interviewees institutions' mandate.

The Ministry of Trade and Industry of Ghana is the principal advisor on issues of trade, industrial and private sector development of the government. It is tasked among other things with formulating and implementing policies that advances trade and development both locally and internationally (Ministry of Trade and Industry, 2017).

The Association of Ghana Industries (AGI) is a voluntary business association composed of about 1200 members, manufacturing and services and industries of small, medium and large scale in a wide array of sectors. It present industries' position on policies for government and other platforms (Association of Ghana Industries, 2017).

The Trades Union Congress is the parent organisation for the activities of trade union in Ghana. It is the mouthpiece of labour unions in their dealings with the government. It ensures workers enjoy social, economic and political justice. It makes sure they keep their end of the bargain by promoting efficiency and improving productivity of work (Trades Union Congress (TUC), 2012).

Institute of public relations, Ghana (IPRG) is a professional body of public relations practitioners that selects certain critical issues in the country and research into them and present truthful and honest findings on them (Institute of Public Relations, Ghana , 2017).

The Chartered Institute of Marketing, Ghana is an institution that does not only train marketers, but also promotes the invaluable role of marketing in business development and they have a major influence on governmental policy concerning marketing and business. (Chartered Insitute of Marketing, Ghana, 2014)

Elites and personalities from these institutions comprising of senior civil servants, union leaders and journalists, as well as personalities from academia are very important in public opinion and matters of the state as they can influence outcomes of policies or events as argued by (Pierce, 2008). The interviews cut across this wide of array elites whose opinions and understandings were central to the formulation and outcome of the policy.

2.6. 2 Semi structured interviews

The kind of interview that was used in this thesis is a semi-structured one. A semi-structured interview is the one that the researcher has an interview guide of topic- related questions (Pierce, 2008); (Bryman, 2012). However, there is also room for the interviewee to reply however they wish. The questions on the guide may not be asked in an orderly manner as they appear in the guide and there is room to ask supplementary or follow-up questions depending on the answers given. It is noteworthy however, that roughly the same kinds of questions may be asked of all interviewees. And it also allows the interviewees to bring out the topics that are of interest to them (Bryman, 2012, p.471). A Semi structured interview was chosen for this research because it is flexible enough to get an in-depth insight into the context of the case under study as the interviewees were not restrained. Neither did they veer too far off. A semi-structured interview was also chosen because there was a somewhat clear idea of the kind of data to collect. The thesis started with a review of concepts and a theoretical consideration which informed the interview guide. However, much room was also given to the interviewees to bring out what they thought was also important. Furthermore, the interviews were carried out with a different number of people ranging from government officials, civil society and academia, hence an interview guide was needed to establish some sort of order to be able to compare their arguments.

Nonetheless, during the interview process each interviewee raised some interesting issues that were not part of the pre-conceived questions and hence each interview was somehow distinct from the others. Also, some issues raised by earlier interviewees were asked about later interviewees for their take on them. A major problem encountered was some respondents did not expand on their initial responses even when they were probed. All these circumstances encountered on the field are not first-hand. In fact, Bryman (2012) states these among a whole lot of unforeseen circumstances that could occur during an interview.

2. 6. 3 Reliability and Validity

According to Golafshani, reliability and validity could be denoted as ‘trustworthiness, rigor and quality’ in qualitative research. And the way to attain this is to get rid of or minimize as much as possible the researcher’s bias. And an effective way to meet that is through the use of triangulation (2003, p. 604). Similarly, in this research, to establish reliability and validity, triangulation was used as different sources of data were sought out and used. Semi structured interviews were held with key informants and official documents were obtained from the government through the Ministry of Trade and Industry to corroborate the findings. In other words, both primary and secondary data were utilized to validate the findings. In addition to triangulation, the analysis of data and presentation of the findings stayed closed to the data with vivid descriptions of what the respondents and official documents state.

2.6.4 Table 1: A list of the data used

Number/code name	Agency	Date	Location
Document 1 The Made-in-Ghana policy (MIG) Document	The ministry of Trade and Industry	2016	Accra
Document 2 Ghana Trade Policy	The ministry of Trade and Industry	2012	Accra
Interview 1	Institute of public relations, Ghana (IPRG)	05/05/17	Accra

Interview 2	The Chartered Institute of Marketing, Ghana	06/05/17	Accra
Interview 3	The Association of Ghana Industries (AGI)	10/05/17	Accra
Interview 4	The ministry of Trade and Industry	22/05/17	Accra
Interview 5	The ministry of Trade and Industry	22/05/17	Accra
Interview 6	Trades Union Congress (TUC)	28/05/17	Accra

2.7 Analytic Strategy

First of all, a thematic analysis was utilized to reduce the data gathered into categories. Thematic analysis involves searching for the underlying themes in the data collected (Bryman, 2012). The interviews were transcribed and coded, and with notes taken from the fieldwork, they were categorised in themes. The coding involved labelling words, sentences or paragraphs and sections with the concepts and theories reviewed and the research questions in mind, but an open mind was kept to embrace new perspectives. Basically, ideas or topics that were repeated several times or brought to mind concepts and theories were labelled. Surprising ideas were also labelled. As argued by Harding (2013), it is a daunting task to suggest clear ways of creating categories and it depends much on the judgement of the researcher. So, the codes were put into categories and themes based on the concepts and theories that were reviewed and using my own judgement. For example, all the codes that mentioned particular countries such as South Korea as providing inspiration on the adoption of the Made-in-Ghana policy were labelled under ‘lesson drawing’ as a category.

However, the structuring of the findings appeared in a way similar to the ‘What is the Problem Represented to be’ (WPR) approach. WPR is an approach to policy analysis constructed by Carrol Bacchi (Bletsas & Beasley, 2012). According to Bacchi, WPR approach rests on “the premise that what one proposes to do about something reveals what one thinks is problematic (needs to change)” (Bacchi, 2012, p. 21). Meaning that, a policy intended to remedy an issue or attain a goal indicates that there is a problem that needed solving or addressing and which

informed the policy in the first place. Similarly, the Made-in-Ghana policy was enacted to achieve specified goals and objectives. However, within these goals and objective, there are underlying problems that needed fixing and which informed the adoption of the policy in the first place. So, within each goal or objective, something or someone is being problematized requiring a remedy before the goal or objective can be achieved. It is in this structuring that the real influences of Ghana's nationalist trade policy are revealed. So, the presentation of the empirical findings is structured into goals or objectives of the Made-in-Ghana Policy and within these major sections, the underlying problems or stumbling blocks are explored. The specific remedies or policy prescriptions to attain these goals or objectives are stated also. And the findings are discussed in light of the theoretical and conceptual frames that were considered before the data collection, as well as other relevant facts

2.8 Study Limitations

The first limitation concerns the insider- outsider research argument. Insider research is when a researcher study populations they are members of, as they share the same language, identity and experiences. This very fact can have both merits and demerits. A merit is that the participants tend to be more open with the researcher and the researcher understandings of the population is enhanced, but a demerit is the researcher might be subjective which could impair the collection and the analysis of the data (Dwyer & Buckle, 2009, p. 58). This case was chosen largely because I am Ghanaian and hence it is an insider research. This had merits as it helped to build rapport easily with the interviewees and they were more open about their perspectives and understandings. Also, I could identify and understand more easily with their view points. To avoid injecting my own Subjectivities, I stayed close to the facts and used multiple accounts of the phenomenon to able to reduce biases. Nonetheless, in spite of being an insider and all, some potential participants did not want to be interviewed or refused to be recorded. Some just referred me to the official MIG policy document and that they had nothing to add to what was in the official policy statement. So, there were fewer interviews than I had intended.

Another limitation is study deals with the economic aspects of globalisation. That is the widening and deepening of worldwide economic activities. Further delineation was done as what seems to be globalised is neoliberal policy practice. Thus, the kind of globalisation that

is used specifically in this thesis is neoliberal globalisation. Other aspects of globalisation were considered the barest minimum.

2.9 Sub-conclusion

This section provided the body of methods used to answer the research questions. This research employed a qualitative research strategy to get a deeper insight into the dynamics between globalisation and economic nationalism in Ghana. However, the thesis started out deductively with a literature review and theoretical considerations and this served as a guide to the semi-structured interviews conducted with major stakeholders in the adoption of Ghana's nationalist trade policy. These interviews together with some secondary data in the form of official documents were analysed thematically and structured in 'What is the problem presented to be' manner. The empirical findings were then discussed in light of the existing literature and other pertinent facts to answer the research questions.

Chapter 3. Literature review of concepts and theoretical considerations

This section seeks to define the concepts central to this thesis: globalisation and economic nationalism and how they are linked, and to further narrow down to the case of Ghana. A general overview of the major debates and viewpoints within globalisation and economic nationalism and how they are related is given. Also, the theories that explain the link between globalisation and economic nationalism; neoliberalism and nationalist political economy are explored.

3.1 Globalisation

Globalisation is one of the highly contentious issues contemporarily. It is equally a pervasive phenomenon (McGrew, 2014a, b). According to McGrew "it is implicated directly or indirectly in many aspects of our daily lives, from the clothes we wear, the food we eat, the knowledge we access, through to our individual and collective sense of identity and security in an uncertain world" (McGrew, 2014a, p. 21). Thus, it manifests, albeit to varying degrees, in all the major aspects of our life. Siekemeier (2015, p. 68) categorised globalisation into two types. There is

the general type of globalisation that has to do with the overall interconnectedness happening in our social, cultural and economic lives and a more specific type that deals with the removal of barriers to trade, investment and all kinds of economic activity within and across borders. This latter definition, which is inherently economic, happens to be the definition that most scholars in Global Political Economy scholarship associate globalisation with (McGrew, 2014b).

Evidently, even though McGrew simply defines globalisation as ‘the widening, deepening, and the speeding up of worldwide interconnectedness’ visible in almost every sphere of life from the ‘economic to the cultural’ (McGrew, 2014a, p. 16), he stresses the economic by maintaining that “worldwide economic integration has intensified as the expansion of global commerce, finance, and production binds together the economic fortunes of nations, communities, and households across the world’s major trading regions and beyond within an emerging global market economy” (Ibid.). In other words, the world is increasingly becoming interconnected in such way that it is becoming more or less a singular economic entity. Moreover, McGrew states that this era of globalisation does not only comprise of worldwide interconnectedness, but it is also accompanied by institutionalisation through the construction of both global and regional institutions such as the World Trade Organisation (WTO) and transnational corporations to effectively manage the process of globalisation. This McGrew and other scholars describe as the ‘thick form of globalisation’ (Ibid., p.23). This form of globalisation presents governments with opportunities as well as constraints. In other words, it limits their ‘freedom of action’ particularly in the economic sphere (Ibid.).

Elaborating on the challenges of globalisation, Colin Hay argues that a hotly debated issue regarding globalisation concerns its impact on nation-states’ autonomy, capacity and sovereignty. He groups this debate into five categories. The first group of scholars holds a widespread view that globalisation has led to a ‘terminal crisis’ of the nation-state (Hay, 2014, p. 226). The second group sees this view as highly exaggerated. Meanwhile, the third group sees the process of globalisation as driven by nation-states who intervene in the economy to ensure the smooth performance of the system. This was especially important in the aftermath of the 2008 financial crisis as we witnessed a financial bailout by states. The fourth group postulates that globalisation do not influence the development trajectory of nation-states. And the fifth group believes that globalisation is a highly-constructed word that is used to whip politicians to adhere to the widespread neo-liberal orthodoxy (Ibid.). Hence, it is rather the

construction or discourse of globalisation, rather than globalisation per se, that has resulted in the demise of the autonomy, capacity and sovereignty of the nation state. So, all should be wary of certain generalisations of globalisation that suggest that the power of the state is waning, as this could lead to politicians and policy makers ducking responsibility of fixing their many economic problems in the name of globalisation (Ibid.). The above arguments suggest issues and debates of globalisation are numerous should not be taken at face value.

Nonetheless, McGrew states that there are two major views concerning globalisation. These views and their scholars can be divided into two camps, the globalists and sceptics. These two camps are trying to answer the questions “What substantive evidence is there of globalisation as an economic activity? And is globalisation still the dominant tendency within contemporary world economy?” (2014b, p.228). For the globalists, there exists a singular world capitalist economy brought to being by an enormous rate of worldwide economic interaction. For the sceptics, the scale of globalisation has been blown out of proportion. First, the rolling back of the state in the economy does not occur in every economy or even every region as globalisation is not a uniform process occurring in every corner of the universe (Ibid.). Globalisation, though commonly misconstrued as a universal concept, is highly uneven. The Countries of the Organisation for Economic Co-operation and Development (OECD), according to McGrew, tend to be more globalised than the poorest countries in Sub-Saharan Africa (SSA). Globalisation is not experienced the same among states or even within states (McGrew, 2014a, b). More so, there exist other tendencies such as regionalism, mercantilism and geo-economic competition which suggest that the world economy is more divided than we are made to believe by the hyperglobalist (McGrew, 2014b, p.228). Thus, globalisation also portrays an asymmetrical relationship between the developed and the under-developed.

3.1. 1 Globalisation in Africa

Portraying this asymmetrical relation, Bush writes that the hope that globalisation will aid in the economic development of Africa is misplaced. Globalisation has a tendency to serve the interests of the West while robbing Africa of its political and economic independence (Bush, 2008, p. 32). Similarly, Patrick Bond argues that global capitalism leaves nothing to be desired in Africa, since it does not give Africa opportunities to develop. To support this claim, he argues that Africa’s debt crisis turned worse in the era of globalisation. Another issue has to do with the fact that Africa tends to import more than export leading to unbalanced trade. More

importantly, Africa tends to export cheap raw materials, whose prices tend to fluctuate leading to deteriorating terms of trade, and import manufactured goods from the West and East Asia lately. Structural adjustment programs (SAPs) championed by the Bretton Woods Institutions also left most African countries deindustrialised as they were required to deregulate their markets. At the same time, foreign direct investment also significantly is reduced and most investment are into extractive and raw materials industries. Thus, globalisation appears to have grave impacts on Sub-Saharan Africa. It might have even contributed to Africa's impoverishment (Bond, 2005).

Similar to Hay's argument that globalisation is a highly-constructed word, Bush also shares this thought when he states that African main problem is being able to dismiss 'the intellectual deceit' championed by the global financial institutions that globalisation leads to universal development (Bush, 2008, p. 32). Globalisation rather leads to inequality and poverty in Africa, owing to its inability to properly integrate into the world economy. And the solution is not deepening globalisation in Africa, but resistant movements rising to fight these globalising forces and churning out their own development path (Ibid). This suggests that resentment of globalisation could lead to the rise of nationalist movements to protest and resist it.

3. 1. 2 Table 2: A summary of the dominant dimensions on Globalisation

Definitions	Dominant views	Impact on states
<p>General Increasing worldwide interconnectedness in every sphere of life</p> <p>Specific or economic Removal of barriers to all kinds of economic activity</p>	<p>Globalist There is an unprecedented rate of worldwide interconnectedness</p>	<p>Globalisation has led to the demise of the nation-state</p>
<p>Thick form World-wide Interconnectedness is accompanied by institutionalisation with the establishments of world institutions such as WTO, IMF, WB</p>	<p>Sceptics - The rate of worldwide interconnectedness is highly exaggerated - globalisation is not universal. There is an asymmetrical relationship between developed and less</p>	<p>- The demise of nation-state is highly exaggerated -States still intervene in economies to ensure smooth performance of the market -It is a highly-constructed word used to convince states</p>

	<p>developed countries (witnessed by the difference between OECD and SSA.</p> <p>- There exist other tendencies such as nationalisation localisation, regionalism</p>	to join the neoliberal bandwagon
--	---	----------------------------------

From this brief overview of globalisation, it can be realised that globalisation, could mean interconnectedness in all areas of life or it can specifically be referred to as the interconnectedness of economic activities across borders. In its thick form, it is institutionalised by establishment of global organisations. Globalisation, however, impacts various parts of the world differently. There is an unequal capitalist relation between the rich OECD and the poor SSA for instance. And all these dominant views about globalisation can be categorised into the globalists view or the sceptics view. The Globalist consider the rate of worldwide interconnectedness as unprecedented. However, it is also made known that Globalisation, as much as the globalists would want to dismiss, exists with other world or state tendencies such as nationalisation, and localisation. It is also likely that, resentment of globalisation can lead to the rise of nationalist movements to resist globalising forces (Bush, 2008). This leads to the question; how does globalisation relate to economic nationalism? The next section elaborates this link.

3. 2 Economic Nationalism

D’Costa and other contributors to the book *Globalisation and Economic Nationalism in Asia* define economic nationalism

“as a set of state practices, policies, and strategies, often in concert with private capital and politically supported generally by organized labour, to protect and promote national economic interests such as national wellbeing (wages and income). It also aims to foster national competitiveness (efficiency, technological advances), induce growth and structural change (economic development and high value production), and promote particular “national champions” (firms), sectors (such as information technology or aerospace), and products (national brands) vis-à-vis foreign products and foreigners (D’Costa, 2012, pp. 2-3).

In other words, economic nationalism involves advancing policies that spur economic growth and privilege the nation-state over the global. This definition has some features with Friedrich List mercantilist ideas for Germany in that it encourages states to put their national interests first as well as strengthening their national competitiveness (Watson, 2014). However, it differs from classical mercantilism in that it happens while those countries still try to be integrated into the global economy (Nakano, 2004), unlike Friedrich List who advocated protectionism until the economy was strong enough to compete (List, 1841, cited in Watson, 2014, p. 33).

Much of the literature on economic nationalism places the state as the principal actor. Lee & Lee (2015) hold that Robert Gilpin and most scholars see economic nationalism basically as protectionism or mercantilism in the form of tariffs and other non-tariff barriers, with a purpose of making the state economically independent (Lee & Lee, 2015, p. 128). In other words, the group of scholars who see economic nationalism as mercantilism places the onus on the state to devise ways and means to protect the state companies and products from being run out of business by foreign ones. However, other scholars extend the definition of economic nationalism beyond policy prescriptions. Rawi Abdelal, for example, defines economic nationalism as policies emanating from ‘shared national identity’ or policies that emanate from a dominant nationalist discourse (Abdelal, 2001, in Lee & Lee, 2015). In others words, economic policies that dwell on nationalistic sentiments and evoke memories of the past just to garner support for such policies are economic nationalism. Some countries adopt a mixture of both classical mercantilism and national identity to varying degrees.

3.3 Globalisation and Economic Nationalism

Globalisation and economic nationalism, many scholars argue, seem paradoxical (D’Costa, 2012; Gao, 2012; Lee & Lee, 2015; Siekmeier, 2015). Siekmeier, for instance, argues that at first glance globalisation and economic nationalism seem antithetical. “Globalizers want to tear down national borders, real or imagined. Nationalists, for their part, want to privilege their own nation at all costs” (Siekmeier, 2015, p. 68). These same contradictions are mentioned by Gao (2012), who writes that globalisation produces a homogenisation of cultures towards the consumption of certain branded goods, at the same time globalisation spurs nationalist sentiments towards cultural and economic independence. In spite of this widespread

knowledge, globalisation and the nation-state are not entirely contradictory phenomena. Bresser-Pereira maintains that they are not entirely contradictory since emerging economies such as China, India, South Korea, Taiwan and Malaysia have immensely embraced global capitalism, yet they practice economic nationalist policies to promote their firms and industries, to take advantage and benefit from an increasingly globalised economy (Bresser-Pereira, 2010 in D'Costa, 2012, p. 2). Interestingly, the aftermath of the 2008 financial crisis saw states, even the USA which is touted as the leader of the free market campaign, commonly intervene in their economies (D'Costa, 2012). Meaning that even though globalisation tears barriers to ensure economic activities are organised on a global basis and economic nationalism builds barriers to ensure a national-based consumption, it does not mean they cannot co-exist. Some East Asian pursuance of both trajectories, and the US's occasional intervention in its economy even though it seems to be the bastion of free markets prove that both concepts can co-exist.

D'Costa expands this paradox further by arguing that for a state to be active in steering its economy to desired economic goals, it needs some regulatory mechanisms. However, globalisation, championed by international institutions such as the World Trade Organisation, World Bank and International Monetary Fund, destroys these very boundaries or regulatory mechanisms (Ibid., p. 5). Moreover, there is a tendency by governments worldwide to shift to this neoliberal ideology owed to the benefits such as high wages that accrue to OECD countries. Economic difficulties also force other countries to join neoliberalism. And this has decreased drastically state activism in their economies. However, some Asian states do manage to pursue economic nationalist policies, not in its classical forms, but in a more pragmatic approach, for instance persuading citizens to patronise indigenous goods and services (Ibid., p. 6). Thus, globalisation sheds economic nationalist tendencies through its structural exertions, yet some countries adopt pragmatic means to still pursue economic nationalism.

Another link is that nationalism can rise to curb the adverse effects of globalisation. For instance, on nationalism in Latin America (LA), Siekemeier (2015) asserts that nationalism can be resident in political elites, among indigenous people and urban middle and working classes. He explains that nationalism is utilised to resist and protect Latin Americans from the adverse effects of Globalisation. Nationalism particularly grew to counter the growing power of the US in Latin America. The most prominent of the opponents of the US, were those on the political left, who accused the US of exploiting their resources which could lead to the loss of their sovereignty. Thus, what contributed to the rise of economic nationalism in this region is the

carting away of Latin American natural resources, and its unfavorable experience with globalisation. Thus, Siekemeier summarises that “the paradox is that globalization can both weaken and strengthen nationalism. The power of globalizing forces can overwhelm nationalism. Nonetheless fear of the overwhelming effects of globalization leads many to turn to nationalism as a way of preserving their economies and societies” (Ibid.). Thus, scepticism of globalisation leads to the pursuit of economic nationalism

Empirically, Siekmeier contends that neoliberalism in 1980s and 1990s led to a minimal government intervention in the economy, and the promotion of open trade and investment was the order of the day. Increasingly however, this saw the power of Latin American states disappear, while powerful business actors began to have and exert more control over their economies. It also resulted in the displacement of their culture, with products desired by foreigners overdeveloped, while local products suffered. Nationalism began to rise among critics of the neo-liberal policies to contain the adverse effects of Globalisation. In some of the countries, in this region, Venezuela, Bolivia and Ecuador, nationalists were elected into offices, as they campaigned they could improve the economic situation of the non-elites and shield them from the adverse effects of globalisation (Ibid., p. 71-72). Bowen and Gaytán (2012) also attest to how elites in Mexico use national sentiments and shared heritage to promote and protect their traditional products from the adverse effects of globalisation. Thus, in Latin America, the states have managed to use nationalism emanating from both elite and non-elites, to deal with the adverse effects of globalisation. Economic nationalism can also be associated with strong leaders or elites, who by virtue of pursuing it have been elected into offices.

China has also seen its own surge of nationalism. Zhihong Gao writes about how grass-root nationalism affects multinational corporations and their products in china. These grass-root nationalists employ modern technologies to group and protest against foreign brands. Thus, Gao differentiates between ‘state sponsored nationalism and popular nationalism’ (Gao, 2012, p. 81). Globalisation within nationalist discourse is seen as “‘a foreign invasion that will destroy local cultures, regional tastes, and national traditions’” (Moller, 1999 in Gao, 2012, p. 182). And nationalism is invoked usually by nationalist movements coalescing efforts of elites and with popular or grass root support, together with digging into their histories for inspiration(Ibid.). Gao (2012) examines how popular nationalism began to rise when many Chinese saw Chinese national brands being replaced by foreign brands, and many started to be much concerned about their country’s economic independence. Countless Chinese nationalists

began to call for protection of domestic brands and for the government to reassess the effects or the 'role' of foreign investment in their economy, since these investments threaten Chinese domestic companies (Ibid., p. 85-86). These popular nationalists usually end up urging their government to act and to which it eventually does by enacting and implementing policies to protect the economies (Ibid.). Gao concludes by drawing attention to the fact that nationalist movements to protest foreign brands involve an interaction and a mixture of factors and various agents. And that is no different in the Chinese case since Chinese nationalist discourse are rooted in their historical memories and involves a number of key actors, not the least, the consumer, the government, the media and local companies trying to shape the discourse to reflect their own agendas (Ibid., p. 188). Thus, China has a strong grass-root based nationalism.

Contemporary economic nationalism is much inclusive, and not just state-centred efforts to safeguard their economies and interests. Much of it also dependent on grassroots or non-elites making a conscious effort to patronise their country's products as in the case of China above. According to Lee & Lee (2015), South Korea has experienced both kinds of economic nationalism. That is both state-centric nationalism and grass-root based economic nationalism. Prior to embracing globalisation fully, the Korean government actively intervened in its economy and globalisation was also selectively embraced. Certain foreign products such as food items and tobacco were restricted. It was after the 1997 economic crisis, that the government liberalized. Lee & Lee also state that many Korean citizens think that liberalisation was forced on their government and it does not bring any benefits to them or their economy. This kind of resentment of globalisation still exists in South Korea today. Thus, both the government and the society are economic nationalist (Lee & Lee, 2015). The empirical evidence illustrates that many buy products made by Korean industries irrespective of quality or even price and irrespective of how much they are flooded with foreign products. Which illustrates that economic nationalism is still deeply embedded in this society and the society support of their industries illustrates this. Overall, it was revealed that globalisation has spurred South Korea to adopt developmental and neo-mercantilist policies. Nonetheless, its success can also be attributed to its society's nationalism as well (Ibid., p.136-147).

Interestingly, in the face of globalisation, states also try to find other creative ways to pursue economic nationalism. One of such ways is by using their national identity or redefining their national identity to successfully mobilize citizens behind nationalist policies (Cho, 2008). In South Korea, again, there emerged a cultural nationalism to reaffirm their tradition and identity

and to easily mobilize the public against trade liberalisation. In 1989 for instance, South Korea invented the adage, “Shintobul-I” meaning “soil and body are one and the same” to convince the citizens that since they were born in Korean soil, they should eat products of Korean soil (Ibid., p 19). This was used to spur patronage of Korean agricultural produce to protect the sector.

In sum, economic nationalism is still entrenched in the world system, even with the increasing trend towards worldwide interconnectedness. States, grass-root nationalists, elites and non-elites still find more creative ways to pursue economic nationalism in order to favour their nation over the global. Thus, economic nationalism ranges from states employing blatant protectionist policies, to mobilizing the general public using shared national identity towards the consumption of local products. On the link between globalisation and economic nationalism, **it is disclosed that scepticism of globalisation encourages economic nationalism**. The adverse effects of globalisation encourage elites or grass-roots to mobilize on a national basis in an attempt to curb its effects. What also stands out in the brief overview is the fact that economic nationalism strives in situations where the state is somewhat active in the economy and is able to mobilize grass-root support for nationalism, or the society take it upon themselves to protest or boycott or patronise their local products to the detriment of the foreign ones. Hence, globalisation has not brought about the demise of economic nationalism and states and their societies use pragmatic means to pursue their national interest and curb the negative effects of a highly integrated economic world.

3.4 Globalisation and economic nationalism in Ghana

This section presents the background information of Ghana’s neoliberal policy practice as well as the rise of economic nationalism in Ghana culminating in the Made-in-Ghana policy (MIG). This section therefore narrows the concept of globalisation and economic nationalism to the specific case of Ghana.

3.4. 1 Ghana’s neoliberal history

Ghana is a West African country located along the Gulf of Guinea. It was one of the first group of countries in Africa to undergo a neoliberal restructuring in the 1980s (Kapur, et al., 1991).

It is important to note that Ghana since independence in 1957 experienced a mixture of civilian governments coupled with very short-lived military rules until 1992 when pressures emanating from both international and domestic forces, led to the creation of a constitution and multiparty elections thereafter. Ghana since then has had successful multi-party democratic elections every four years (Dartey-Baah, 2015). Just as its turbulent political history, it leaned towards either socialism or liberalism economically depending on the government in power. Kwame Nkrumah's government (1960-1966), for instance, leaned towards socialism and the East, while K. A. Busia's government (1969-1972) leaned more towards liberalism and the West (Ibid.)

Ghana as other African countries adopted neoliberal policies as conditions for loans from the World Bank (WB) and International Monetary Fund (IMF), due to the collapse of its economy in 1983. The World Bank attributed the failure of Ghana's economy to encumbered interference of the state as well as domestic public mismanagement, agriculture prone economy and closed trade and financial policies (Opoku, 2010, p. 156). Consequently, neoliberal policies (Washington Consensus) were prescribed as a way to do away with the ills of the economy to allow for capitalism to flourish. Ghana adopted these policies dubbed as the Structural Adjustment Programs (SAPs). These SAPs were implemented for a while and well into 1993 and beyond. This restructuring had some visible achievements. Trade became more open as import quotas and tariffs were lowered and subsidies removed. State-owned enterprises were either privatised or closed, and incentives were created to allow for foreign direct investment (Ibid.). According to an assessment by the World Bank, Ghana was the most open when it came to trade. However, this trade openness that the World Bank called a 'success' did not hold much longer, trade was unrestricted, but it did not enhance growth and industrialisation, (Ibid., p.157).

It is worth knowing that since 1992 till present day and in line with democracy, Ghana continues to practice neoliberal policies. This ideology advocates the rolling back of the state, along with its policies of privatization, deregulation, liberalization of finance and trade and FDI (Opoku, 2010). In a nut shell, the overview of Ghana's economic and political context establishes the fact that Ghana pursues a neoliberal economic trajectory, and it is globalised as its economy is open to the rest of the world. However, this globalisation has led to growth or industrialisation.

2.4.2 The rise of economic Nationalism in Ghana

In spite of the neoliberal policy practice, Ghanaian elites have been promoting campaigns to favour national products over foreign ones. An example of such campaigns includes the ‘National Friday Wear programme’ launched by ex-president John Agyekum Kufour (2000-2008), as part of efforts to spur the needed interest in Ghanaians to patronise locally produced goods, most especially African prints. And the language used then was; ‘wear indigenous prints’ as that will preserve ‘our identity’ (Asiedu, 2013). In other words, national identity was mobilized for this campaign.

Then, in March 2017, Ghana adopted a nationalist trade policy. This policy known as the Made-in-Ghana policy (MIG), is put together by the government of Ghana through the ministry of Trade and Industry, business and trade associations and academia to spur patronage of local goods and services. The problem of low patronage of Ghanaian made goods has threatened to drive to extinction the manufacturing sector in Ghana. The manufacturing sector, made up of mostly of Small to Medium Scale Enterprises (SMEs), finds it almost impossible to increase production and many firms had to close down (Ministry of Trade and Industry, 2016). The MIG policy is therefore a demand driven policy to instil in Ghanaians a preference for indigenous goods and services at the expense of foreign ones, as well as a preference for Ghanaian goods in other markets of the world.

A product is described as a ‘Made-in-Ghana’ good if it “is substantially transformed in Ghana and with at least 30 per cent of the cost of production incurred in Ghana” (Ministry of Trade and Industry, 2016, p. 4) The policy contains ‘a set of policy instruments and measures’ directed towards giving ‘made-in Ghana’ products a competitive edge over their foreign counterparts (Ibid. p. 3). Only specific products are targeted for this policy and they cover the following areas; Agriculture and Agro Processing, Pharmaceuticals and Cosmetics, Wood and Wood Products, Textiles and Garments, Construction Materials and Allied Products, Leather products (Ibid., pp. 1-2). The import of some of these products under these areas such as flour, poultry, biscuits now attract ‘higher statutory duties and charges’ (Ibid, p.6). Other measures include a sensitization of the public to favour their own native products over imported ones. A logo has also been designed to brand these products to signify quality and that they are proudly

Ghanaian (Ministry of Trade and Industry, 2016). All these efforts and measures are geared towards making these Ghanaian made products competitive.

Based on the review of economic nationalism above, the MIG Policy denotes an economic nationalist effort as it attempts to favour the national over the global. The review above also presents a frame that states tend to pursue economic nationalist policies due to the adverse effects of neoliberal globalisation or economic nationalism is a response to the forces of globalisation. Indeed, these frames depict the dynamics between globalisation and economic nationalism in Latin America, South Korea and China among others. Ghana has an open economy and can be considered globalised as its borders are open to all manner of products. Hence, one will be inclined to wonder whether globalisation had a hand in the adoption of the MIG policy; an essentially nationalist trade policy. Is the policy a reaction to globalisation or it is more complex than that? In other words, how did globalisation influence the adoption of the MIG policy? This question is at the core of this thesis.

3.5 Theoretical Considerations

The following section looks at the theories which deal with the concepts of globalisation and economic nationalism reviewed above. These theories are neoliberalism and nationalist political economy.

3.5.1 Neoliberalism

Neoliberalism is carved from liberalism which is regarded as the staunch alternative of realism, a dominant theory in International Relations (IR). Dunne (2014) asserts that liberalism seems to have had much influence, specifically after the First World War, in most Western states in the 20th century. It remerged after the Second World War with the creation of the United Nations. However, it went into another hiatus again with the start of the Cold War. In the 1990s, especially with the end of the cold war, liberalism made an appearance again with the proclamation of the new world order. And yet again, after 9/11, one could see liberalism being replaced more and more by realism, as USA and its allies engaged in wars against states purported to be harbouring terrorists. Thus, liberalism seems to be deployed pragmatically and

in convenient times by states, and great powers especially. This point is particularly important as states often forego their liberal ideals and opt instead for realism or nationalism in this case.

According to Tim Dunne, “liberalism is a theory of both government within states and good governance between states and peoples worldwide”, and it espouses values of ‘order, liberty, justice, and toleration’ in states dealings with other states (Ibid., p.115). Thus, It is clear that liberalism encompasses a whole lot of concepts and perspectives. Neoliberalism is no different. Lee and Hewison (2010) state that neoliberalism is a term that has been used commonly in contemporary times. It has also been called other names such as ‘market functionalism’ and ‘Washington Consensus’ as used by Soros (1998) and Williamson (1990) (cited in Lee and Hewison, 2010, p.182). Neoliberalism thus, can be seen as a buzzword for all kinds of market-oriented ‘ideas’, ‘interests’ and ideologies (Lee & Hewison, 2010, p. 182). Lamy in his work however, presented two meanings of neoliberalism. He states that neoliberalism generally means neoliberal institutionalism or what is currently known as institutional theory by writers in this field. However, neo-liberalism is entirely different in policy circles. A neoliberal foreign policy is one that advocates for ‘free trade and open markets’ as well as ‘western democratic values and institutions’ (Lamy, 2014, p. 127). This latter meaning which is much the same as the meaning Lee and Hewison (2010) assign to neoliberalism is what the thesis seeks to focus on.

Neoliberalism involves a package of ‘economic, social and political’ policies to include but not limited to government’s fiscal discipline, liberalization of trade, investment and finance, decentralization, privatization and deregulation (Lee & Hewison, 2010, p. 183) ; (Portes, 1997, p. 238). Portes argues that one is a liberal taking resemblance with American conservatives, if one preaches ‘market solutions to social and economic problems and a drastically reduced role of the state’ (Portes, 1997, p. 238). According to Lee and Hewison (2010, p. 183), neoliberalism also involves unleashing capitalism from bondage. In other words, allowing the free flow of finance and capital and disarticulation of production. This gives meaning to the concept of neoliberal globalisation as production is done on a global scale or the production of a good can be done in a number of countries and supply chains can extend to almost every part of the world. Therefore, what is made global is neoliberal policies. Thus, one defining characteristic of this period of globalisation is that, it can be said to be a neoliberal kind of globalisation (Ibid).

Neoliberalism has certain common tenets with laissez-faire liberals. Most common tenet is the role of the state should be limited. However, they do not dispense the role of the state entirely, especially the state's role in spreading free markets (Lee & Hewison, 2010). This particular thinking goes back to Adam Smith, who is considered the propagator of the limited role of the state. Adam Smith argued for the limited role of the state, but he also acknowledges the invaluable role of government in the formation of markets and their reproduction as stated in Watson (2014, p. 37). Similarly, Lee and Hewison (2010), argued "the state's role has to be market facilitating, as much through its monetary and fiscal policies as by the extension of "market mechanisms" to the political and social spheres" (p.183). In other words, neoliberalism advocates for a limited role of the state in the market, but the state should be ready to create an enabling environment for the smooth operations of the market.

In a nut shell, neoliberalism is the practice of a set of market-led policies. These policies have spread to almost all parts of the world leading to scholars naming this era of globalisation as a neoliberal one. This neoliberal globalisation has amassed wealth for certain nations, while others experience its unfavourable effects as Bond (2005) argues is the case for SSA. The next section explores neoliberal globalisation and its critique.

3. 5. 1.1 Neoliberal globalisation and its critique

Saad-Filho and Johnston assert that "by persuasion and by force, neoliberalism spread everywhere". (Saad-Filho & Johnston, 2005, p. 2). They also stated that 'neoliberalism is inseparable from imperialism and globalisation' (Ibid.). Neoliberals see Globalisation as inevitable and an outstanding process that brings benefits in its wake; 'greater competition, welfare improvements, and the spread of democracy' (Ibid., p.3). Saad-Filho and Johnston also assert that globalisation is "the international face of neoliberalism a worldwide strategy of accumulation and social discipline that doubles up as an imperialist project, spearheaded by the alliance between the US ruling class and locally dominant capitalist coalitions" (Ibid., p.2). Meaning that globalisation extends neoliberalism from the domestic to the international arena via efforts of the ruling capitalist class (US) coalescing with the other capitalist and neoliberal enthusiasts in all other local areas of the world.

Globalisation is defined as the increasing interconnectedness in socio-economics and politics across national borders. Other definitions stress the relative decline of the nation-state as

political power is increasingly devolved to international institutions through the pooling of sovereignty, as well its decline due to the rate of transnational flows of money, ideas and people (Colás, 2005). For neoliberals, globalisation is automatically a given when all interferences are removed to allow the capitalist market to freely run its course. As stated by Colás, a neoliberal see globalisation “as a natural outcome of an untrammelled capitalist market; as a positive process which unfolds smoothly once artificial distortions created by the state, political interests or archaic customs are removed from the path of free and equal exchange” (2005, p.73). And the major liberal assumption behind this belief is that, unencumbered markets will generate the most efficient economic benefits, since economic units are rational entities that will ensure that capital is used where it generates the most benefits. And eventually the ideals of a free market and comparative advantage will be realised. (Ibid.).

Colás adduces that critics might argue that neoliberalism as a theory and practice might not have caused globalisation, Marxists in particular might see capitalist globalisation as a result of class struggles, however, there is no denying the fact that neoliberalism helped in accelerating and deepening the globalising process. He continues that the world capitalist crisis in the 1970s saw many states with internal economic turmoil of inflation, recession and unemployment among other things. The crisis led to the creation of certain neoliberal policy prescriptions, while weaker capitalist economies were compelled to undergo a neoliberal restructuring of their economies. Others states had a somewhat neoliberal restructuring, yet, others restructured at their own pace, notably China and India. These policy prescriptions are popularly known as the Washington Consensus; a host of economic policies including but not limited to privatisation, free flow of FDI, financial and trade liberalisation. Thus, the 1970s and 1980s was the era that neoliberal globalisation was at its peak, as many states opened up their economies to free flow of goods and investment (Colás, 2005, pp. 75-76).

Neoliberalism can be seen as ‘an ideology of globalisation’, since it constructs and disseminates certain ideas thereby leading to the replication of these ideas everywhere (Ibid., p.76). The spread of neoliberalism is also attributed to the collapse of socialism as left wing parties that suffered a lot of defeat in a number of great states such as France, Spain and the UK. Most socialist and revolutionary states in Africa also fell especially after the collapse of The Berlin Wall. Also in Africa, neoliberalism might have been forced unto them, as the Bretton Woods Institutions led economic restructuring popularly known as the Structural Adjustment Programs (SAPs) as the condition for loans (Ibid.).

In a nut shell, neoliberal ideology accelerated globalisation. The international financial institutions have also played an important tool in the spread of neoliberal globalisation. However, contrary to the liberal thought that globalisation lead universal benefits, that is not entirely true. Globalisation has resulted in poverty and inequality among other negative consequence in most parts of SSA (Bond, 2005) (Bush, 2008). Nonetheless, it is not entirely true according to Colás that all these states that have embraced neoliberalism were forced to do that. In fact, some elites and other actors in these countries have equally played big roles. Most of these states asked for Structural Adjustment Programmes (SAPs) and have been instrumental in their implementation. Some have under gone these SAPs a number of times. Thus, one must be wary of the thinking that all these states are just victims of neoliberalism. In fact, some of the interests of these states and their social forces resonate with these neoliberal ideologies (Colás, 2005). In fact, Eric Helleiner, in his book, *Forgotten Foundations of Bretton Woods* states how Latin American policy makers as well as officials from countries such as China, and India all played a part in laying the foundations of the Bretton woods institutions, even though they that are now seeking to change the rules of the game in these institutions (Helleiner, 2014).

3.5.1.1 The link between globalisation and economic nationalism

Neoliberalism drives globalisation as argued by Colás (2005). Hence, the kind of globalisation we are experiencing is a neoliberal globalisation (Lee & Hewison, 2010) brought to effect by the IMF, World Bank and powerful countries, with open economies as the ideal situation (Colás, 2005). With the increasing interconnectedness and removal of barriers to all forms of economic activities and practice of neoliberal policies, it will suggest that economic nationalism which favours the nation by advocating for protectionist and other regulatory measures will go extinct, but that is not the case. In order to shield their economies from the unfavourable effects of globalisation, states tend to pursue economic nationalism (Lee & Lee, 2015), (Siekmeier, 2015). Neoliberal globalisation has benefitted certain countries greatly, especially those who are able to take advantage of it. For some other countries, especially those in SSA, it has not been so (Bush, 2008). As a response, certain countries tend to pursue other development trajectories. Thus, scepticism of globalisation play a role in driving countries to pursue economic nationalism or be more interventionist in their economies (Gao, 2012); (Lee & Lee, 2015); (Siekmeier, 2015) . Economic nationalism therefore exemplifies the frame by

Dunne (2014) which maintains that states only deploy liberalism pragmatically and in convenient times by states. Hence, they are always ready to abandon these liberal ideals when they produce unfavourable consequence and opt rather for realism or in this case nationalism.

In a nut shell, neoliberalism drives globalisation and the scepticism of globalisation drives economic nationalism. Thus, nationalism is far from being removed, in spite of the increasing rate of worldwide interconnectedness. In fact, nationalism is becoming a strong force as a challenge to globalisation. Nationalism arises as a reaction against globalising forces (Sabanadze, 2010). Scepticism of open markets and free trade is also often used to support the arguments of nationalist political economists such Friedrich List. This is explored below.

3.5.2 Nationalist Political Economy

This is a political economy tradition that thrives on the scepticism of neoliberal policies, by pushing instead for protectionist policies for economic development. This can be seen below in the exploration of nationalist political economy ideas of Friedrich List, Ha-Joon Chang and Nakano. These scholars argue that the benefits of market oriented policies are not universal as they tend to benefit developed countries at the expense of developing ones.

Nationalist political economy tradition has its roots in realism which is a grand theoretical approach in IR. According to Matthew Watson, realism in itself do not contain political economy contents, so, a lot of ‘creative license’ had to be applied for a realist political economy (Watson, 2014, p. 30). He argues that a realist global political economy (GPE) is when a state seeks to advance its interests at the expense of another state’s national interest either in a bilateral or multilateral negotiations (Ibid.). Realist GPE is considered as the root of political economy nationalism (Ibid. p. 31). One major assumption of the realist GPE is the fact that states are self- interested entities that are only preoccupied with their interest when they are encountered in an economic negotiation (Ibid.). This thought is in conformity with Hans Morgenthau’s realist thinking that the state just like human beings are always and only out for their interests (Morgenthau, 1948/1960 cited in Watson, 2014). Another realist assumption different from the above is aptly put by Matthew Watson that “states will want to avoid triggering retaliatory actions from other states, as this is likely to harm domestic producers and

consumers, and thus work against the national economic interest” (Ibid. p. 32). This latter assumption is premised on E. H. Carr theorisation that the possible retaliation of rival states serves as a balance on states’ actions. There are international norms that states must follow. And states do follow these norms so that they can earn political credibility that they may need in the future. These norms in contemporary times are imbibed in global institutions such as the WTO and IMF and their accompanying values of free trade (Ibid.). Thus, the above arguments suggest that nationalist political economy seems to have links with realism.

The most widely known account of classical nineteenth century nationalist political economy is Friedrich List. He is one of the pioneer thinkers in the field. And indeed, the most influential of them in Germany and Europe as a whole. He also has a pervasive influence on policy making and development theory (Levi-Faur, 1997a). List theorisation had a nationalist ontology, which is slightly different from realism’s statist ontology. According to List (1841 cited in Matthew, 2014, p. 33), “between each individual and entire humanity... stands THE NATION, with its special language and literature, with its peculiar origin and history, with its special manners and customs, laws and institutions”. Matthew (2014) explains that having a nationalist ontology is not equal to having protectionist policies. As a matter of fact, it is more complicated than that. It means that the state must do whatever it must do at a particular time to ensure its national interests. And trade barriers that List recommended was just one of the many ways. This means that nationalist policies could be a wide range of policies in modern day. Meaning, even liberal economic policies could be a state’s option deriving from its nationalist ontology. Thus, considering the national interest could as well lead to so many varied policies either than protectionist ones (Ibid.).

Indeed, most scholars tend to associate economic nationalism with ‘mercantilism, statism, industrialisation and trade protection’, with its policy prescriptions being tariffs, subsidies and laws to protect the market and so on. This makes its conceptualisation very broad (Nakano, 2004, p. 211). To make it easier to conceptualise, in recent years, different scholars prefer the term **nation**, instead of the state, and secondly, the ‘**nationalist content**’ is stressed rather than policy prescriptions (Helleiner, 2002 in Nakano, 2004, p.212). This implies that many scholars agree with Friedrich List’s nationalist ontology and not the statist ontology presented by realism.

According to Nakano (2004), one cannot understand economic nationalism without knowing what nationalism is. Even when economic nationalism is still defined by its nationalist content.

It remains unclear; hence a theory is needed. And in order to obtain such a theory, political economy has to be coalesced with nationalism. Nakano enables a definition of economic nationalism in terms of its nationalist content as well as its policy prescriptions more broadly. He asserts that “economic nationalists will choose economic policies which promote economic development without threatening national cohesion, and whose costs and benefits are shared by the people of the whole nation-state” (Nakano, 2004, p. 227). Thus, the state “needs to acquire the public’s support by appealing to nationalism and the unity and cohesion of the nation”, if it wants to be successful in implementing economic policies and other economic goals (Ibid.). This theory brings out the invaluable role of nationalist sentiment for economic development.

Nationalist political economists also have a distrustful look on free trade, especially on the side of developing countries or late industrialisers. Instead, they advocate for protectionist ideas such as the *infant industry argument*. Friedrich List can be regarded as the father of the infant industry argument (Levi-Faur, 1997a), which states that absent state intervention, developing countries cannot develop ‘new industries’ in the ‘presence of more developed countries’ (Chang, 2003, p. 3). List did a historical review of the trade and industrial policies of the developed countries in the West up until his time, including but not limited to the Netherlands, England, Spain, France, Germany, and the USA (Ibid.). List argued that Britain was actually the first country to perfect the use of infant industry. Britain having realised that its products could not stand competition in a free trade system, sought to protect its industries with a ‘system of restrictions, privileges, and encouragements’ to boost local manufacturing (List, 1841 cited in Chang, 2003, p. 4). This Chang (2003) concludes is a contradiction between British industrial development and the notion of Britain as the bastion of free trade and markets.

List goes further to argue that free trade is only beneficial among countries at the same level of development, but not between countries at different levels of development. So, for example those who were not as advanced as Britain, including Germany at the time, would lose out in the free trade business with Britain. List also argue that under the guise of a ‘cosmopolitan doctrine’, Britain was promoting its national interests with its idea of free trade, but in essence Britain was ‘kicking away the ladder’ that it has used to climb to prevent other countries from getting to its level (List, 1841, cited in Chang, 2003, p.4). Also, the USA, having initially rejected Adam Smith’s free trade ideas and used protectionist policies to develop, started advocating for Free trade, thereby also kicking away the ladder (Ibid.).

List used the above arguments to defend why a less industrialised Germany in the 19th century should go back on its commitment to the Laissez-faire policy with Britain, even though that will temporarily deprive Germans of the cheap imports from Britain (List, 1841, cited in Watson, 2014, p. 33). List also maintained that the German state should do everything in its power to convince the German people of the idea that consuming British goods was inimical to their nation's economic independence (Ibid.). This was intended to provide protection to German fledging industries until such a time that they could compete favourably. It is therefore noteworthy that List was not totally against free trade. His argument was that, at that particular time of German's development, free trade was bad for it. Germany needed time to develop its industries to a state that they could compete favourably with Britain (Watson, 2014, p. 33). Thus, as Matthew Watson puts it: "free trade was still the ultimate goal of List's nationalist political economy, then, only just not yet" (Ibid.).

Contemporarily, building on List arguments, Ha-Joon Chang argues that there is an immense pressure from developed countries and international institutions on developing countries to adopt 'good' policies and institutions (Chang, 2003, p. 1). These 'good' policies and institutions are the very ones that culminate into what is known as the Washington Consensus. These policies include the 'liberalisation of trade and investment', 'privatisation' and 'deregulation' and the 'good' institutions include 'democracy', 'an independent judiciary', 'strongly protected property rights', 'market-oriented corporate governance and finance institutions', just to name a few (Ibid.). According to Ha-Joon Chang, whether these so-called good policies and institutions actually lead to economic development is hugely debated. Not only that, as to whether these policies and institutions were used by the now developed countries when they developing is also questionable (Ibid.).

Ha-Joon Chang argues that British industrial success is often touted as one that developed with its laissez faire policy, while France did not see such a growth in the same period because of its interventionist policies, and America's protectionism contributed to the onset of the Great Depression. These are just some of the examples that are often cited to support the 'good policies and good institutions. Nonetheless, there is serious doubt as to whether that is really the case. For example, France in the 19th century was 'conservative and non-interventionist' and Switzerland, in spite of not having any patent law, was able to develop its technology levels among the best in the world (Chang, 2003, p. 1). So, there is evidence to the contrary that these

countries developed with the so-called ‘good’ policies. And he therefore asks whether, these developed countries are not trying to hide the secrets of their development.

Chang therefore, asks an essential question “how did the rich countries really become rich?” (Ibid., p 2). Before going on to elaborate the answer, Chang’s short answer is that the rich countries did not become rich with the policies and institutions that they are now recommending to the now developing world. “Most of them actively used ‘bad’ trade and industrial policies, such as infant industry protection and subsidies – practices these days are frowned upon, if not actively banned, by the WTO” (Ibid. p.2). And the number of institutions that were present at these now developed countries while they were developing, were fewer than can be found in now developing countries. Hence, it can be said developed countries are making it difficult for developing countries to adopt policies that they themselves used while they were developing (Ibid.). In a nut shell, Ha-Joon Chang is advising now developing countries to be wary of the neoliberal rhetoric and do what they have to do to develop including using the so-called ‘bad’ policies. In essence, his arguments raise scepticism of neoliberal globalisation and instead advocate for protectionism.

On the same note of a wary look on neoliberal globalisation, it is argued that free trade also tends to force countries into a “harmful division of labour between developed and underdeveloped countries” and this will also favour the more advanced countries as they have advanced industries (List, 1837 in Levi-Faur, 1997b p. 366). Baer in a similar argument states less-developed countries pursue *import substitution industrialisation*, an essentially nationalist policy in order to escape from a cycle of perpetual exporters of raw materials they have been relegated into by the global economy (Baer, 1972, pp. 95-96). Hence, import substitution intends to strengthen domestic capacity to manufacture goods that were hitherto imported. And almost all countries that are industrialised today went through a period of ISI including Western Europe and the United States. They all went through a period where most of their investment went into manufacturing goods that were imported previously (Ibid.).

Contemporarily, many scholars might speak of the gradual decrease in nationalist sentiments over time, as such Ernest Gellner. Gellner, however, retorts that a “late industrial society can be expected to be one in which nationalism persists, but in a muted, less virulent form” (Gellner, 1983 in Szakonyi, 2007). He also asserts that nationalism may arise if economic expectations go unfulfilled. And if the state sense that they being ‘exploited’ or ‘dominated’

by advanced countries, nationalism may rise to curb it (Ibid.). Thus, contemporary authors of nationalism have linked it to economic development. Some scholars have argued that bringing the citizens of a particular territory into one national solidarity and symbols could have a very high impact on the rate of development (Szakonyi, 2007). And since there is a strong relationship between nationalism and economic development, nation-states tend to mobilise popular sentiments for the purposes of development and economic growth (Ibid.).

Also, contemporarily, outright protectionism such as advocated by List is being shunned for more moderate, but still protectionist policies. As Nakano (2004, p. 212), it is the nationalist content rather than the policy prescriptions that matters in economic nationalism. Thus, D'Costa, et al. (2012, p. 2) defines economic nationalism to include all 'practices, policies, and strategies' that are geared towards enhancing national competitiveness of certain firms and products and so on, against foreign ones as well as spurring national growth and development. In other words, in contemporary times, nationalist policies could be as simple as appealing to the general public to patronise their indigenous products at the expense of imported ones.

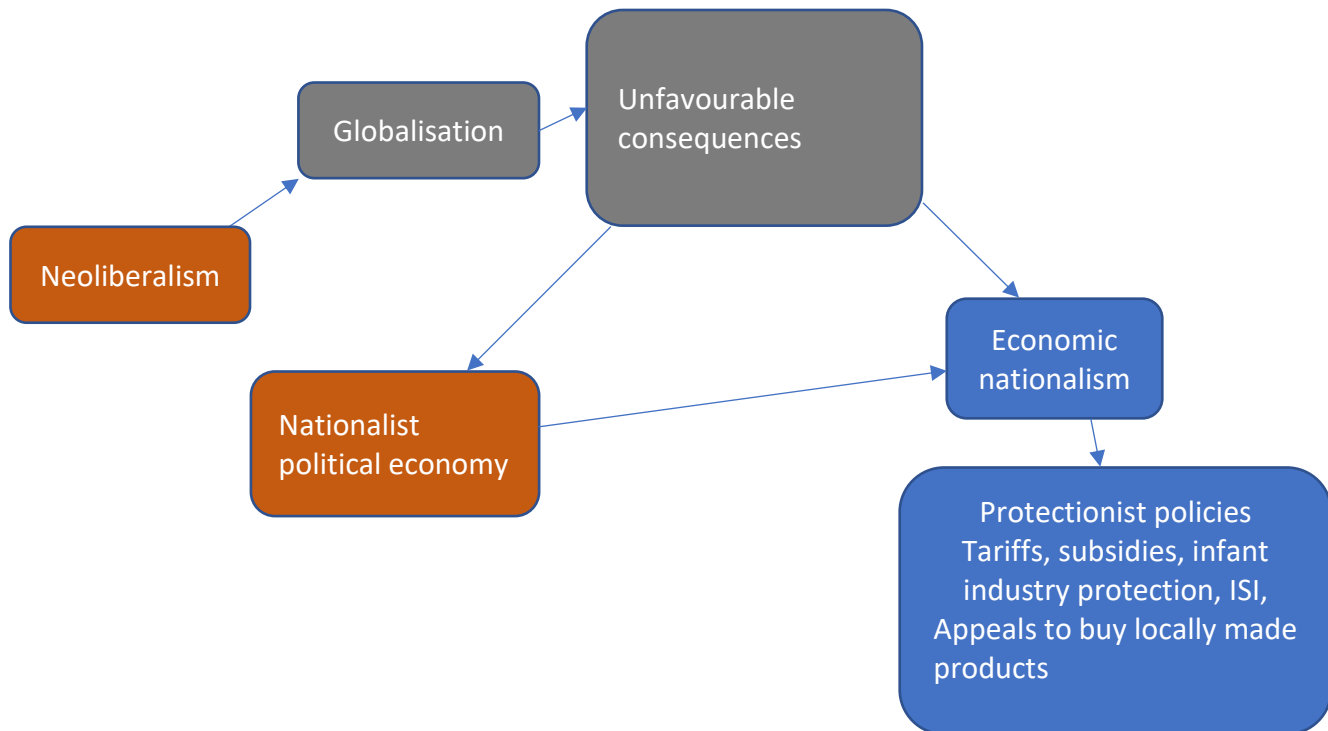
From the above, economic nationalism can be seen as a nationalist political economy strategy as it involves a wide range of protectionists ideas ranging from mercantilism to other milder forms of protectionism such as branding of goods or appealing to citizens to patronise their local products. One can also see from the above that, nationalist political economy strives on the scepticism of free trade and market-oriented policies. It is argued that they do not lead to universal benefits. Open policies tend to benefit advanced economies, but can have unfavourable effects on developing countries or late industrialisers. Rather, protectionist policies are recommended to this later group.

3.5. 3 Theoretical frames and aspects of the theory that will be explored

The dominant frame from the theories presented above is scepticism of neoliberal globalisation encourages the pursuit of economic nationalism. Neoliberalism espouses ideas of free trade and open markets and the manner in which they have become globalised. However, globalisation of these neoliberal ideas can have downsides on certain economies. This generates scepticism of globalisation, hence the pursuit of economic nationalism to protect their economies and ameliorate the effects of globalisation. Nationalist political economic ideas are also built on the scepticism of market oriented policies, especially on the fact that free trade

tends to benefit more advanced countries than developing ones. This theory advocates instead for the adoption of protectionist policies such as infant industry protection and ISI until such a time that an economy is strong enough to compete favourably.

3.5.3 1 Figure 1: An illustration this theoretical framework



From the figure, it can be observed that **neoliberalism** drives globalisation. Globalisation also tends to generate negative consequences especially on late industrialisers. And the response to these consequences is pursuing nationalist economic policies such as import substitution industrialisation or appealing to the general public to buy locally made products instead of imported products. **Nationalist political economy** on the other hand, also strives on the negative effects of market oriented policies as it argues that free trade and other market-oriented policies only tend to benefit advanced economies at the expense of developing economies. It recommends instead nationalist economic policies for late industrialisers.

The purpose of this thesis to understand how globalisation influenced Ghana's adoption of a nationalist trade policy. Thus, the justifications for the enactment of the policy will be examined for traces of scepticism of globalisation. The effects of neoliberal globalisation on

the economy of Ghana will also be examined. And generally, the facts of MIG policy will be interpreted and discussed in light of these theories.

Chapter 4. Findings and Discussion

The empirical fieldwork in the form of semi-structured interviews with key stakeholders undertaken in Ghana from 25th April to 30th May, 2017, as well as official documents and other relevant literature revealed the following perspectives of the Made-in-Ghana policy (MIG), an economic nationalist trade policy enacted by the government to promote national competitiveness. These empirical findings are discussed with the literature review and theoretical considerations done in the previous chapter as well as other relevant facts.

The aim of this section is to find answers to the research questions of this thesis.

How did globalisation influence the adoption of the Made-in-Ghana policy?

Why did Ghana adopt such an essentially nationalist trade policy?

What role did neoliberal globalisation play?

The goals and objectives of the policy will be presented and discussed answering the question why Ghana enacted an essentially nationalist trade policy and then a second part in the form of a sub-conclusion to determine whether Ghana's nationalist trade policy was encouraged by scepticism of Globalisation as seem to be the dominant theoretical frame in the literature. The structure of the findings is the form of a Goal or Objective of the policy as the main point and within these sections one will also find underlying problems that indicate the root or drivers of the policy and the proposed remedies or policy prescriptions intended to lead to the achievement of the Goal or objective.

4.1 The primary goal of the Made-in-Ghana policy is to increase patronage of local goods and services

Ghana's vision is to move into a higher middle income country by transitioning the economy into an 'industry-driven economy' (Ministry of Trade and Industry, 2016, p. 1). However, the

issue of low patronage is the most prominent threat facing the industrial sector, as the manufacturing enterprises are unable expand operations or achieve economies of scale due to the poor patronage (Ibid.) Therefore, all the respondents argue that the primary and immediate goal of the policy is to increase the patronage of local goods and services by appealing to the public favour native products. This particular argument is in harmony with the existing literature on economic nationalism, seen as a more inclusive phenomenon contemporarily, as much of it is contingent on the grass-roots making conscious efforts to patronise their local products (Gao, 2012). Classical economic nationalism did appeal to the grass-root as List urged Germans to patronise their local goods instead of British products, but it was much dependent on the state using tariffs and other protectionist barriers to shield the economy ((List, 1841, cited in Watson, 2014, p. 33). Unfortunately, a fully active state in the economy is a difficult endeavour as global institutions tend to control such measures contemporarily. The WTO for instance have contracts that bind governments to keep their trade barriers within accepted limits (World Trade Organisation, 2015) and assistance from the Bretton woods institutions come with conditions that ensure that states' intervention in their economies is limited (Colás, 2005). Pragmatically, economic nationalist policies could be as simple as appealing to the general public to patronise their own goods instead of foreign ones (D'Costa, 2012). This is evident in the case of Ghana.

The policy is argued to be a coordinated effort to address a long-standing problem of low patronage of Ghanaian goods. Many governments and political parties in Ghana, at one time or another, have spoken of the need to promote patronage and usage of Made in Ghana goods. One of the respondents mentioned for instance that Kwame Nkrumah's government (1960-66) and governments of the Fourth Republic (since 1992) promoted campaigns in bids to encourage the general public to patronise indigenous products (Interview 4, May 2017). Yet, no coordinated policy was formulated to that effect. The MIG policy is the first coordinated effort churned out not only by politicians, but a comprehensive group of stakeholders from government (ministries), private sector players and civil society for an immediate purpose of spurring patronage of local goods and services. Hence, the policy contains a set of 'policy instruments and measures' that serves to increase the patronage of locally made products, (Ministry of Trade and Industry, 2016, p. 3). Before, elaborating on these policy instruments meant to spur patronage of local goods and services, the respondents attributed the low patronage to certain factors described below.

4. 1. 1 Trade liberalisation contributing to lower patronage

The current empirical study reveals a dominant perspective hinting that the Made-in-Ghana policy is a consequence of the effects of trade liberalisation with low patronage only being an intervening factor. In other words, trade liberalisation led to low patronage of local goods and services, and hence the policy was enacted to resolve the problem. The adverse effects of globalisation in the literature are seen as the most prominent reason why states pursue economic nationalism both in classical and contemporary times. Indeed, neoliberal enthusiasts within a state encourage globalisation due to its benefits (D'Costa, 2012), while other states join the neoliberal bandwagon due to their domestic economic difficulties that necessitate them to seek global institutions for financial bailouts. And consequently, they are forced to undergo a neoliberal restructuring as conditions for loans as is the case in many Sub-Saharan African countries (Colás, 2005). However, the negative effects of these neoliberal policies generate scepticism of globalisation, hence these states tend to economic nationalism as a response (Siekemeier 2015). The empirical findings of the MIG complement this existing frame.

Ghana's domestic economic challenges had a hand in its adoption of neoliberal policies, the respondents contended. This can be traced back to the 1980s when the economy of Ghana was facing difficulties caused by both internal and external factors. The World Bank stated that these economic difficulties could be attributed to uninhibited interference of the state in the economy, public mismanagement, agricultural dominant and closed economy. This led the government to seek IMF's financial assistance. The loan came with a string of conditions including the trade, financial and investment liberalisation, privatisation among others (Opoku, 2010). This led to a rapid liberalisation of the economy. For instance, one of the respondents claimed that *Ghana opened its gates too 'fast' and 'too wide' for everything to start flying in, in a bid to alleviate the economic difficulties. Liberalisation was not done cautiously to allow only specified goods to come in* (Interview 4, May 2017). And this rapid liberalisation resulted in some negative consequences on the economy; deindustrialisation and unemployment.

The assumption is that the open trade and investment system led to a massive influx of foreign products. And owing to the fact that many foreign companies perhaps have been operating for many years or have achieved economies of scale as a result of their largescale production, they

can afford to drop their prices, whereas the companies in Ghana are still either start-ups or experiencing higher cost of production and cannot afford to lower their prices, the Ghana products are outcompeted by these mature companies and lose out in an open market system as they are relatively expensive. One of the respondents suggested that, *it is because people tend to choose a product most times based on price and their spending power* (Interview 1, May 2017). Many people in Ghana work in the informal sector and unfortunately has limited resources and it only makes sense that they opt for cheaper alternatives. The respondent concluded *that the open market system with cheaper imports makes it “possible for people to choose price over pride, choose price sometimes over quality” and imported goods are the ones that get picked since they are relatively cheaper* (Ibid.). Consequently, another respondent asserted, *not only has choosing cheaper imports over local products succeeded in changing the taste buds of Ghanaians towards the consumption of foreign products, the general public “have become oblivious to the quality that Ghanaian products can offer”* (Interview 3, May 2017). Thus, trade liberalisation resulted in the low patronage of Ghanaian made goods and services and consequently, a significant dip in domestic production, the collapse of certain industries and the laying off of workers. For instance, one of the respondents contended that *most of the manufacturing firms in the textile industry have collapsed leading to over 27000 direct job losses* (Interview 6, May 2017). And concerns about these negative consequences of trade liberalisation: low manufacturing and job losses contributed to enactment of the policy.

The above viewpoints of the respondents resonate with the existing frame that the most prominent factor that result in economic nationalism is the adverse effects of neoliberal globalisation. In other words, unfavourable effects of neoliberal globalisation seem to drive states back to their shelves in an attempt to shield their economies and societies. The Ghanaian case also points out that globalisation affects regions differently, but the response is almost the same: enacting essentially nationalist policies or regulations to shield their economies and societies from these effects, or a more frequent state intervention in the economy. For instance, after the 2008 financial crisis even the US and EU members commonly intervene in its economy (Adewale, 2012); (D'Costa, 2012). The review of economic nationalism in Latin America also shows nationalism rose to protest the growing role of the US in Latin America, who blamed the US for carting away their resources and robbing them of their economic sovereignty (Siekmeier, 2015). In the case of Ghana, however what seems to be the problem is the displacement of local goods and services with foreign ones, leading to excessive decrease in manufacturing and job losses.

Concerns about these consequences of neoliberal globalisation in the form low manufacturing and unemployment, some respondents state, led to a nation-wide agitation concerning the rate at which the Ghanaian market is being flooded by cheap imports consequently leading to the closure of a lot of manufacturing firms who are unable to compete. These complaints and agitations of little manufacturing are not only coming from the citizens. One of the respondents for example, asserted that the *“government itself became alarmed at the rate of job losses, at the level of manufacturing”* (Interview 4, May 2017). Hence, the MIG policy is an initiative to appeal to Ghanaians to opt for indigenous products thereby creating a market for those industries so that they do not go extinct or be replaced by goods coming from elsewhere (Ministry of Trade and Industry, 2016).

4.1.2 Low nationalism contributing to lower patronage

An Interesting empirical discovery in the Ghanaian case is that, the public agitations, mentioned above, are not backed by a commitment to patronise local products. Certainly, the agitations might have contributed to the adoption of the policy, but there is less commitment of making a conscious effort to patronise ‘made in Ghana’ goods and services, the respondents declare. In the literature, we hear of how grass-root nationalist in china patronise local products and even go to great lengths to use modern technology to group and protest foreign brands when they realise that their local brands are being replaced by foreign brands, and in spite of already urging their government to take actions to protect their economy (Gao, 2012). Also in South Korea, in addition to the state interventions in the economy, the general public makes an effort to consciously patronise their indigenous local products and services irrespective of price or quality and in spite of the fact that they are being flooded by alternatives from elsewhere. Hence, there is societal support for their industries and their products (Lee & Lee, 2015). That is not the case in Ghana. Unfortunately, the public agitations are not backed by an effort to patronise local goods. If they were, the Made-in-Ghana policy will not dwell much on convincing the general public to patronise local goods. Thus, there is low nationalism in Ghana. This low nationalism and the resultant low patronage can be discerned from a respondent’s declaration that *“the patriotism of Ghanaians is not too strong. Unlike other countries where they will do everything to protect their industries, that is not the case with Ghanaians”* (Interview 3, May 2017).

The respondents contend that the low nationalism in the general public can be attributed to their lack of confidence in the state institutions. The honesty in governance institutions is very low. For instance, many citizens are not happy about the fact that the police take bribes, justice is denied many when they go to court, the fire service phone lines are not even working properly, and if one find themselves in a war situation in another country, the government is unwilling to come to their aid. These coupled with other inefficiencies in the legislature and other state institutions have resulted in very low levels of patriotism and nationalism. For instance, a respondent concludes that *“the biggest threat to nationalism is when you are in contact with the state agencies, and they maltreat you”* (Interview 6, May 2017). The respondent also compares Ghana to America by stating that if an American is captured in Ghana today, the whole of America would behave in such way that one would think it is the whole America that has been captured and that is citizenship, but if a Ghanaian is in difficulty anywhere, Ghana will not budge (Ibid.). So, rather than appealing to people to be nationalistic by word of mouth, the respondent asserted that the state institutions must be up and doing to be able *“to sap the nationalistic blood” of Ghanaians. “The state must ally to its responsibilities to citizens and that will naturally lead to us to be nationalistic and patriotic”* (Interview 6, May, 2017). Meaning that, the state must be efficient, otherwise the public is unlikely to go through a difficult phase of patronising expensive Ghanaian products and probably of low quality, just so the country can perfect itself and later they can reap the benefits. Another aspect, established by a different respondent, was that in an inefficient state, people become self-interested beings. They are only looking out for what they can gain now, rather than what they can benefit in the future. Yet, other people are always trying to get out of the country to Europe, North America and more recently East Asia where the systems work better to find greener pastures (Interview 3, May 2017).

The assumption here is that the low national sentiment in the Ghanaian society can be traced to inefficient governance and failed statehood. The citizens do not want to be loyal to state that does not look out for their interests and well-being. In other words, patriotism and nationalism are earned and not just conferred on the state by virtue of the fact that they were born or live there or simply because they are being told to. Thus, blind nationalism, defined by Parker (2009, p. 1) as the *“uncritical support for national policies and practices”* is absolutely not something Ghanaians aspire to do. Thus, another assumption here is nationalism must be earned.

Apart from attributing low nationalism to failed state institutions, it is also attributed to the mind-set of Ghanaians. One respondent contended for instance that *the general public is simply not aware of the dangers of consuming foreign goods and services at the expense of their own. Unlike other countries where they will do everything to protect their industries* (Interview 4, May 2017). This argument is not far-fetched, in the literature, one hears of how Korean citizens view globalisation as something that might have been forced on their government and it might not be bringing any benefits to their economy, hence they patronise their local goods at the expense of foreign ones. Hence, there is a nationalistic discourse about the dangers of globalisation (Lee & Lee, 2015). And as Moller writes, Globalisation within nationalist discourse is seen as “a foreign invasion that will destroy local cultures, regional tastes, and national traditions” (Moller, 1999 in Gao, 2012, p. 182). Thus, it is possible that the respondents are right that the mind- sets of Ghanaians is not in tune with the dangers of globalisation, hence the low nationalism. However, one cannot help but wonder that perhaps they know the dangers of globalisation as they have witnessed manufacturing dwindle and unemployment rise, but they do not act on it because the nation-state does not care about them as discussed above, so why should they care? And since most of them have a low spending power, they are perhaps just glad that they have cheap alternatives coming from elsewhere.

In sum, the reflections of the policy as a consequence of trade liberalisation show that indeed trade liberalisation might have contributed to the low patronage of local goods and services and hence the adoption of the Made-in-Ghana policy. This perspective of the respondents complements the existing widespread view that the adverse effects of economic globalisation lead to nationalistic tendencies. However, it is also brought to light that the low patronage is also a consequence of low level of nationalism in the general public as they are not ready to support Ghanaian industries by patronising local goods as done in other places. Thus, the policy was enacted to incite nationalism in society. This is particularly important because it is shown in the literature that grass-root nationalism is very essential for the success of economic nationalism (Gao, 2012). Even more so for contemporary times as there is a limit to the intervention of the state in the economy.

4.1. 3 Proposing specific prescriptions aiming to elevate patronage

To achieve the goal of spurring patronage, the Made-in-Ghana policy contains certain remedies to eliminate or ameliorate the factors that result in low patronage. First of all, the policy, though

in a limited sense, restricts trade openness by placing statutory duties on certain products such as biscuits, steel products, electric cables and related products and poultry among others (Ministry of Trade and Industry, 2016). One of the respondents admits that, an ideal option would be keeping certain foreign goods entirely out as done in classical economic nationalism. However, that will contradict the rules and regulations of the neoliberal order, but the WTO allows for certain protectionist initiatives, and Ghana must use that flexibility afforded by the WTO to protect certain industries. Thus, the statutory duties imposed are all within the WTO range (Interview 6, May 2017). Indeed, the WTO gives room to late industrialising countries to protect their industries. Amsden and Hikino argue that the current rules of the WTO, a neoliberal emblem, give much room for countries especially, late industrializers to protect their industries under the guise of ‘promoting science and technology’. Measures including subsidies, though under certain conditions are allowed. This WTO initiative in addition to an active state is what has contributed immensely to the rise of the ‘leading latecomers’ (Amsden & Hikino, 2000, p. 104). Thus, the WTO promotes free trade, but not entirely at the expense of late industrialising countries. And Ghana intends to use this opportunity to protect some industries.

Secondly, the realisation that there is low nationalism in the Ghanaian society resulted in some respondents contending that Ghana needs a critical national discourse. And this discourse should be the priority of the radio and television stations. A discourse that sensitises the general public about the dangers of globalisation and of consuming foreign products at the expense of local ones in the long run. Thus, the Made-in-Ghana policy contains a sensitisation campaign undertaken by the Ministry of Trade and Industry and other stakeholders from industry and advocacy groups to educate citizens about the benefits inherent in patronising made in Ghana goods and services (Ministry of Trade and Industry, 2016). The reason is that most people might not really know the importance of consuming local products to the economy. Hence, on the cover page of the Policy document, you find slogans like “Buy Ghana, Build Ghana”. “A better Ghana and a prosperous homeland begins with all of us”. “Let us make an effort to buy locally produced Goods and Services to Support Ghana’s Economy”. “It All Begins with You” (Ministry of Trade and Industry, 2016). This is done to evoke nationalistic sentiments and give them a hint of the importance of patronising goods produced locally.

Also, according to one of the respondents, because of the lackadaisical attitude of the public towards local goods, the Made-in-Ghana policy is a ‘*behavioural change campaign*’ (Interview

1, May 2017). The policy serves to appeal to Ghanaians to ‘*change their behaviour and attitude*’ towards indigenous goods and services, to take pride in using local products (Ibid.). The respondent also asserted that sensitize Ghanaians to not only proclaim that they are Ghanaians, but to make a conscious effort to patronise Ghanaian made goods for the betterment of the nation. He concludes that *every Ghanaian must make a commitment and pass them down to their kids. They all need to support the country* (Interview 1, May 2017).

In spite of all these appeals, the respondents are also aware that a behavioural change is a long-term project. For instance, a respondent said “*we are trying to change perception of people. And It is not easy to change people perception. It takes time. Opinions once formed are very difficult to change. So, most of these negative perceptions about made in Ghana goods, it is going to take a while for us to be able to change it*” (Interview 4, May 2017). Hence, the policy is a short - long-term policy (Minsistry of Trade and Industry, 2016). This policy prescription is not new. These arguments are in line with both classical and contemporary literature on economic nationalism. Friedrich List’s for example appealed to the German government to educate its citizens about the effects of consuming cheap British imports on their economy in the long run((List, 1841, cited in Watson, 2014, p. 33). Contemporarily, Bowen and Gaytán (2012) stated in their work; that elites in Mexico mobilize national sentiments and shared heritage to promote and protect their traditional products from being run out of business by foreign imports. And the fact that, the ‘Made-in-Ghana policy is a short-long term policy coincides Friedrich List Nationalist political economy ideas as they were also short – long term policy ideas (Watson, 2014).

Thirdly, the policy also encourages industrialist to improve their products. The respondents believe the low patronage might be supply-related constraints. In a baseline research done before they enacted the policy, they discovered among other things that ‘packaging, quality and price’ are the things that the public considers before they buy products. However, some Ghanaian goods are not attractively packaged or priced (Minsistry of Trade and Industry, 2016). Hence, the policy encourages companies to improve their packaging. And as part of improving the quality, a Made-in-Ghana logo has been designed, so that manufacturers can **brand** their products to show that they are Ghanaian made and that they have met a higher quality standards, so people can feel comfortable buying them (Ibid., p. 4). Industrialists are also encouraged to have reasonable prices. More importantly, they are advised to take advertising seriously, as most Ghanaians do not know the range of quality Ghanaian products

out there or even where to get them and that is why the Advertising Association of Ghana was also a relevant actor in the formulation of the policy (Ministry of Trade and Industry, 2016). This line of thinking of the Made-in-Ghana policy, is also not first hand. Branding is an essential part of contemporary economic nationalism. Karl Gerth states how economic nationalism in china has evolved from the orthodox state protection to the creation of competitive brands both in the domestic and international market. And this evolvement has to do with the fact that China joined the WTO. And one might expect that China's ascension into the WTO will diminish its economic nationalist tendencies, but obviously not. China is able to create a new economic nationalism (branding) which has proven to be sophisticated and more effective (Gerth, 2012, p. 202).

In sum, the primary goal of the policy is to increase patronage of local goods and services. This presupposes that there is a problem of low patronage of local goods and services in Ghana which the respondents attribute to trade liberalisation and low nationalism. Hence, to achieve the goal of spurring patronage, certain remedies or policy prescriptions include, making use of the window that the WTO leaves to late industrialisers to impose tariffs on certain imports. Public sensitisation of the need to patronise local goods and encouraging producers to improve the quality, appearance and price of the products.

4.2 The policy as a measure to balance trade deficit and to cut import bill

Another goal of the policy is to help solve the balance of trade deficit and cut import bill of the country (Ministry of Trade and Industry, 2016). In the literature, Bond (2005) contends that global capitalism has not been favourable to Africa. It does not give Africa much opportunity to develop. He argues that Africa in this era of globalisation tend to import more than it exports. And these exports are primarily cheap raw materials whose prices fluctuate leading to unfavourable terms of trade. This argument is unfortunately, the story of Ghana as shown by the empirical findings. The country imports way more than it exports and this has led to a balance of trade deficit and rising import bill.

4.2. 1 Attitude of government procurement agencies and departments contributing to trade deficits

The policy was adopted according to all the respondents because of the attitude of many government procurement agencies and departments in contributing significantly to the balance of trade deficit and rising import bill of the country. Instead of using the tax payers' money to buy local products, they prefer to go for foreign products and services as that allows them to embezzle public funds. One of the respondents, for instance, explained that the government is touted as *the major culprit in the low patronage of indigenous products and services because it is rigid when it comes to negotiating deals with foreign companies or countries. The government for instance awarded a building contract to a Chinese company and instead of letting them do the building and Ghanaians entrepreneurs furnishing the place, the Chinese were given all the jobs, leaving little to nothing for local entrepreneurs to do* (Interview 4, May 2017). Thus, government agencies and departments do not patronise local products or even give local entrepreneurs the chance to perfect their craft

In the same vein, some respondents maintained that many government departments and agencies deliberately by pass the great products and services of the indigenous companies for foreign ones. Some instances are given that there is a company in Ghana that sew the ceremonial uniform of the US' army. And even the former First Lady of the US, Michelle Obama was spotted wearing the apparels of one these of local companies. There is also a Shoe factory located in Ghana's second largest city Kumasi, which produces quality shoes and boots. Yet, these agencies bypass all these quality products and prefer to import from the Bulgaria and China etcetera, because through that, a respondent concluded *'they will get their cuts'* (Interview 4, May 2017). This slang means they will be able to embezzle public funds. Thus, the attitude of government agencies and low patronage in the general public discussed above has resulted in Ghana's imports outweighing its exports and hence the trade deficits.

4.2.2 Using public procurement as a specific policy to balance trade deficit

All the respondents argue that the MIG Policy is also meant to alleviate the trade deficit problem by making sure public procurement departments and agencies procure their goods and services locally. One of the respondents, for instance, asserted that *"many of the things we imported are things we could generate here in Ghana because we have the raw materials, we*

have the capacity to develop those things” (Interview 1, May 2017). All the respondents also state that government is the largest consumer of most of the products and services enlisted in the policy document. This is because Ninety percent of the high schools and the second cycle institutions and all the security services are owned by government. The government feeds all of the students in these high schools, second cycle institutions and the security personnel on training or operations. Amongst other expenditure, this makes government the biggest spender of the economy. Government spends more than any corporate institution or individual. So, the respondents make a case that if government had a deliberate policy that will ensure that it procures most of these goods from domestic companies rather than from foreign ones, it will not only curb the trade deficit problem and reduce import bill significantly, but also it will enable companies to expand their productions and develop their skill. And the students and trainees will start to develop a taste for these local products and when they leave school or their training they will continue to patronise these products. Thus, the Made-in-Ghana policy contains a directive that ensures public procurement agencies and departments procure their goods and services locally to increase demand for local goods.

The above argument is not far-fetched or only peculiar to Ghana’s case. According to Waldemiro (2016), government can promote industrial development among other objectives in two ways. 1). ‘Demand-driven strategies’ that is geared towards increasing the patronage of ‘certain products or technologies’ by a creating a market for them. And 2). ‘Supply-driven strategies’ in the form of tax cut or subsidies in attempts to reduce the cost of production. The first strategy which is demand-driven can take the form of public procurement, in which “government agencies and organisations create, implement, manage, and monitor contracts to purchase goods and services” (Waldemiro, 2016, p. 30). Brazil, for instance, has implemented such policies in recent times to promote its domestic industry. Meanwhile, Japan before it joined the WTO championed similar policies that favoured local companies in their purchases (Ibid). Japan’s industrial policy involved a partnership between public and the private sector that resulted in promoting its industrial sector and enhancing the growth of Japan’s economy. Japan used public procurement among other state interventions to strengthen its industrial base. It particularly used public procurement to create ‘assured markets’ for its high-technology sectors (Ibid, p.33).

Similarly, the MIG policy can be seen as a demand driven strategy which is meant to create ready markets for most of the products targeted, by not only appealing to citizens to patronise

these goods, but also making sure government agencies and organisations start procuring local goods and services. The agencies and departments are directed to procure some of their products from Ghanaian producers and allow Ghanaian companies to render services to them, thereby prioritizing local producers over foreign ones. And that is why the Public Procurement Authority and its key stakeholders were part of the formulation of the policy (Ministry of Trade and Industry, 2016).

Some respondents provided examples of particular ministries in Ghana that procure a lot of goods and services. The Ministry of Gender and Social Protection, the Ministry of Health and the Ministry of Defence they procure a lot of agricultural products to run their programs and activities. These respondents argue the Ministry of Gender and Social Protection, for instance, runs a program called the school feeding program. The Ministry of Health and the Ministry of Defence and Interior also procure foodstuff for the feeding of the sick and the security respectively. The government is spending a lot of resources to run these initiatives. All the respondents think it unwise to spend tax payers' money in importing foodstuffs and other products. It is rather best that these agencies, organisations and ministries buy these products locally which will encourage local manufacturers to expand productions as there will be a ready market for those products. The government can use the opportunity to reduce its import deficit and rising import bill (Ministry of Trade and Industry, 2016)

Certainly, their argument that the policy might help address the trade deficit problem and generate other benefits such as boosting the manufacturing sector seems valid as it has been done in other places such as in Japan and Brazil as stated by Waldemiro (2016). Nonetheless, some of the respondents seem to argue that procuring goods from foreign producers enable embezzlement and therefore switching to procure goods locally will fix corruption in public procurement. This assumption by these respondents seems rather over ambitious. There is no guarantee that if these government agencies start to procure their goods and services domestically then automatically the embezzlement of public funds will stop. In fact, the literature suggests that favouring local companies in public procurement could lead to "corruption, price-fixing, unfair competition, and formation of cartels" (Waldemiro, 2016, p. 31). Waldemiro explains, or instance, public officials often insist on rules which could lead to delays and other inefficiencies. Delays can also obscure transparency which could eventually lead to corruption. Not forgetting the fact that a close relationship between public offices and private firms in procurement dealings could also result in corruption (Ibid).

Thus, the assumption that embezzlement of public funds occurs when government agencies procure their goods from foreign producers appears not well founded. Corruption can occur whether they are procuring goods locally or internationally. As stated by Ameyaw et al. (2012), public procurement in developing countries is overwhelmed by corruption due to weak institutions and lack of effective monitoring among other issues. This is not different for Ghana. Corruption could occur whether the products are procured from domestic firms or foreign ones. So, tackling corruption requires different policies such as strong institutions and better monitoring systems rather than the Made-in Ghana policy. Aside fighting corruption in public procurement, which might be over ambitious. The MIG policy could result in reducing import bill and bring other benefits since it is making agencies procure goods from local firms. It will also stimulate domestic production by creating a guaranteed market as argued by Waldemiro (2016) for the case of Japan.

In sum, MIG policy is meant to balance trade deficit and cut import bill. This problem is attributed to government agencies and departments not procuring their goods and services locally and this among other factors has resulted in Ghana excessive imports over exports and hence the balance of trade deficit problem and a rising import bill. The MIG policy then proposes a directive that ensures the public procurement agencies and departments of government institutions procure their goods and services locally, since most of these goods and services can be found in Ghana. This initiative will help to reduce the import bill and balance trade deficit of the country among other benefits.

4.3 The Policy as a strategy to fulfil economic development objectives

Among Ghana's economic objectives is to "promote the development of agriculture and industry" and "to maximise the rate of economic development and secure the maximum welfare, freedom and happiness of every person in Ghana and to provide adequate means to livelihood and suitable employment" (The Constitution of Ghana, 1992, Articles 36 (1) and (3) cited in Ministry of Trade and Industry, 2016, p.1). The policy, according to all the respondents, is geared towards economic development. The policy is a demand-driven initiative to spur patronage of local goods by both government agencies and the general public to revamp

industrialisation and create employment among other economic development activities. Thus, from the perspective of respondents, the MIG policy is a strategy that will result in economic development of the country. Adewale (2017) stated in his work that economic development comprises all those activities by government geared towards advancing the economic wellbeing of the state. And countries tend to choose the best trajectory that could lead to economic development. In the literature, the scepticism of neoliberal globalisation of leading to economic development is argued to lead some countries to pursue other development trajectories such as economic nationalism (Bowen & Gaytán, 2012); (Siekmeier, 2015). Ghana's adoption of a nationalist trade policy to fulfil its economic development goal complements this frame.

Foremost, some respondents argue that Ghana has not been able to experience significant industrial development with its neoliberal policy practice. They maintain Ghana has strayed from the traditional route to development. Hence, the policy is meant to guide Ghana back to the traditional route to development which is moving from agriculture to manufacturing and to services finally. As one of the respondents unequivocally says

we believe in the traditional root to development which is that economies graduate from agriculture, they move into industry and as they mature they move into services. So, we have always likened our growth trajectory over the few years as one of hollow growth in the sense that we have by-passed that traditional root. So, people have moved straight away from agriculture not into industry, but to services (Interview 6, May 2017).

In other words, Ghana has skipped a critical stage to development which is manufacturing. He aptly concludes there is 'a missing middle' in Ghana's economic growth which is manufacturing (Ibid.). All the respondents argue that manufacturing has dwindled out over the years and as you move through the streets of Ghana, you will mostly find things from other countries. Thus, the whole logic of the policy is to fix this gap by revamping the industrial sector.

The above argument appears well- founded. According to Herrendorf et al., the shift from manufacturing to services can be explained by a focus on final demand, with the central idea that the richer societies become, the more they prefer to consume services. In their theorisation, manufacturing tends to increase for countries with lower level of development, while it decreases for those with higher levels of development. Agriculture also tends to decrease as

the level of development increases, while services on its part tend to increase as the level of development increases (Ibid, p.863). In other words, the richer or more developed a country gets the more likely it is to move from agriculture to manufacturing and then to services finally. The United States, for instance, records a service sector increment of 83%, while its manufacturing reduces, argued Berlingieri (2014, p.16). The OECD (2000, p.3) also stated how manufacturing has dwindled to 20% of GDP, while services have risen to over 70% in some OECD countries. One can see that all these examples are of countries that are more or less rich and developed. Hence their move from manufacturing seemed justified.

However, Ghana is a lower middle income country according to Ministry of Trade and Industry of Ghana (2016), whose manufacturing dwindled out not because it is rich, but because its firms could not withstand competition with cheaper imports as argued by some respondents above. Hence, Ghana has not had an opportunity to developed its industrial base. Yet services, mostly in trade, transport and storage, information and communication, financial and insurance activities among others, accounts for more than half of GDP, meanwhile manufacturing accounts for less than thirty percent (Ghana Statistical Service, 2015). Thus, according to the respondents, Ghana is not ready to move to services, but it did. Consequently, the MIG policy is intended to fix the '*missing middle*' as one respondent called it (Interview 6, May 2017). The policy creates a ready market that will give the collapsing industries demand to continue their operations and even expand.

Similarly, some respondents contend that a country can only develop if it industrialises so that it does not import everything that it needs. It needs to be able to produce almost all the things it needs, and the things it cannot produce, then it imports. Therefore, to accomplish this, the MIG policy is Ghana's form of an *import substitution industrialisation* (ISI) policy the respondents assert. Meaning that it intends to promote the production of goods that were hitherto imported by creating a ready market for the products. According to Adewale (2017), ISI is based, among others, on the argument that economic development, specifically industrialisation, will only be realised when a country strengthens its local capacity to substitute imports. The MIG policy follows a similar argument. One respondent, for example, stated that "*nearly every country that has developed including the United States, at one point or the other, used import substitution industrialisation*" (Interview 6, May 2017).

Interestingly, Ghana, at some point in time, Ghana experimented with ISI and failed, but according to one of the respondents, *what actually failed Ghana was that 'particular approach*

to import substitution' and not the policy initiative itself. So now, it is 'revived and retooled in a different way' (Interview 6, May 2017). By way of an explanation, the respondent noted that the kind of ISI Ghana had in the 1960s and 1970s was too inward looking. Hence, a change is needed. The kind that also looks outward a bit is much desirable. However, there is no way one can have an *“export champion which is 'badly beaten' on the domestic market”* the respondent added (Ibid.). Thus, some respondents argue that the policy is meant to protect the domestic firms, so that they can use the domestic market to make all the mistakes and improve their products before they venture out. In other words, the MIG policy is Ghana's new ISI. This is the kind that substitutes imports, at the same time it intends to look outward or switch to export-oriented industrialisation at some point in time.

The above point is in line with the existing literature on ISI. Adewale in a study about the contribution of ISI to economic development in Brazil and South Korea, argued that ISI has helped more economies to industrialise and to develop compared to those still toeing the Washington Consensus line. South Africa and Brazil pursued ISI and used that as a stepping stone to export-oriented industrialisation (Adewale, 2012). Nevertheless, it is brought to light that ISI should be pursued in a particular way lest it leads to unintended consequences or a total failure as in the Ghana case in the 1960s and 1970s. For instance, Neumann (2013) pointed out that South Korea and Brazil both experimented with ISI, which led to rent-seeking behaviours in both countries initially. They eventually overcame this problem by switching towards export-oriented industrialisation. The arguments of respondents complement this existing frame. The assumption here is that Ghana tried ISI and failed, but so did other countries. However, they were able to overcome this by revising their ISI. Ghana too has revised its ISI and it is in the form of the MIG policy.

Ghanaian policymakers also appear to have been influenced by classical nationalist economic ideas. Apart from the argument by the respondents that the policy is Ghana's form of ISI, it is also argued to be Ghana's strategy of protecting its infant industries. Friedrich List is the father of *infant industry argument* and it basically means that without state intervention, a developing country cannot develop new industries in the midst of more developed countries (Chang, 2003, p. 3). In other words, to be able to develop new industries in the midst of more developed countries, the state must protect those industries. The MIG policy, the respondents argue is also Ghana's form of infant industry protection. One of the respondents, for instance, referenced a British economist, Nicholas Kaldor who said development involves three things. *One, the key*

to development is industrialisation. Two, the only way one can industrialise is protectionism and three, if anyone says anything either than these two, they are being dishonest (Interview 6, May 2017). Indeed, Nicholas Kaldor postulated that economic development necessitates industrialisation. And before one can venture out into the global market, the newly established industries have to be protected first (Targetti, 2005). Kaldor also hypothesised that deterring imports with tariffs is a great way to stimulate economic growth (Kaldor, 1955 in Lawson, et al., 1989, p. 6).

So, all the respondents argue that the MIG Policy is meant to protect Ghanaian industries. Ghanaian industries are seen as fledging industries which have great potential for leading to economic development. However, giving that they are fledging industries who already face a lot of domestic challenges not least among them, taxes, electricity and road network problems, it is almost impossible to compete with highly matured firms from the US and Europe and most recently, China. Thus, the only way is to protect them is by paving the domestic market for them to make all the mistakes they have to make before they can strengthen themselves to compete with these matured international firms. One of the respondents from the Association of Ghana Industries stated for instance *that industrialists reveal that they really do not need loans to operate. Their only major concern is low patronage of their goods by Ghanaians* (Interview 3, May 2017). Thus, what industrialists need is the domestic market and the policy is paving the domestic market for them. The strategies used to pave the market as already discussed above include appeals to the public to favour local products more, the use of public procurement and use of statutory duties and taxes.

Interestingly however, some respondents revealed that in the meetings leading up to the adoption of the policy. They did not openly talk about protectionism since the multilateral agencies such as the World Bank outlaw such policies. The IMF and the World Bank tends to constrain their efforts to openly use traditional methods to protect their industries. This finding is not particularly surprising. In the literature, one is made aware of the fact that, these two world institutions are agents of neoliberalism. This theory as presented above champions the notion that the intervention of the state in the economy is unhealthy for economic growth. In other words, the economy should be left to the invisible hand of the market, only then can an efficient economy be created (Phillips, 2014). These Bretton Woods institutions are also responsible for orchestrating the long list of neoliberal policy practices popularly known as the Washington Consensus (Colás, 2005). These institutions and their structural adjustment

programs however, left most SSA countries deindustrialised and as they require them to deregulate their markets. Their fledging industries were left unprotected from the relentless competition from the global market (Bond, 2005). So, absolutely, these institutions are against protectionism as it is against the very thing that they stand for; open economies.

Nonetheless, the WTO and the General Agreement on Tariffs and Trade (GATT) offer late industrialising countries some ‘safeguards’ to be able to protect their industries. As a respondent noted, “*within the framework of the WTO, nothing bars countries from appealing to nationals to buy domestic Made-in-Ghana goods*” (Interview 6, May 2017). Indeed, Amsden and Hikono (2000) argue that the new set of WTO rules give an opportunity to late industrialising countries to protect their fledging industries and this aided some late industrialisers development in Asia. Other organisations, apart IMF and the World Bank have legal prohibitions against such nationalistic appeals such as the Made-in-Ghana policy. However, some respondents believe that since the WTO has not outlawed it, they must take advantage of it. Thus, the policy contains prescriptions that involves the imposition of duties and taxes on certain imported products, but they are within the WTO range.

The policy can also be seen as a form of lesson drawing from those countries which have used some form of economic nationalism to develop. All the respondents believe adopting these forms of economic nationalism will lead to Ghana’s development. They mentioned the ideas of countries such Korea and Japan, which used economic nationalism as an influence on the adoption of the policy. Indeed, Lee & Lee (2015) stated that South Korea used economic nationalism emanating from the state as well as the society to its developmental advantage. The state had intervened in the economy immensely in the form of certain restrictions. The society on its hand, possesses some kind of resentment towards globalisation that they opt for local products in spite of the fact they are flooded with foreign alternatives. Japan, among other nationalist policies, used public procurement as a demand-driven strategy to develop its high-tech industry sector and others (Waldemiro, 2016). So, the respondents’ arguments appear to be well-founded.

Some respondents also mentioned that economic nationalism is used to emphasize the well-known comparison of why South Korea among other countries developed and Ghana did not. One of the respondents, for instance, stated that developmental experts in Ghana mostly quote “*the traditional comparison between Ghana and South Korea, some fifty or sixty years ago*”

when the two countries were almost at the same level of development, or perhaps Ghana had twice the per capita GDP of Korea (Interview 6, May 2017). Today however, Korea is way ahead of Ghana in terms of development. And the reasons these development experts and policy analyst give is that, Korea has been able to use economic nationalism to industrialise its economy (Ibid.)

This viewpoint seems far-fetched. South Korea developed not only through economic nationalism, but also by other factors that were not and are still not available to Ghana. First, it is well known that the Asian model of regional Integration favoured South Korea's economic development. According to Xing, East Asian economic development has been hypothesized as the 'flying geese' concept of development, in which "industrialisation could be promoted and spread from developed countries to the less developed countries through their economic integration" (Xing, 2007, p. 3). This concept denotes that the region is moving together towards development with Japan as the front runner. The second layer comprised of **South Korea**, Taiwan, Singapore and Hong Kong 'inherited' the industries and imported the technologies of the front runner Japan (Ibid., p. 7). The second layer of countries also enjoyed certain benefits from the US led- capitalist system. Hence, South Korea was among the countries that enjoyed a massive a 'geopolitically-supported' regional economic development (Ibid., p. 4). In addition, though Japan's colonisation of Korea and Taiwan was seen as a brutal military invasion, it had some positive effects. It laid the 'infrastructural foundation' for their later development. Japan colonisation had a goal of fostering a close regional economic integration unlike other colonial powers. It built a lot of infrastructure and industries, examples are steel, railways, roads, mills, textile factories and oil refineries in its colonies (Ibid, p. 5).

The same cannot be said for Ghana. It did not experience the same kind of colonialism or regional integration. Regional integration has not had any significant contribution towards Ghana's development. Collier and Gunning, for instance, asserted that Africa's colonial heritage left it divided into smaller states and unable to unite for a common purpose such as integration, each state has a smaller economy unable to properly use its domestic market to develop on its advantaged. African countries mostly trade with Europe which can also be seen as a legacy of colonisation. And its export concentration which by the way is in primary products is a reflection of their resource curse (Collier & Gunning, 1999). Thus, regionalism and colonialism appears to have little impact on Ghana's industrialisation or economic development for that matter.

The comparison of development between and Ghana and South Korea comes across as a bit of a stretch of the development experts. However, it is possibly true that economic nationalism played a huge role in the development of South Korea beyond structural contributions of Japan-led regional integration and colonialism. South Korea also practised a distinct form of economic nationalism. According to Lee and Lee, there is a synergy between statist and grass-root nationalism. The Korean state is very active in its economy using protectionist policies in the form of taxation and other protectionist policies. It especially used loans and subsidies to assist a number of small to medium firms. It has a strong alliance with its conglomerates Samsung, Hyundai and others. (Lee & Lee, 2015, p. 130). The state was also highly selective in embracing globalisation. Controlling imports of certain products such as tobacco and highly selective of foreign direct investment. The Korean society in addition harbours some sort of resentment towards globalisation. They believe that their country was forced to adopt liberalisation as a result of the 1997 financial crisis in Asia. And as a result, they tend to buy local products to boost their industries (Lee & Lee, 2015). Thus, the Korean economy is not so open as Ghana's.

So, can the South Korean kind of economic nationalism be replicated in Ghana as the respondents claim? From the above, we are told that the Ghanaian state is not as active in the economy as the Korean state, as almost all Ghana's attempts to protect its economies through taxes are in line with the WTO rules. It did not liberalise at its own pace as the Korean state did. It was not done at a slow pace, to allow only certain goods and investments to come into the country. Certainly, it was under serious pressure to liberalise as condition for loans from the IMF due to its economic crisis, but it could have been done at a slower pace. Also, the Ghanaian society as discussed above, is not so nationalistic as the Korean society. The general public has not made a conscious effort to patronise locally made goods and services in spite of the fact that the economy is being flooded by foreign goods. And even though the policy intends to fix this, it remains to be seen.

Interestingly, the Ghanaian state is not innocent in its inability to be more active in the economy. As argued by some of the respondents, Ghana liberalised at a fast pace and was unselective in embracing neoliberalism. And this led to its deindustrialisation. This confirms Shafaeddin hypothesis that "if trade liberalization is undertaken prematurely, rapidly and uniformly, i.e., across the board, it will lead to de-industrialization and unemployment; it will

lock the country in specialization in production and export of primary commodities” (2011, p. 1). In addition, Ghana always goes back for IMF loans. Besides other earlier IMF loans and since 1987 when Ghana underwent a Structural Adjustment Facility Commitment, Ghana has gone back for IMF loans six other times including a most recent one in 2015 which will expire in 2018 (International Monetary Fund, 2015). These loans come with conditions which limit state intervention in the economy and other protectionist measures. In fact, this very problem could militate against the success of Made-in-Ghana policy. As one of the respondents argued, *the influence of IMF and World Bank is what going to work against the policy. Ghana tends to mismanage itself that it always requires a loan from the institutions and they come with conditionalities specifying to open the economy* (Interview 6, May 2017). This is perhaps why Colás (2005) argued that one should not think of these states that have undergone SAPs as victims of neoliberalism.

In sum, the Made-in-Ghana Policy was enacted to aid Ghana’s economic development by leading to industrialisation, employment among other things. Ghana has not been able industrialised and create jobs through neoliberal globalisation, but have rather experienced deindustrialisation and job losses, as its local goods and services are being out- competed by foreign ones. Hence, the Made-in-Ghana policy is Ghana’s new ISI and infant industry protection mechanism intended to shield domestic firms by creating a ready market for Ghanaian industries to perfect their craft and hence be able to withstand competition from foreign firms.

4.4 The Policy aims at striking a balance between opening up the economy to fair trade while shielding it from harsh competition

The empirical findings also show the Made-in-Ghana policy (MIG) policy goal is to find an equilibrium where Ghana is able to protect its industries, while being in a position to foster a healthy competition with its foreign counterparts. This particular way of thinking about the MIG policy is well-grounded in the literature. In contemporary times, economic nationalism occurs while countries still want to be integrated into the global market. Most East Asian countries for example pursue economic nationalism. Yet they are integrated into the global economy and members of the WTO and other institutions (D'Costa, 2012). Even economic nationalism of the classical kind might come off as one against free trade, but that is not the

situation. Even Friedrich List, one of the most prominent advocate for economic nationalism, was not against free trade. Only that free trade was supposed to be pursued at such a time that a country's industries are strong and strategically positioned to be able to compete favourably (Nakano, 2004); (List, 1841, in Watson, 2014).

Some respondents asserted that Ghana liberalised without strengthening itself to withstand competition. And the policy is seen as a measure to help undo the damages of liberalising at a fast pace. One respondent, for instance, argues that *Ghana made a mistake in liberalising too quickly. Certainly, it had some economic challenges that forced it to liberalise, but it could have been more selective about it, but it did not* (Interview 4, May 2017). The MIG Policy gives Ghana an opportunity to select certain industries to protect and to strengthen before they are subjected to competition again. First, by using the domestic market in the form of public procurement and appealing to the general public to patronise local products to give these industries room to perfect their craft (Ministry of Trade and Industry, 2016). Further policy prescriptions involve the imposition of statutory duties on certain imports. And an appeal to domestic producers and entrepreneurs to adopt the best possible standards in the production of goods and to have competitive pricing systems (Ibid).

The aim of achieving a balance between protection and openness can also be seen in the argument that Ghana's revived ISI in the form of the Made-in-Ghana policy is outward looking. In other words, it intends to develop its domestic industries to substitute imports. However, these industries are designed to open up to competition at some point in time. Thus, Ghana is not against liberalisation, as one of the respondents asserted, *globalisation is not necessarily a bad thing, "it is a global thing. So, every global market more or less is opened to goods from other countries"* (Interview 3, May 2017). Nonetheless, the respondent also argues that it depends on how well positioned the country is to be able to take advantage of it. Hence, he says *"so, if a country is liberalising the question it should ask itself is "how strong are our industries to be able to meet the kind of competition that will come in?"* (Ibid). Ghana was not in that position when it liberalised and it is not in that position now.

Consequently, all the respondents contend that Ghana needs to get to that position where it can compete favourably. And so, one of the respondents retorted, *"we need to find an equilibrium where we can also compete in certain products that we have that comparative advantage over"* (Interview 3, May 2017). Thus, given the current state of the Ghanaian industries, it is not wise

to subject them to external competition and so the Made-in-Ghana policy seeks to shield them for the time being, but they will be subjected to foreign competition eventually. This particular thinking is in line with a theoretical frame by Shafaeddin (2011) that “trade liberalisation is necessary for industrialisation if it is regarded as part and parcel of a package of dynamic and flexible trade and industrial policies, and is undertaken at the right time, gradually and selectively” (p. 1). In other words, a journey to industrialisation must not only contain protectionist policies, but also open ones.

In addition, some respondents explain that neoliberal globalisation or open market system is also an incentive for adopting nationalist trade policy, not only to curb its adverse effects as stated above, but to reap its benefits. One of the respondents, for example, said that the Made-in-Ghana policy can be seen as an *‘afterthought’*. *it was not originally part of the national development agenda, but in light of globalisation, Ghana had to come out with a plan to develop certain local products, market them and convince citizens about their quality and the benefits associated with consuming those goods* (Interview 3, May 2017). To most respondents, globalisation is only advantageous if an economy is competitive enough to take advantage of it. Unfortunately, if the economy is not in that position, it will be flooded with goods from other parts of the world, which will have grave consequences such as deindustrialisation among other negative effects. Thus, in order to be able to take advantage of globalisation, the policy was enacted to put Ghana in a viable position.

Furthermore, some respondents argue that Ghana needs to step up its industrial game to be able to take advantage of all the regional, global, bilateral trade or economic agreements that it has been signed up to; the WTO, the Economic Partnership Agreements and the ECOWAS. Otherwise it will be at the losing end as it will become a dumping ground for cheap imports which has consequences as already witnessed by the low manufacturing and job losses. One respondent, for instance said,

we belong to a global world. Europe has signed an agreement with us. That is the Economic Partnership Agreement. ...it depends on how we position ourselves as a country to take advantage of all these protocols and agreements we are signing here and there. You can't have it all working for you, but you can get some critical areas that you can have a handle on and make it work and also reap the benefits of it (Interview 3, May 2017).

This still emphasizes the point Ghana needs to find an equilibrium where it is open at same it is able to develop its industries and products to be able to benefit from the agreements that it has signed against.

The above perspectives can be linked to the existing literature, specifically, with Friedrich List. List argued that free trade is only beneficial among countries at the same level of development and creates unequal benefits for those at different levels of development (List, 1841 cited in Chang, 2003, p. 4). He used this argument to defend why Germany at the time will be at a losing end should it continue its free trade agreement with Britain, who by the way used protectionist policies to develop. Germany will serve as a dumping ground for cheap British products, and it will might never be able to develop its industries. Thus, he argues, that Germany should protect itself until it is on a par with Britain, only then they can it engage in a free trade where it can also reap its benefits (Ibid.).

In sum, the Made-in-Ghana policy is aimed at striking a balance between protecting its economy and opening up to healthy competition. The problem is that Ghana liberalised too fast and too wide without positioning itself strategically to withstand competition or even take advantage of globalisation. Thus, the policy intends to aid in striking that balance by providing a ready market for local goods and services so that Ghanaian firms and strengthen themselves to withstand competition and Ghana can also benefit from globalisation and agreements and protocols that it has subscribed to.

4. 5 Sub-conclusions: how did globalisation influence the policy?

From the above, one dominant argument that stands out is Ghana's adoption of the Made-in-Ghana policy is not only as a response to neoliberal globalisation, but also as a response to domestic challenges: low nationalism and indifferent attitudes of government procurement departments and agencies towards indigenous goods and services. In other words, Ghana adopted a nationalist trade policy to curb the negative consequences of globalisation on its economy and to strengthen its industries to withstand and benefit from globalisation. However, the policy is also a response to domestic challenges in the form of low nationalism in society

and the attitude of government procurement agencies resulting in an issue of low patronage of locally made products.

This dominant argument can be discerned from the goals and objectives of the Made-in-Ghana policy. First of all, the Made-in-Ghana policy aims at elevating patronage of local goods and services. An examination of this goal revealed that the low patronage of local goods and services exists as a consequence of trade liberalisation. Trade liberalisation led to the influx of cheap imports which out competed local goods and services. However, it is also discovered that the policy is as a result of low nationalism in the Ghanaian society. The general public does not make an effort to consider local goods in their purchases. This low nationalism is traced to failed statehood and inefficient governance as well as a lack of national discourse that will sensitize the citizens about the dangers of consuming foreign goods at the expense of native products to the economy. So, the policy was adopted in order to limit trade openness to some extent and incite the general public to be nationalistic in their purchases. Thus, under the aim of spurring patronage of local goods, it is discovered that the MIG policy is inspired by both neoliberal globalisation and low nationalism in the society.

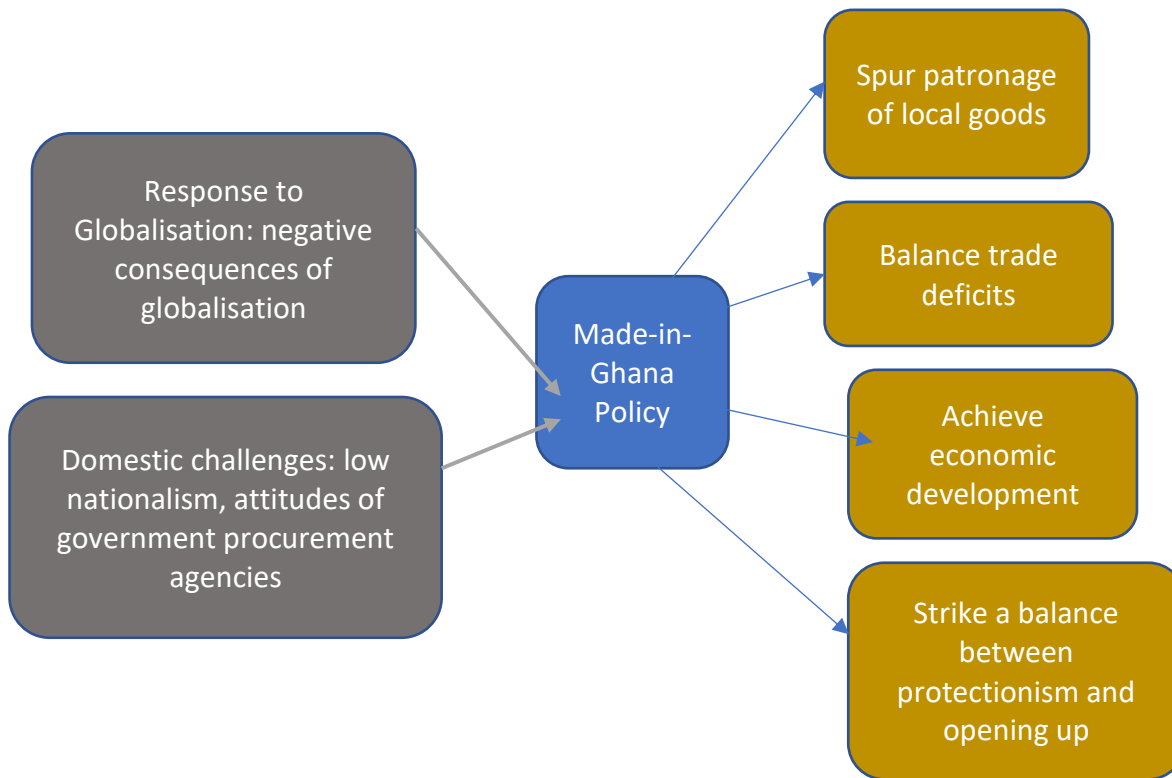
Secondly, in the goal of balancing trade deficit and cutting import bill, it is made evident that Ghana is experiencing trade deficits and rising import bill not only because of trade liberalisation discussed above, but as a result of the attitude of government procurement agencies and departments contributing to the problem, by deliberately bypassing local goods and services to purchase foreign ones. This attitude contributed to imports exceeding exports. Hence, the policy intends to reduce imports by ensuring that public procurement agencies and departments procure their goods and services from local firms. Thus, under this section, the policy was also informed largely by the attitude of government procurement agencies and departments.

Thirdly, the policy has an objective of spurring economic development. Here, neoliberal globalisation is explicitly blamed for its inability to spur economic development. Rather it has resulted in the deindustrialisation of Ghana. The respondents argue that neoliberal policy practice did not provide Ghana the kind of development that it desires, which is an industry-driven development. Ghana rather skipped an invaluable part of development which is industrialisation. Hence, there is a need to try out other developmental trajectories such as

economic nationalism. The MIG policy is Ghana's form of economic nationalism. It is also quite obvious that all the lesson drawing for this policy was from the East Asian countries. It is no secret that most of these countries used their development state models and economic nationalism to aid their development. They experimented with import substitution industrialisation, infant industry protection and export-oriented industrialisation. These East Asian states are also wary of globalisation and eased themselves slowly into globalisation (Colás, 2005). Thus, the scepticism of globalisation is heightened within this objective as the findings revealed that the MIG policy is Ghana's form of protecting its fledging industries.

The final objective of the policy is to strike a balance between protecting the economy and opening up to favourable competition. The findings show Ghana liberalised too quickly. Ghana liberalised too fast and too wide and that had adverse consequences on its economy. It lowered manufacturing significantly. Hence, the policy intends to undo the damages of liberalising too quickly and to find a middle ground where it can protect its industries while fostering a healthy competition in the global market. It is important to note that resentment towards globalisation in Ghana is low. Ghana has not left or threatened to leave any organisations or breach agreements either in the region or globally. It intends to use the window of opportunity offered by the WTO as well as other strategies such as appeals to the general public and public procurement directives to favour local products. This is done in order to strengthen the industries to able to compete favourably with foreign industries. Below is a diagram that summarises these findings.

4.5.1 Figure 2 Illustrations of the findings and their connections



From the diagram, it can be realised that, the Made-in-Ghana policy was enacted to achieve certain goals depicted in the boxes to the right. A close examination of the goals and objectives show underlying factors that influenced the adoption of the policy. These are unfavourable consequences of globalisation as the literature depicts and domestic challenges in the form of low nationalism and attitudes of government procurement agencies depicted in the boxes to the left. So, the MIG policy was influenced by both globalisation and domestic factors.

Chapter 5. Conclusions

This thesis sought to investigate the dynamics between globalisation and economic nationalism in Ghana. One main question was formulated which is **how did globalisation influence the adoption of the Made-in-Ghana policy?** To make it easier to answer this core question, two sub-questions were also asked which are *why did Ghana adopt such an essentially nationalist trade policy?* And *what role did neoliberal globalisation play?* Through the use of frames of

liberal and nationalist political economy theories, data collected by semi-structured interviews and official documents were analysed. Below are the conclusions of the findings.

The reasons why Ghana enacted such an essentially nationalist trade policy (MIG) can be categorised into four main goals or objectives. These are; spurring patronage of local goods and services, balancing trade deficits, achieving economic development and achieving a balance between opening up the economy to the world and shielding it from harsh competition. A close assessment of these objectives of the policy reveals factors that influenced the adoption of the MIG policy. Within each objective, there are embedded problems that needed to be fixed to be able to achieve the specified objective. These embedded problems point to the factors that influenced on the adoption of the Made-in-Ghana policy.

Within the goal of spurring patronage, the problem of low patronage exists in the first place because of trade liberalisation and low nationalism. Liberalisation led to the influx of cheap imports that outcompeted local goods and services. Secondly, it is discovered that low nationalism which is a product of failed governance institutions and lack of a national discourse resulted in a dwindling patronage. Hence, there are specific measures such as sensitisation of the public on the need to purchase local goods.

Within the objective of spurring economic development, it is realised that neoliberal globalisation has a hand in Ghana's deindustrialisation and job losses. A neoliberal policy practice has failed to put Ghana on an industry-driven economic development. Hence, there was a need to try out other development trajectories such as economic nationalism. The MIG policy is Ghana's form of economic nationalist trajectory. This objective really emphasizes Ghana's doubt about neoliberal policies leading to economic development.

The policy goal of striking a balance between protecting the economy and industries while fostering favourable competition reveals that Ghana liberalised at a hasty manner and without positioning its industries strategically to be able to withstand competition and this led to unfavourable consequences. The MIG policy therefore affords Ghana an opportunity to protect and strengthen its industries to be in a position to take advantage of globalisation.

For the goal of balancing trade deficit and reducing import bill, it is discovered that trade imbalances exist in the first place because of the attitude of government procurement agencies

and departments contributing to the problem. They have a tendency to procure goods from foreign firms instead of local ones. Thus, within the MIG policy prescriptions there is directive that ensures the public procurement agencies and departments consider local goods and services first in their procurement decisions. In general, the policy prescriptions contained in the MIGhana policy complement the existing literature and theoretical frames. Many other countries are using or have used these prescriptions. The existing literature shows for instance that the sensitisation of the public to buy indigenous products have been used by South Korea in contemporary times and Germany in classical times. Using public procurement to create a ready market has been done in countries such as Japan and Brazil. The branding of national products has been used in China. Thus, the policy prescriptions complement the literature.

On the question of how globalisation influenced the adoption of the Made-in-Ghana policy (MIG), it can be concluded that the adoption of the MIG policy to some extent is a response to globalisation and it is also partially a response to domestic challenges in the form of low nationalism within the general public and the attitude of government agencies and departments towards local goods and services. The first part of this conclusion which is the Made-in-Ghana Policy is a response to globalisation complements the existing literature and the dominant theoretical frames that suggest scepticism of globalisation encourages the pursuit of economic nationalism. Indeed, Ghana adopted neoliberalism because of its economic difficulties. However, the practice of open policies resulted in deindustrialisation and unemployment as Ghana did not strengthen its industries to withstand competition before opening up. The MIG policy is then an attempt to remedy these effects. And to protect Ghanaian industries until they are in a strategic position to compete favourably with overseas firms. Thus, globalisation had an influence on the adoption of the policy to a large extent.

The second part of the however, indicates that the Ghanaian case shows a complexity. The Made-in-Ghana policy is also a response to domestic challenges; the indifferent attitudes of government procurement agencies and department towards indigenous products and low nationalism in the society emanating from failed governance institutions and lack of national discourse. Thus, the policy was enacted to direct public procurement towards procuring local goods and services and to incite nationalistic instincts in the general public towards consumption of local goods. Thus, domestic challenges can also lead to the pursuit of economic nationalism and not just globalisation.

The findings portray that economic nationalism is not only inspired by or a response to globalisation as argued in the literature, but it can also be inspired by domestic challenges. In Ghana, it is the attitude of government agencies and low nationalism. Nonetheless, since this was a single case study, it will be presumptuous to say that the peculiarities of the Ghanaian case; low nationalism and the indifferent attitude of government procurement agencies as factors that influence the adoption of a nationalist trade policy, apply to other countries. Thus, further research could be done concerning these factors in Ghana still by collecting more data to consolidate these claims. Also, research could also be done in other countries especially in SSA that pursue similar economic nationalist policies to compare the findings which could be a basis to extend the literature on economic nationalism.

Bibliography

- Adewale, A. R., 2012. Does Import Substitution Industrialisation Strategy Hurt Growth?: New Evidence from Brazil and South Africa. *African and Asian Studies* , Volume 11, pp. 288-314.
- Adewale, A. R., 2017. Import substitution industrialisation and economic growth – Evidence from the group of BRICS countries. *Future Business Journal* , 3(2), pp. 138-158.
- Ameyaw, C., Mensah, S. & Osei-Tutu, E., 2012. Public procurement in Ghana: The implementation challenges to the Public Procurement Law 2003 (Act 663).. *International Journal of Construction Supply Chain Management* , 2(2), pp. 55-65.
- Amsden, A. H. & Hikino, T., 2000. The Bark Is Worse Than the Bite: New WTO Law and Late Industrialisation. *The Annals of the American Academy of Political and Social Science*, Volume 570, pp. 104-114.
- Asiedu, W. A., 2013. *Shift from 'Friday wear' to 'Everyday wear' – Ransford Tetteh*. [Online] Available at: <http://www.graphic.com.gh/lifestyle/fashion/shift-from-friday-wear-to-everyday-wear-ransford-tetteh.html> [Accessed 08 March 2017].
- Association of Ghana Industries, 2017. *Association of Ghana Industries (AGI)*. [Online] Available at: http://www.ghanayello.com/company/29752/Association_of_Ghana_Industries_AGI [Accessed 27 June 2017].
- Bacchi, C., 2012. Introducing the ‘What’s the Problem Represented to be?’ approach. In: A. Bletsas & C. Beasley, eds. *Engaging with Carol Bacchi Strategic Interventions and Exchanges*. Adelaide: University of Adelaide Press, pp. 21-24.
- Baer, W., 1972. Import Substitution and Industrialization in Latin America: Experiences and Interpretations. *Latin American Research Review*, Vol. 7, No. 1 (Spring, 1972), pp. 95-122, 7(1), pp. 95-122.
- Berlingieri, G., 2014. *Outsourcing and the Rise in Services*, London : Centre for Economic Performance.
- Bletsas, A. & Beasley, C., 2012. Introduction. In: A. Bletsas & C. Beasley, eds. *Engaging with Carol Bacchi: Strategic Interventions and Exchanges*. Adelaide: University of Adelaide Press, pp. 1-5.
- Bond, P., 2005. Neoliberalism in Sub-Saharan Africa: From Structural Adjustment to NEPAD. In: A. Saad-Filho & D. Johnston, eds. *Neoliberalism a Critical Reader*. 1st ed. London: Pluto Press, pp. 230-236.

- Bowen, S. & Gaytán, M. S., 2012. The Paradox of Protection: National Identity, Global Commodity Chains, and the Tequila Industry. *Social Problems*, 59(1), pp. 70-93.
- Bryman, A., 2012. *Social Research Methods*. 4th ed. Oxford: Oxford university Press.
- Bush, r., 2008. Africa and Globalisation. *soundings*, Volume 39, pp. 32-43.
- Chang, H.-J., 2003. *Kicking Away the Ladder: Development Strategy in Historical Perspective*. London: Anthem press.
- Chartered Insitute of Marketing, Ghana, 2014. *About CIMG*. [Online] Available at: <https://www.cimghana.org/> [Accessed 13 July 2017].
- Cho, H. S., 2008. Globalization and National Identity: Shintobul-i, A Case of Cultural Representation of Economic Nationalism. *Journal of International and Area Studies*, 15(1), pp. 17-35.
- Colás, A., 2005. Neoliberalism, Globalisation and International Relations. In: A. Saad-Filho & D. Johnston, eds. *Neoliberalism a Critical Reader*. 1st ed. London: Pluto Press, pp. 70-79.
- Collier, P. & Gunning, J. W., 1999. Why Has Africa Grown Slowly?. *The Journal of Economic Perspectives*, 13(3), pp. 3-22.
- Dartey-Baah, K., 2015. Political Leadership in Ghana: 1957 to 2010. *African Journal of Political Science and International Relations*, 9(2), pp. 49-61.
- D'Costa, A. P., 2012. Capitalism and Economic Nationalism: Asian State Activism in the World Economy. In: A. P. D'Costa, ed. *Globalisation and Economic Nationalism in Asia*. Oxford: Oxford University Press, pp. 1-32.
- Dunne, T., 2014. Liberalism. In: J. Baylis, S. Smith & P. Owens, eds. *The Globalisation of World Politics*. 6th ed. Oxford: Oxford University Press, pp. 113-125.
- Dwyer, S. C. & Buckle, J. L., 2009. The Space Between: On Being an Insider-Outsider in Qualitative Research. *International Journal of Qualitative Methods*, 8(1), pp. 54-63.
- Gao, Z., 2012. Chinese Grassroots Nationalism and Its Impact on Foreign Brands. *Journal of Macromarketing*, 32(2), pp. 181-192.
- Gerth, K., 2012. A new “brand” of Chinese economic nationalism: from China made to China managed. In: A. P. D'Costa, ed. *Globalization and Economic Nationalism in Asia*. Oxford: Oxford University Press, pp. 202-223.
- Ghana Statistical Service, 2015. *Annual Gross Domestic Product: September 2015 Edition*, Accra: Ghana Statistical Service.

Golafshani, N., 2003. Understanding Reliability and Validity in Qualitative Research. *The Qualitative Report*, 8(4), pp. 597-607.

Greenfeld, L., 2003. *The Spirit of capitalism*. 1st ed. Cambridge: Harvard University Press.

Harding, J., 2013. *Qualitative Data Analysis from Start to Finish*. London: SAGE. 1st ed. London: SAGE .

Hay, C., 2014. Globalisation's Impact on States. In: J. Ravenhill, ed. *Global Political Economy*. 4th ed. Oxford: Oxford University Press, pp. 255-282.

Helleiner, E., 2014. *Forgotten Foundations of Bretton Woods : International Development and the Making of the Postwar Order*. 1st ed. Ithaca: Cornell University Press.

Herrendorf, B., Rogerson, R. & Valentinyi, A., 2014. Growth and Structural Transformation. In: P. Aghion & S. D. Elsevier, eds. *Handbook of Economic Growth*. s.l.:Elsevier-Science-Technology, pp. 855-941.

Institute of Public Relations, Ghana , 2017. *About Us*. [Online]

Available at: <http://www.iprghana.com>

[Accessed 13 July 2017].

International Monetary Fund, 2015. *Ghana: History of Lending Arrangements as of June 30, 2015*.

[Online]

Available at:

<https://www.imf.org/external/np/fin/tad/extarr2.aspx?memberKey1=350&date1key=2015-06-30>

[Accessed 7 July 2017].

Kapur, I. et al., 1991. *Ghana : Adjustment and Growth, 1983-91*. [Online]

Available at: <https://www.imf.org/external/pubs/cat/longres.aspx?sk=64.0>

[Accessed 10 March 2017].

Kuada, J., 2011. *Research Methodology: a Project Guide for University Students*, Aalborg: Aalborg university.

Lamy, S. L., 2014. Contemporary Mainstream Approaches: Neo-realism and Neo-liberalism. In: J. Baylis, S. Smith & P. Owens, eds. *The Globalisation of World Politics*. 6th ed. Oxford : Oxford University Press, pp. 126-139.

Lawson, T., Palma, J. G. & Sender, J., 1989. Kaldor's contribution to economics: an introduction. *Cambridge Journal of Economics*, 13(1), pp. 1-8.

Lee, S. J. & Hewison, K., 2010. Introduction: South Korea and the Antinomies of Neo-Liberal Globalisation. *Journal of Contemporary Asia*, 40(2), pp. 181-187.

- Lee, Y.-i. & Lee, K. T., 2015. Economic Nationalism and Globalization in South Korea: A Critical Insight. *Asian Perspective* 39 (2015), 125–151, Volume 39, pp. 125-151.
- Levi-Faur, D., 1997a. Friedrich List and the political economy of the nation-state. *Review of International Political Economy*, 4(1), pp. 154-187.
- Levi-Faur, D., 1997b. Economic nationalism: from Friedrich List to Robert Reich. *Review of International Studies*, Volume 23, pp. 359-370.
- McGrew, A., 2014a. Globalisation and Global Politics. In: J. Baylis, S. Smith & P. Owens, eds. *The Globalisation of World Politics*. 6th ed. Oxford: Oxford University Press, pp. 15-31.
- McGrew, A., 2014b. The Logics of Economic Globalisation. In: J. Ravenhill, ed. *Global Political Economy*. 4th ed. Oxford: Oxford University Press, pp. 255-254.
- Ministry of Trade and Industry, 2016. *The Made-in-Ghana Campaign policy*. Accra: Ministry of Trade and Industry.
- Ministry of Trade and Industry, 2017. *About the Ministry of Trade and Industry (MOTI)*. [Online] Available at: <http://moti.gov.gh/about-the-ministry-of-trade-and-industry-moti> [Accessed 27 April 2017].
- Ministry of Trade and Industry, 2016. *The Made -in-Ghana Campaign Policy*, Accra: Ministry of Trade and Industry.
- Nakano, T., 2004. Theorising economic nationalism. *Nations and Nationalism* , 10(3), pp. 211-229.
- Neumann, S., 2013. *Import Substitution Industrialization and its Conditionalities for Economic Development- a Comparative Analysis of Brazil And South Korea* , Budapest: Central European University.
- OECD, 2000. *The service economy*, Paris: Centre français d'exploitation du droit de copie (CFC).
- Opoku, K. D., 2010. From a Success Story to Highly Indebted Poor Country: Ghana and Neoliberal Reforms. *Journal of Contemporary African Studies*, 28(2), pp. 155-175.
- Palinkas, L. A. et al., 2013. *Purposeful Sampling for Qualitative Data Collection and Analysis in Mixed Method Implementation Research*, New York: Springer Science+Business Media.
- Palinkas, L. A. et al., 2015. Purposeful Sampling for Qualitative Data Collection and Analysis in Mixed Method Implementation Research. *Adm Policy Ment Health*, 42(5), pp. 533-544.
- Parker, C. S., 2009. Symbolic versus Blind Patriotism. *Political Research Quarterly*, pp. 1-17.

- Phillips, N., 2014. Globalisation and Development. In: J. Ravenhill, ed. *Global Political Economy*. 4th ed. Oxford: Oxford University Press, pp. 343-371.
- Pierce, R., 2008. *Research methods in Politics: a Practical Guide*. 1st ed. London: SAGE Publications Ltd.
- Portes, A., 1997. Neoliberalism and the Sociology of Development Emerging Trends and Unanticipated Facts. *Population and Development Review*, 23(2), pp. 229-255.
- Sabanadze, N., 2010. *Globalisation and Nationalism: the Cases of Georgia and the Basque Country*. Budapest: Central European University Press.
- Saad-Filho, A. & Johnston, D., 2005. Introduction. In: A. Saad-Filho & D. Johnston, eds. *Neoliberalism: A Critical Reader*. 1st ed. London: Pluto Press, pp. 1-6.
- Shafaeddin, M., 2011. *Trade Liberalization, Industrialization and Development: The Experience of Recent Decades*, Penang: Third World Network.
- Siekmeier, J., 2015. Nationalism and Globalisation in Latin America. *Current History*, 114(769), pp. 68-72.
- Smith, S., Patricia, O. & Baylis, J., 2014. Introduction. In: J. Baylis, S. Smith & P. Owens, eds. *The Globalisation of World Politics: an introduction to international relations*. 6th ed. Oxford: Oxford University Press, pp. 1-14.
- Szakonyi, D., 2007. *he Rise of Economic Nationalism under Globalization and the Case of Post-Communist Russia*. [Online]
Available at: http://www.sras.org/economic_nationalism_under_globalization
[Accessed 20 March 2017].
- Targetti, F., 2005. Kaldor's Contribution to Economic Development. *Economic Development and Change*, 36(6), pp. 1185-1199.
- Trades Union Congress (TUC), 2012. *About TUC*. [Online]
Available at: <http://www.ghanatuc.org/about.html>
[Accessed 27 June 2017].
- Waldemiro, F. S. J., 2016. Nurturing domestic firms through public procurement: A comparison between Brazil and Japan. *Public Policy and Administration* , 31(1), pp. 29-50.
- Watson, M., 2014. The Historical Roots of Theoretical Traditions in Global Political Economy. In: J. Ravenhill, ed. *Global Political Economy*. 4th ed. Oxford: Oxford University Press, pp. 25-49.

World Trade Organisation, 2015. *Understanding the WTO*. 5th ed. Geneva: World Trade Organization Information and External Relations Division.

Xing, L., 2007. *East Asian Regional Integration: From Japan-led "Flying-geese" to China-centred "Bamboo Capitalism"*, Aalborg: CCIS & Institute for History, International and Social Studies, Aalborg University .

Yin, R. K., 2009. How to do Better Case Studies: (With Illustrations from 20 Exemplary Case Studies). In: L. Bickman & D. J. Rog, eds. *The SAGE Handbook of Applied Social Research Methods*. Thousand Oaks: SAGE Publications, Inc., pp. 254-282.