



**Congressional
Research Service**

Informing the legislative debate since 1914

Ghana: Overview and U.S. Policy

December 8, 2022

Congressional Research Service

<https://crsreports.congress.gov>

R47329



R47329

December 8, 2022

Tomás F. Husted

Analyst in African Affairs

Ghana: Overview and U.S. Policy

Introduction. Ghana stands out in West Africa for its record of stability and peaceful electoral turnovers of power since a transition to multiparty rule in the early 1990s. Rising insecurity and democratic backsliding elsewhere in West Africa have burnished the country's reputation as a pillar of democracy and stability in a volatile sub-region. U.S.-Ghana relations are warm, premised on mutual respect for democracy, shared positions on many foreign policy issues, and growing counterterrorism cooperation. People-to-people and cultural ties also are robust; there is a sizable Ghanaian diaspora community in the United States, and a growing population of U.S. citizens residing in Ghana, a prominent destination for heritage tourism and migration by Black Americans. Members of Congress and other U.S. officials regularly visit the country. Congressional attention on Ghana has grown amid U.S. concern over a southward spillover of Islamist extremist violence from West Africa's Sahel region into coastal states. Several Members formed a Congressional Ghana Caucus in late 2022.

Politics and Governance. The first sub-Saharan African country to gain liberation from colonial rule, Ghana experienced decades of military governance punctuated by repeated attempts to restore multiparty democracy prior to the adoption of a new multiparty constitution in 1992. Ghana has since held multiple competitive elections. President Nana Akufo-Addo took office in 2017 and won reelection in 2020. Successive governments have generally respected civic freedoms; according to various indices, Ghana is one of the strongest democracies in Africa. Corruption, security force abuses, electoral violence, and discrimination and attacks against sexual minorities nevertheless remain challenges. Journalists have faced harassment and physical violence, including assassinations, for reporting on politically sensitive matters.

Economy. Ghana's economy is more diverse and dynamic than many in West Africa. Gold, crude oil, and cocoa are the country's leading export commodities. The services sector has burgeoned since the mid-2000s, underpinned by growing banking, tourism, transportation, and information and communications technology industries. The economic shocks of the COVID-19 pandemic and Russia's war on Ukraine have aggravated preexisting challenges. Inflation reached record-high levels in late 2022 amid increases in global food, fuel, and fertilizer prices and a depreciation of Ghana's currency, the *cedi*. A rapid increase in Ghana's public debt burden has caused many rating agencies to downgrade the country's sovereign credit status, shutting the government out of global capital markets. The Akufo-Addo administration is seeking loan assistance from the International Monetary Fund. Any such support is likely to be contingent upon fiscal belt-tightening measures, which may prove politically challenging to implement.

Security. Ghana has never experienced a civil war, though disputes over land and succession to local chieftaincy positions have at times spurred wider insecurity. Elections also have been flashpoints for interparty violence and political thuggery, albeit not to the extent of some other countries in West Africa. The threat of Islamist extremist violence in Ghana has sparked growing concern in Congress. Ghana has not experienced an extremist attack on its soil to date, but Ghanaian authorities warn that armed groups based in Burkina Faso, to Ghana's north, may seek to expand into northern Ghana, as they have done in neighboring Côte d'Ivoire and Togo, as well as in Benin. Ghana also faces challenges related to low maritime domain awareness and maritime insecurity. Researchers have accused Chinese firms of involvement in illicit fishing in Ghana.

U.S. Assistance and Engagement. U.S. assistance supports a range of development, governance, and security programs, and Ghana is a priority country under several U.S. foreign assistance initiatives. In 2022, the Biden Administration designated Ghana as a priority for engagement under the Global Fragility Act (GFA, Title V of Div. J, P.L. 116-94), alongside other coastal West Africa countries. Ghana also is a focus country under the President's Malaria Initiative and Feed the Future and has had two Millennium Challenge Corporation compacts, the second of which (a power project) concluded in June 2022.

Ghana is a hub for U.S. diplomatic engagement and assistance in the region: the country's capital, Accra, hosts USAID's West Africa Regional Mission, one of four Young African Leaders Initiative (YALI) Regional Leadership Centers in Africa, and one of two State Department International Law Enforcement Academy regional training centers on the continent. Ghana routinely participates in U.S. military training exercises in the region, and in 2023 is slated to host Flintlock, U.S. Africa Command's premier annual special operations exercise.

Contents

Introduction	1
Background and Politics.....	2
The Akufo-Addo Administration (2017-Present).....	3
Foreign Relations	4
Governance and Human Rights Issues.....	6
The Economy and Development Issues	8
Security Issues.....	10
U.S. Relations and Assistance	12
U.S.-Ghana Trade and Investment	13
U.S. Assistance.....	13
Millennium Challenge Corporation (MCC) Engagement.....	14
Outlook and Issues for Congress	15

Figures

Figure 1. Ghana	3
-----------------------	---

Contacts

Author Information.....	18
-------------------------	----

Introduction

By several measures, Ghana is a democratic leader in Africa and an island of stability in a sub-region where insecurity and military seizures of power have proliferated over the past decade. Since a transition from military rule to multiparty politics in the early 1990s, Ghana has held multiple competitive elections and peaceful transfers of power between parties, and successive governments have broadly respected civic freedoms. Corruption, attacks on press freedoms, and discrimination against sexual minorities nevertheless remain problems.

Ghana's economy is more diverse than many in West Africa. Gold, crude oil, and cocoa are the country's most important export commodities; Ghana is the world's second largest exporter of cocoa beans, behind neighboring Côte d'Ivoire. The shocks of COVID-19 and Russia's war on Ukraine have aggravated economic vulnerabilities in Ghana, spurring soaring inflation and a rapid increase of Ghana's debt burden. The economic crisis and tightening fiscal conditions have raised challenges for the pursuit of President Nana Akufo-Addo's flagship development programs as the government has scaled back spending to ease the deficit and restore debt sustainability.

U.S.-Ghana relations have historically been warm, based on shared democratic ideals and close people-to-people ties. There is a sizable Ghanaian-American diaspora community in the United States, and several thousand African Americans live in Ghana; the Akufo-Addo administration has sought to attract heritage tourism and migration to the country by Black Americans. Congress funds a diverse range of U.S. assistance programs in the country, with activities to improve health outcomes, spur agricultural development, enhance service delivery, curb child labor in the cocoa industry, and strengthen Ghana's security services. Countering violent extremism (CVE) is a growing focus of bilateral ties and U.S. aid, amid a southward expansion of Islamist extremist violence from West Africa's Sahel region. In June 2022, the Biden Administration designated Ghana as a priority country under the Global Fragility Act (GFA, Title V of Div. J, P.L. 116-94) as part of a "Coastal West Africa" sub-region that also includes Benin, Côte d'Ivoire, Guinea, and Togo. Several Members had previously voiced concern over the expanding threat of extremism in coastal West Africa and have expressed support for the sub-region's prioritization under GFA.¹

Congress has shaped U.S. relations with Ghana through its appropriation and oversight of foreign assistance, though legislative action directly related to Ghana has been limited. Regular Member and staff travel to the country has been a leading avenue of congressional engagement. Ghana's increasingly isolated position as a stable democracy in a region beset by escalating insecurity and authoritarian rule in many countries may spur heightened attention and favor the pursuit of closer U.S.-Ghanaian cooperation. With GFA engagement in coastal West Africa poised to expand in the coming years, funding and oversight of U.S. CVE and security assistance may offer opportunities for Members to shape, direct, evaluate, and articulate their views on U.S. engagement in Ghana.²

¹ See, e.g., remarks by Representative Michael McCaul in House Foreign Affairs Committee (HFAC), "The Biden Administration's Foreign Assistance Priorities and USAID's FY22 Budget Request," hearing, 117th Cong., 1st sess., July 14, 2021; remarks by Representative Sara Jacobs in House Foreign Affairs Subcommittee on Africa, Global Health, and Global Human Rights, "FY2022 Budget and U.S.-Africa Relations," hearing, 117th Cong., 1st sess., December 1, 2021; remarks by Representative Sara Jacobs in HFAC, "The State Department's Foreign Policy Priorities and the FY23 Budget Request," hearing, 117th Cong., 2nd sess., April 28, 2022.

² See House Foreign Affairs Subcommittee on International Development, International Organizations and Global Corporate Social Impact, "Improving the United States' Ability to Prevent and Stabilize Conflict: Global Fragility Act Implementation," hearing, 117th Cong., 2nd sess., May 11, 2022; and CRS Insight IN11938, *Responding to State "Fragility" in Coastal West Africa*, by Tomás F. Husted and Alexis Arief.

Alongside regional security challenges, human rights issues in Ghana and growing U.S.-Ghanaian cultural engagement may spark enhanced congressional consideration. Amid enduring concern in Congress over foreign corruption, for instance, some Members may seek to assess the extent of official graft in Ghana, the implications for U.S. commercial engagement, and the effectiveness of U.S. responses in light of the Biden Administration's prioritization of countering corruption as a "core national security interest."³ Some in Congress also might consider attacks on journalists in Ghana in the context of efforts to promote global press freedom,⁴ and rising violence against lesbian, gay, bisexual, transgender, queer, and intersex (LGBTQI+) Ghanaians as they weigh responses to threats against sexual minorities globally.⁵ Ghana's efforts to attract heritage tourism and migration by Black Americans, premised in part on diasporic legacies of the transatlantic slave trade, also may offer opportunities for engagement by Members or their constituents. A new Congressional Ghana Caucus, launched in late 2022, reflects increased congressional attention on issues in the bilateral relationship.

Background and Politics

Ghana was the first country in sub-Saharan Africa to gain liberation from colonial rule, winning independence from Britain in 1957. Kwame Nkrumah, a socialist scholar and politician who led the anti-colonial struggle, became Ghana's leader at independence. Nkrumah spearheaded efforts to modernize Ghana's economy and bureaucracy and inculcate Pan-African and socialist values in its citizenry, while establishing Ghana as a one-party state and increasingly repressing dissent.⁶ In 1966, military officers overthrew Nkrumah, setting off two decades of military rule punctuated by intermittent attempts to restore civilian authority that were subverted by multiple coups.

Ghana transitioned to multiparty politics in 1992; today, according to various indices, it is one of the strongest democracies in Africa.⁷ Political power has alternated between President Akufo-Addo's New Patriotic Party (NPP), which touts itself as an economically liberal party, and the nominally social-democratic National Democratic Congress (NDC). In practice, the NPP and NDC have pursued similar policies, focused on reducing poverty, improving services, attracting foreign investment, and fostering industrialization and infrastructure development. Unlike many other legislatures in Africa, Ghana's Parliament has at times demonstrated an ability to serve as an effective check on the executive, though it arguably remains weak vis-à-vis the presidency.⁸

³ White House, *United States Strategy on Countering Corruption*, December 2021.

⁴ Several pieces of legislation introduced in the 117th Congress would aim to promote press freedom globally. S.Res. 241, introduced in May 2021, would note death threats against Ghanaian journalist Manasseh Azure Awuni as one example of threats to press freedom in Africa. Related legislation under consideration in the 117th Congress includes S. 204, S. 226, H.R. 839, S. 1478, S. 1495, S.Res. 609, H.R. 7650, and H.Res. 1095.

⁵ For related bills in the 117th Congress, see H.R. 3485, H.R. 3800, S. 424, H.R. 1201, H.Res. 1128, and H.Res. 405.

⁶ Nkrumah remains a towering figure in Pan-African social commentary and Ghanaian political discourse, though his legacy continues to be debated. For a scholarly account of his administration, see Jeffrey S. Ahlman, *Living with Nkrumahism: Nation, State, and Pan-Africanism in Ghana* (Athens: Ohio University Press, 2017).

⁷ Freedom House, in its 2022 *Freedom in the World* index of political rights and civil liberties, ranked Ghana fourth in Africa and classified it as "free" in its three-tier ranking of social freedoms. The Economist Intelligence Unit, in its *Democracy Index 2021*, ranked Ghana sixth in Africa, classifying the country as a "flawed democracy."

⁸ Clement Sefa-Nyarko, "Ghana's Fourth Republic has been the best the country's had. But it could be better," *The Conversation*, June 15, 2022; Ken O. Opalo, "The Politics of Legislative Development," in Gabrielle Lynch and Peter VonDoepp, eds. *Routledge Handbook of Democratization in Africa* (London: Routledge, 2019): 131-146.

Ghana outperforms many sub-regional peers on measures of governance and institutional capacity.⁹ Northern Ghana lags the south in many development indicators, a pattern Ghanaian and international observers often refer to as Ghana’s “north-south divide.” According to one analysis, “the state’s administration extends to the entire country but varies in quality [...] despite administrative reforms in recent years, the visibility of the state is limited in rural areas.”¹⁰ Poverty rates are highest in Ghana’s Northern, Upper West, and Upper East regions and lowest in Greater Accra, surrounding the capital (see **Fig. 1**).¹¹ The rising threat of a spillover of Islamist extremist violence from Burkina Faso into Ghana’s north (see “Security Issues”) has renewed attention to regional disparities in Ghana and spurred the Ghanaian government and its international partners, including the United States, to intensify development efforts in the north.¹²

The Akufo-Addo Administration (2017-Present)

President Akufo-Addo took office in 2017 and began a second term in January 2021.¹³ He has identified economic recovery and “structural transformation to value-added activities,” investment in roads and other infrastructure, education, and improving access to electricity and water as among his top priorities.¹⁴ His administration has embarked on a series of flagship development initiatives, including the Free Senior High School program, which publicly funds education past ninth grade; the One District, One Factory initiative, to establish factories in each of Ghana’s 275 districts; and Agenda 111, a plan to build or rehabilitate 111 health facilities.

Figure 1. Ghana



Source: CRS; data from State Department and Esri.

⁹ Bertelsmann Stiftung, *Ghana Country Report 2022*, 2022; and Mo Ibrahim Foundation, *2020 Ibrahim Index of African Governance: Index Report*, 2020.

¹⁰ Bertelsmann Stiftung, *Ghana Country Report 2022*.

¹¹ Ghana Statistical Service, *Multidimensional Poverty – Ghana*, 2020.

¹² USAID’s Country Development Cooperation Strategy (CDCS) for Ghana for 2020-2025 identifies accelerating development in northern Ghana as one of three development objectives. USAID, *Ghana CDCS 2020-2025*, 2020.

¹³ President Akufo-Addo won reelection in December 2020, in a rematch with former President John Mahama of the NDC, whom Akufo-Addo defeated in 2016. European Union (EU) observers assessed the campaign environment to be free and competitive, and found the elections generally credible and transparent, though five people reportedly died in election-related violence. EU Election Observation Mission, *Final Report: Ghana, Presidential and Parliamentary Elections, 7 December 2020*, 2021.

¹⁴ Inaugural Address by The President Of The Republic, Nana Addo Dankwa Akufo-Addo, January 7, 2021; Message on the State of the Nation by the President of the Republic, Nana Addo Dankwa Akufo-Addo, March 30, 2021.

The Akufo-Addo administration tapped debt markets to finance its agenda, leading to an increase in Ghana's debt burden even before the economic shocks of the COVID-19 pandemic prompted a surge in deficit spending. (Tax revenue generation is limited in Ghana; the country's tax-to-gross domestic product ratio ranks in the bottom dozen in Africa.¹⁵) The ensuing economic crisis, discussed in greater detail below (see "The Economy and Development Issues") has forced the Akufo-Addo administration to cut spending, dimming prospects for its major social programs.¹⁶

President Akufo-Addo has also struggled to advance his agenda in Parliament, where his NPP holds a one-seat advantage (138 of 275). In late 2021, opposition NDC lawmakers rejected the administration's draft 2022 budget after NPP members walked out of the chamber to protest a procedural dispute, marking Ghana's first rejected budget in decades. NDC resistance to the draft centered on the government's proposal to introduce a 1.75% "e-levy" on electronic financial transactions, a centerpiece of its efforts to raise tax revenues.¹⁷ NPP lawmakers pushed the bill through the following week. Debate over a bill to enact the e-levy led to a physical altercation between NPP and NDC lawmakers in December 2021. NPP lawmakers ultimately reduced the levy to 1.5% and enacted the bill in March 2022. The delay in passage and levy reduction caused the government to lower its projections for revenue from the e-levy this year.¹⁸

Public discontent with economic hardship and alleged poor governance has spurred protests and labor unrest. In late 2021, thousands of protesters demonstrated in Accra, accusing both parties of failing to improve living conditions and address corruption, power and water shortages, and unemployment. An April 2022 survey by Afrobarometer, a nongovernmental polling organization based in Accra, found that nearly 9 in 10 Ghanaians assessed that the country was heading in the wrong direction, and that a large majority stated that the government was performing poorly in economic affairs.¹⁹ Discontent with rising costs prompted further protests in June 2022. How the Akufo-Addo administration manages dissatisfaction with a faltering economy, while navigating parliamentary gridlock, may shape the NPP's fortunes in the next general elections, due in 2024.

Foreign Relations

President Akufo-Addo has been an outspoken advocate on various topics in regional and global affairs. Among other efforts, he has called for sweeping action to alleviate the debt burdens of African countries and restructure global capital markets to facilitate greater access to financing among African borrowers, and for greater investment from Western countries to support climate change adaptation in Africa.²⁰ He also has been a strong proponent of African countries reducing their reliance on foreign aid; domestically, he has committed to realizing a "Ghana Beyond Aid,"

¹⁵ OECD, African Union Commission, and African Tax Administration Forum, *Revenue Statistics in Africa 2021*.

¹⁶ Cooper Inveen and Christian Akorlie, "Ghana announces sweeping spending cuts to tackle deficit," Reuters, March 24, 2022.

¹⁷ Republic of Ghana, *The Budget Statement and Economic Policy of the Government of Ghana for the 2022 Financial Year*, 2021; see also Reuters, "Ghana's parliament votes down 2022 budget over electronic tax," November 27, 2021.

¹⁸ Moses Mozart Dzawu, "Ghana Cuts Revenue Forecast From E-Levy After Political Fallout," *Bloomberg*, July 27, 2022.

¹⁹ Afrobarometer, "Ghanaians bemoan economic conditions, say country is heading in the wrong direction, new Afrobarometer study shows," July 19, 2022.

²⁰ On debt and credit market issues, see, e.g., *Remarks by the President of the Republic, Nana Addo Dankwa Akufo-Addo, at the 2022 Annual Meetings of the African Development Bank*, May 24, 2022.; on climate finance, see *Radio France Internationale*, "Climat: en visite à Paris, le président ghanéen tacle les pays du G20," October 11, 2022.

entailing structural economic reforms and a “change in mindset and attitudes” aimed at reducing reliance on donor assistance.²¹

President Akufo-Addo has been critical of Russia’s invasion of Ukraine, and has blamed the war for worsening Ghana’s economic outlook.²² A non-permanent member of the U.N. Security Council (UNSC) through 2023, Ghana voted in favor of a draft UNSC resolution in February that would have condemned Russia’s aggression. Russia vetoed the resolution.²³

Ghana’s Relationship with China

China is one of Ghana’s top trade partners, and Chinese state entities have financed several infrastructure projects in the country. These include the \$622 million, 400-megawatt Bui Dam (largely financed by the Export-Import Bank of China), several other electrification projects, and a number of transportation and information, communications, and technology investments.²⁴ Some projects have been financed through resource-backed loans, in which Chinese financing has been partly repaid through sales of natural resources.²⁵

China’s involvement in Ghana’s economy has in some cases attracted criticism related to the terms of repayment or the social and environmental impact of Chinese-financed projects. In 2014, Ghana elected not to withdraw the second half of a \$3 billion line of credit from the China Development Bank (CDB)—partly collateralized by oil revenues—amid disagreements with CDB over the terms of the loan.²⁶ More recently, opposition lawmakers have criticized delays in implementation of a \$2 billion bauxite-for-infrastructure deal, signed in 2018; that agreement also sparked concern among environmental advocates over the impacts of bauxite mining on Ghana’s forests.²⁷ The involvement of Chinese nationals in illegal small-scale gold mining, a widespread practice known as *galamsey*, has been a focus of public criticism and press coverage; Ghanaian authorities have arrested hundreds of Chinese nationals for *galamsey* in the past decade. According to Freedom House, “public opinion on China has increasingly turned negative over the *galamsey* problem,” though “most Ghanaians are not overly critical toward the Chinese government and instead hold the Ghanaian government primarily responsible.”²⁸ Afrobarometer polling suggests that Ghana was one of only six countries in Africa in which positive perceptions of China significantly increased between surveys administered in 2014 and 2021, but more Ghanaians still favor the influence and development model of the United States, rather than China.²⁹

²¹ See Government of Ghana, *Ghana Beyond Aid (GBA) Charter and Strategy Document*, April 2019.

²² Message on the State of the Nation by the President of the Republic, Nana Addo Dankwa Akufo-Addo, March 30, 2021, available at <https://presidency.gov.gh/index.php/briefing-room/speeches/2168-message-on-the-state-of-the-nation-by-the-president-akufo-addo>.

²³ Ghana voted in favor of U.N. General Assembly Resolution ES-11/1, calling for Russia to withdraw from Ukraine, but abstained from a vote on Resolution ES-11/3, to suspend Russia’s membership in the U.N. Human Rights Council. In late 2022, Ghana voted in favor of Resolution ES-11/4, condemning Russia’s annexation of part of eastern Ukraine.

²⁴ For a list of Chinese-funded projects in Ghana, see Boston University Global Development Policy Center, “Chinese Loans to Africa Database,” at <https://www.bu.edu/gdp/chinese-loans-to-africa-database/>.

²⁵ For instance, in the case of the Bui Dam, Ghana agreed to sell a Chinese state-owned company 30,000 tons of cocoa per year until 5 years after the dam was operational; payments for the cocoa were placed in an escrow account with China ExIm Bank. For an analysis of the project, see Keyi Tang and Yingjiao Shen, “Do China-Financed Dams in Sub-Saharan Africa Improve the Region’s Social Welfare? A Case Study of the Impacts of Ghana’s Bui Dam,” China Africa Research Initiative at the School of Advanced International Studies (SAIS-CARI), Working Paper No. 25, 2019.

²⁶ Thomas Chen, *What Happened to China Development Bank’s \$3 Billion Loan to Ghana?*, SAIS-CARI, Policy Brief No. 10/2016, 2016.

²⁷ Eric Olander, “Ghana: Growing concerns over status of bauxite-for-infrastructure deal,” *The Africa Report*, September 30, 2021; Nsmot Gbadamosi, “Ghana’s Bauxite Boom,” *Foreign Policy*, January 28, 2020.

²⁸ Freedom House, *Beijing’s Global Media Influence 2022: Ghana*, 2022.

²⁹ Josephine Appiah-Nyamekye Sanny and Edem Selorme, “Africans welcome China’s influence but maintain democratic aspirations,” Afrobarometer Dispatch No. 489, November 15, 2021.

Governance and Human Rights Issues

Successive Ghanaian governments have broadly respected freedoms of association, assembly, and expression. Ghana is one of two West African countries rated as “free” in Freedom House’s 2022 *Freedom in the World* index of political rights and civil liberties (alongside Cabo Verde).³⁰ The country’s civil society is robust and diverse, nongovernmental organizations are generally at liberty to operate, and political commentators and opposition politicians routinely criticize and make demands of the government. As noted above, Ghana’s state administrative apparatus is more capable than those of many other countries in West Africa, albeit with generally better service provision in the south compared to the north, and in cities as opposed to rural areas.

Official corruption has nonetheless been a chronic challenge, and a source of public discontent and target of investigative reporting. Several high-level officials have been implicated in corrupt practices. In November 2022, for instance, President Akufo-Addo fired deputy finance minister Charles Adu Boahen after an undercover journalist filmed Boahen soliciting bribes from mining investors. Extortion and bribe-taking by police and other justice sector officials is reportedly extensive; Ghanaians report that rates of bribe-taking by police far outpace those of other public officials, and nearly three in five Ghanaians believe “most” or “all” police are corrupt.³¹

According to the State Department, beyond corruption, human rights challenges in Ghana include “arbitrary or unlawful killings by the government or its agents; cases of cruel, inhuman or degrading treatment or punishment by the government or on behalf of the government; harsh and life-threatening prison conditions; [and] arbitrary arrest or detention.”³² The government has held some officers accountable for corruption and other human rights violations, but impunity persists.

Attacks on journalists and press freedom have become increasingly prevalent in Ghana, which fell 30 places between the 2021 and 2022 editions of Reporters Without Borders’ *Press Freedom Index*, to 60 out of 180 countries. The country has a robust media landscape in which commentators often criticize the government, but the State Department reports that “there were isolated attacks on journalists by members of security forces as well as by unknown assailants and occasional threats and intimidation” in 2021.³³ Some politicians have threatened and harassed journalists, particularly those who report on corruption and other politically sensitive topics. In 2019, for instance, assailants killed investigative journalist Ahmed Hussein-Suale; in the months prior to the killing, a Member of Parliament had publicized Hussein-Suale’s name, called for him to be attacked, and pledged to pay for “whatever happens.”³⁴ The killing remains unresolved.

Human rights groups have raised concern over a growing trend of attacks, harassment, and other abuses targeting lesbian, gay, bisexual, transgender, queer, and intersex (LGBTQI+) people in Ghana, where discrimination against sexual minorities is widespread. The State Department reports that “beatings and public humiliation of LGBTQI+ persons... were common and growing in number” in 2021, amid “a notable increase in anti-LGBTQI+ statements by political, religious, and community leaders.”³⁵ In early 2021, police raided a new LGBTQI+ community center in

³⁰ Freedom House, *Freedom in the World 2022: The Global Expansion of Authoritarian Rule*, 2022.

³¹ Afrobarometer, Round 8 Surveys (2019). A 2021 survey by the U.N. Office on Drugs and Crime (UNODC) found that over half of respondents who had had contact with police officers in the year prior to the survey had paid a bribe or been asked to pay a bribe (UNODC, *Corruption in Ghana: People’s Experiences and Views*, 2022).

³² U.S. Department of State, *2021 Country Reports on Human Rights Practices: Ghana*, 2022.

³³ Ibid.

³⁴ Joel Gunter, “Murder in Accra: The life and death of Ahmed Hussein-Suale,” *BBC*, January 30, 2019.

³⁵ U.S. Department of State, *2021 Country Reports on Human Rights Practices*.

Accra, which remained closed as of December 2022. A draft bill introduced in 2021, if enacted, would be among the most restrictive bills globally related to LGBTQI+ identity (see **Text Box**).

Ghana's Promotion of Proper Human Sexual Rights and Ghanaian Family Values Bill

In mid-2021, eight Members of Parliament (mostly of the opposition NDC) introduced a bill that would sharply increase penalties for being non-heterosexual. Ghanaian law already criminalizes “unnatural carnal knowledge,” understood to include same-sex relations, as a misdemeanor punishable by up to three years in prison. The draft “Promotion of Proper Human Sexual Rights and Ghanaian Family Values Bill” would make identification as a non-heterosexual person (broadly defined), engaging in same-sex intercourse, or identification as an ally of “the queer community” a felony punishable by three to five years in prison.³⁶ If the bill is enacted, any association that advocated on behalf of LGBTQI+ people would be disbanded; forming or supporting such groups would henceforth be punishable by not less than 6 years and up to 10 years in prison. Advocacy or dissemination of material found to promote non-heterosexual identity or activity could also result in a 10-year prison sentence. As of November 2022, the draft bill remained in committee.

Child labor in the Ghanaian and Ivoirian cocoa sectors has been an enduring challenge and area of congressional engagement and U.S. aid. Child labor in Ghana's cocoa industry primarily involves the employment of children on farms owned by relatives, often under hazardous working conditions (e.g., labor involving exposure to chemicals and dangerous tools, or the bearing of heavy loads). Forced child labor or child slavery, in which children are forced to work by someone other than a relative, also occurs, but is reportedly much more limited.³⁷ Pursuant to the 2001 Harkin-Engel Protocol, a voluntary public-private commitment to eradicate the “worst forms of child labor”³⁸ in cocoa production, the cocoa and chocolate industries have instituted measures to prevent and respond to the use of child labor in their supply chains, though agreed benchmarks and deadlines for action have repeatedly been altered after not being fully met.³⁹

The U.S. Department of Labor (DOL) has administered aid programs to strengthen state responses to child labor issues and improve child welfare, such as by expanding educational and livelihood services. Nonetheless, the practice reportedly remains widespread.⁴⁰ Stakeholders have identified coordination of anti-child labor efforts and initiatives (e.g., between private and public sectors) as a key challenge.⁴¹ Child labor also occurs in other agricultural industries and in non-agricultural settings, such as domestic services.⁴² The State Department classified Ghana as a Tier 2 country on its 2022 *Trafficking in Persons* report, meaning Ghana does not meet minimum standards for eliminating human trafficking but is making significant efforts to do so.

³⁶ The draft bill is available on the Parliament of Ghana's website at <https://www.parliament.gh/docs?type=Bills&OT>.

³⁷ A 2018 study by Tulane University and the Walk Free Foundation, an anti-slavery initiative, estimated that 15,200 children aged 10-17 and 3,700 adults had experienced forced labor in the Ghanaian cocoa sector between 2013 and 2017, out of 708,000 children and 1.1 million adults working in surveyed areas. Elke de Buhr and Elise Gordon, *Bitter Sweets: Prevalence of forced labour and child labour in the cocoa growing sectors of Côte d'Ivoire and Ghana*, 2018.

³⁸ The International Labor Organization (ILO) defines the “worst forms” of child labor to include forced or sexually exploitative labor, the use of children in illicit activities, and hazardous work. See ILO, *Worst Forms of Child Labor Convention*, 1999 (Convention No. 182).

³⁹ Then-Representative Eliot Engel, then-Senators Tom Harkin and Herbert Kohl, and representatives of the Ivoirian government, the ILO, and anti-child labor and other civil society groups signed the Protocol as witnesses.

⁴⁰ In 2020, Chicago University researchers estimated that there were roughly 766,000 children engaged in child labor in cocoa-growing areas of Ghana, including 713,000 in hazardous work. NORC at the University of Chicago, *Assessing Progress in Reducing Child Labor in Cocoa Production in Cocoa Growing Areas of Côte d'Ivoire and Ghana*, 2020.

⁴¹ CRS interviews, Accra, Ghana, September 2022.

⁴² U.S. Department of State, *Trafficking in Persons Report: Ghana*, 2022; DOL, *2021 Findings on the Worst Forms of Child Labor: Ghana*, 2022.

The Economy and Development Issues

Ghana's economy is more diverse than many in West Africa. Since the mid-2000s, the services sector has rapidly expanded as a share of gross domestic product (GDP), driven by growth in the banking, tourism, transportation, and information and communications technology industries. Agriculture's share of GDP has steadily declined since the 1980s but it is still a major employer, second to the services industry.⁴³ Cocoa is the most important export crop, accounting for 19% of merchandise exports in 2021, and is an important source of jobs; Ghana is the world's second-largest cocoa exporter behind neighboring Côte d'Ivoire, accounting for some 20% of annual global production. Gold and crude oil, however, each contribute larger shares of exports than cocoa, accounting for 34% and 27% of export earnings, respectively, in 2021.⁴⁴

The economic shocks of the COVID-19 pandemic interrupted a period of strong growth, and the country's debt burden spiked as the Akufo-Addo administration increased borrowing to finance emergency support aimed at cushioning the economy.⁴⁵ As of October 2022, the IMF estimated Ghana's gross government debt-to-GDP ratio at 91%, up from 63% shortly before the onset of COVID-19.⁴⁶ Commercial debt has accounted for a growing share of Ghana's debt profile, as the government has tapped domestic banks and global capital markets to raise financing, including through regular Eurobond issuances. As of late 2022, as Ghana's fiscal strains and debt servicing costs had mounted, major credit rating agencies had downgraded the country's bonds to highly speculative status, and Ghana had been effectively shut out of international debt markets.⁴⁷ The government is pursuing efforts to restructure its debt, beginning with domestic bondholders.

In July 2022, the Akufo-Addo administration announced that it would pursue a loan arrangement with the IMF—a major about-face for an administration that had previously sworn off IMF assistance, calling it a symptom of fiscal indiscipline.⁴⁸ (In 2019, Ghana completed a \$918 million IMF loan program, the country's 16th IMF arrangement, entered into by Akufo-Addo's predecessor.) Discussions between Ghana and the IMF were ongoing as of December 2022. An IMF lending package is likely to target fiscal consolidation and improving debt sustainability, and may unlock assistance from other bilateral and multilateral lenders.

A spike in food and fuel prices in 2022, due in part to Russia's war in Ukraine, sharply eroded local purchasing power. Consumer inflation reached 37% in September 2022, the highest level in decades, impelled by a rapid depreciation of Ghana's currency, the *cedi*, which is among the worst performing currencies globally as of late 2022.⁴⁹ Ghana's central bank has raised interest rates in an attempt to stem inflationary pressures. As noted above, discontent over the rising cost of living resulted in street protests in June and July 2022; also in July, a planned strike by

⁴³ According to World Bank estimates, the share of agriculture, forestry, and fishing in Ghana's GDP declined from 60% in 1983 to 20% in 2021. World Bank, *World Development Indicators* database, accessed December 7, 2022.

⁴⁴ Bank of Ghana, *Annual Report and Financial Statements 2021*, 2022.

⁴⁵ Annual GDP growth averaged near 7% between 2017 and 2019 before dropping to 0.5% in 2020. International Monetary Fund (IMF), *World Economic Outlook* database, October 2022 update.

⁴⁶ IMF, *World Economic Outlook* database, October 2022 update, at <https://www.imf.org/en/Publications/WEO/weo-database/2022/October>.

⁴⁷ Moses Mozart Dzawu, "Fitch Deepens Ghana Junk Rating on Debt-Restructuring Concerns," *Bloomberg*, September 23, 2022.

⁴⁸ Ghana Presidency, "Ghana: 'Let Mahama's IMF Deal Be the Last' - President Akufo-Addo to Ghanaians," March 31, 2019.

⁴⁹ Ekow Dontoh and Moses Mozart Dzawu, "Ghana Inflation Exceeds 37% as Data Compilation Is Changed," *Bloomberg*, October 12, 2022.

teachers, health sector workers, and other public-sector employees was averted when the government reached an agreement with unions to increase the cost of living allowance.⁵⁰

Ghana has recorded a generally positive development trajectory, including a sustained, if slowing, reduction in poverty rates since 2005; the World Bank estimates that 10.2% of Ghanaians live on less than \$1.90 per day, below poverty levels in many other West African countries.⁵¹ Ghana's literacy rates, estimated at 79% (84% for men, 75% for women) are higher than in many other African countries, as are its average life expectancy at birth (69 years) and rates of access to improved water and sanitation facilities—notwithstanding disparities between north and south and rural and urban areas.⁵² Ghana ranked as a “medium human development” country on the U.N. Development Program's *Human Development Report 2021/2022*, placing 133 out of 191 countries, seventh in sub-Saharan Africa and slightly behind India.⁵³

Ghana relies on hydropower and thermal energy to meet most of its energy needs. Costly and unreliable electricity access has been a barrier to economic growth: Ghana's energy sector has faced recurrent electricity supply crises (both shortfalls and gluts), and is a major source of public debt. Improving power distribution was the focus of Ghana's second MCC compact, which closed in 2022 (see “Millennium Challenge Corporation (MCC) Engagement,” below). According to the State Department, other business climate challenges include “costly and difficult financial services,” cumbersome and opaque bureaucracy, complicated land tenure systems, poor infrastructure, and corruption.⁵⁴ Researchers have assessed that Ghana is at severe risk of the impacts of climate change (see **Text Box**).

Climate Risks and Vulnerabilities in Ghana

According to the World Bank, “Ghana is vulnerable to increasing aridity, droughts and extreme rainfall events and flooding, and faces significant challenges from a changing climate [...] to its ecology, economy, and society.”⁵⁵ In the south, Accra and other fast-growing coastal cities face a number of risks associated with rising sea levels, such as flooding, damage to infrastructure, coastal erosion and environmental degradation, and heightened exposure to waterborne public health threats.⁵⁶ Many urban areas are highly informal, with poor infrastructure and low access to public services, making them particularly vulnerable to natural disasters.⁵⁷ Ghana's north, where grasslands and dispersed tree-cover ecosystems transition into the southern edge of the Sahel, is at elevated risk of both drought and flooding. As much of Ghana's agricultural activity is rain-fed, any increase in precipitation variability or the intensity of rainfall events may have severe impacts on food production and local livelihoods.

In remarks at the 27th U.N. Climate Change Conference of Parties (COP27), President Akufo-Addo called on developed countries to follow up on a pledge made at the 15th Conference of Parties (COP15, held in 2009), to mobilize \$100 billion per year for climate-related action in the developing world.⁵⁸ He also referred to “loss and

⁵⁰ Reuters, “Ghana government averts strike, reaching allowance deal with trade unions,” July 15, 2022.

⁵¹ World Bank, *Macro Poverty Outlook: Ghana*, April 2021.

⁵² CIA World Factbook, accessed November 15, 2022.

⁵³ U.N. Development Program, *Human Development Report 2021/2022: Uncertain Times, Unsettles Lives; Shaping our Future in a Transforming World*, 2022.

⁵⁴ U.S. Department of State, *2022 Investment Climate Statements: Ghana*, 2022.

⁵⁵ World Bank, *Climate Risk Country Profile: Ghana*, 2021, p. 11, at https://climateknowledgeportal.worldbank.org/sites/default/files/2021-06/15857-WB_Ghana%20Country%20Profile-WEB.pdf.

⁵⁶ Africa Center for Strategic Studies, “Rising Sea Levels Besieging Africa's Booming Coastal Cities,” November 8, 2022.

⁵⁷ Louise Fox and Danielle Resnick, “Africa's informal cities need more than green infrastructure to weather the effects of climate change,” Brookings, November 14, 2022.

⁵⁸ National Statement by President Akufo-Addo at the COP27 World Leaders' Summit, November 8, 2022, at <https://unfccc.int/documents/623325>.

damage” funding to support countries facing adverse effects of climate change as “payment overdue” by “the rich and polluting nations,” and reiterated calls for a restructuring of the global financial system.⁵⁹

According to several studies, Ghanaian women face multiple overlapping barriers to political and economic inclusion. The constitution and other laws prohibit sex-based discrimination, yet—as in many countries globally—prevailing gender norms that emphasize women’s roles in the home (as mothers and wives) result in de facto impediments to gender equity.⁶⁰ Chiefs and other traditional leaders, who are predominately male and who regulate access to land in their respective areas of authority, tend to restrict women’s control over land, making it more difficult for women to obtain credit, increase their earnings, and adapt to shocks.⁶¹ Women often lose access to land and other property in the event of divorce or the death of their spouse, owing to customary land tenure arrangements that favor male control and inheritance of assets.⁶² According to the State Department’s human rights report for 2021, “women in urban centers and those with skills and training encountered little overt bias, but resistance persisted to women entering nontraditional fields or seeking related vocational education or training.”⁶³ Gender-based violence is widespread, and domestic violence is reportedly socially permissible in many communities.⁶⁴

Security Issues

Ghana has earned a reputation as a bulwark of stability in a sub-region in which several countries have faced military coups, internal conflict, and rising Islamist violent extremism. Ghana has never experienced a civil war, and it ranks among the top ten contributors of military and police personnel to U.N. peacekeeping missions.⁶⁵ In the 2022 *Global Peace Index*, an assessment of countries’ peacefulness based on measures of conflict, social harmony, and defense expenditures and capabilities, Ghana ranked 40th globally and 2nd in sub-Saharan Africa, behind Mauritius.⁶⁶

Localized conflict nevertheless remains a challenge. According to the State Department’s human rights report for 2021, “chieftaincy disputes, which frequently resulted from lack of a clear chain of succession, competing claims regarding land and other natural resources, and internal rivalries and feuds, continued to result in deaths, injuries, and destruction of property.”⁶⁷ Elections also have been flashpoints for violence, though not to the extent of some other West African countries. In past elections, politicians have recruited agents (typically young men) known as “political vigilantes” to intimidate opponents and their supporters and engage in electoral fraud, alongside legitimate canvassing and electoral support activities.⁶⁸ Five Ghanaians died and more than a dozen were injured in electoral violence surrounding the most recent general elections, in 2020.

⁵⁹ Statement by President Akufo-Addo at the COP27 Climate Prosperity Plans Flagship Event, at <https://theecvf.org/statement-for-cpp-flagship-event-akufo-addo>.

⁶⁰ Banyan Global (produced for USAID/Ghana), *Gender Analysis Report*, 2020, pp. 11-15.

⁶¹ Women and Girls Empowered Consortium, *Preliminary Gender and Inclusion Analysis for Ghana*, 2022, pp. 19-20.

⁶² Ibid, p. 20.

⁶³ U.S. Department of State, *2021 Country Reports on Human Rights Practices: Ghana*.

⁶⁴ ActionAid, *Falling Through the Cracks: Tackling the Justice Deficit for Women Survivors in Ghana*, 2019.

⁶⁵ Ghanaian personnel in U.N. peacekeeping efforts are largely deployed as part of the U.N. Mission in South Sudan (UNMISS), the U.N. Interim Force in Lebanon (UNIFIL), and the U.N. Interim Security Force for Abyei (UNISFA).

⁶⁶ Institute for Economics and Peace, *2022 Global Peace Index*, 2022.

⁶⁷ U.S. Department of State, *2021 Country Reports on Human Rights Practices*.

⁶⁸ Mawusi Yaw Dumenu and Mildred Edinam Adzraku, *Electoral Violence and Political Vigilantism in Ghana*:

Ghana has not experienced an extremist attack on its soil to date, but Ghanaian authorities have expressed concern over the possible southward expansion of Islamist insurgent violence from the Sahel region.⁶⁹ Burkina Faso-based armed groups have launched attacks in neighboring Côte d'Ivoire and Togo, as well as in Benin. Some analysts warn that such groups may seek to expand their presence in Ghana by exploiting local grievances, especially among ethnic Fulani, who are predominately Muslim and are concentrated in the country's north.⁷⁰ Many Ghanaians consider the Fulani, an expansive group that spans much of Central and West Africa, to be foreigners regardless of, in some cases, multi-generational length of residency in Ghana, resulting in social and legal discrimination. Interethnic ties reportedly have eroded as non-Fulani have accused Fulani of banditry and other criminality, contributing to retaliatory violence along ethnic lines.⁷¹

The Gulf of Guinea, to Ghana's south, ranks among the world's most insecure waters for piracy and other forms of maritime criminality. According to the International Maritime Bureau (IMB), a division of the International Chamber of Commerce, Ghana has recorded more than 30 incidents of piracy or robbery of vessels since 2017, including 6 in the first 9 months of 2022.⁷² Other maritime security challenges include narcotics trafficking via Ghana's ports; the State Department reports that "Ghana is a transit point for illicit drugs trafficked from Asia and South America to other African nations, Europe, and to a lesser extent the United States."⁷³ Illicit, unregulated, and unreported (IUU) fishing also is reportedly widespread, and is seen to have contributed to a rapid decline in the country's fish stocks, devastating coastal livelihoods. Researchers have accused Chinese companies of extensive involvement in IUU fishing activities in Ghana (see **Text Box**).

Chinese Involvement in Ghana's Fishing Sector:

Ghana's Fisheries Act of 2002 prohibits foreign vessel ownership or foreign participation in joint ventures in the industrial fishing sector, except in the case of tuna vessels. Nonetheless, Chinese involvement in Ghana's fishing sector via joint ventures and beneficial ownership arrangements is reportedly extensive—although a lack of transparency regarding vessel ownership complicates definitive assessments of Chinese fishing operations in the country. According to a 2018 study by the Environmental Justice Foundation (EJF), a nongovernmental research and advocacy organization, "up to 90-95% of Ghana's trawl fleet may have some Chinese involvement," with ships flagged to Ghana but beneficially owned by Chinese entities.⁷⁴ Ghana is also a centerpiece of China's distant-water fishing (DWF) operations: the Overseas Development Institute (ODI), a UK-based think tank, assessed in 2020 that, after China, Ghana is the leading flag state globally for Chinese-owned distant-water fishing (DWF) vessels.⁷⁵

Evidence from Selected Hotspots, Ghana Center for Democratic Development, 2020; JRK Owusu Kyei and Lidewyde H. Berckmoes, "Political Vigilante Groups in Ghana: Violence or Democracy?" *Africa Spectrum* vol. 55, no. 3 (2020).

⁶⁹ Kent Mensah, "West African Leaders Seek Solutions to Curb Terrorism from Sahel Region," Voice of America, November 22, 2022.

⁷⁰ James Courtright, "In Ghana, Local Problems Threaten Regional Security," Institute of Current World Affairs, July 22, 2022.

⁷¹ Ibid.

⁷² IMB, *Piracy and Armed Robbery Against Ships: Report for the Period 1 January – 31 December 2021*, 2022; IMB, *Piracy and Armed Robbery Against Ships: Report for the Period 1 January – 30 September 2022*, 2022. IMB tracking of global maritime piracy and armed robbery incidents is based on voluntary reporting. Quarterly and annual IMB reports are available for download on the IMB's website at <https://www.icc-ccs.org/>.

⁷³ U.S. Department of State Bureau of International Narcotics and Law Enforcement Affairs, *International Narcotics Control Strategy Report 2022, Volume I: Drug and Chemical Control*, 2022.

⁷⁴ EJF, *China's Hidden Fleet in West Africa: A Spotlight on Illegal Practices within Ghana's Industrial Trawl Sector*, 2018, p. 4.

⁷⁵ Miren Gutiérrez et al., *China's Distant-Water Fishing Fleet: Scale, Impact, and Governance*, ODI, 2020.

Human rights and environmental advocacy organizations have accused the Chinese DWF fleet in Ghana of exploitative fishing practices, overfishing and ecological unsustainability, and labor abuses onboard Chinese vessels. A 2022 EJF study of Chinese DWF activities globally found that Ghana had recorded the highest number of IUU fishing offenses by Chinese DWF vessels in West Africa from 2015-2019—a period during which, as a region, West Africa ranked as the top site of IUU incidents involving Chinese DWF vessels globally.⁷⁶ Of particular concern in Ghana has been the reported involvement by Chinese DWF trawlers in a practice known locally as *saiko*, entailing the capture of small pelagic fish—critical for fisheries sustainability, artisanal fishing livelihoods, and local food security—and the illicit transshipment of this catch to traders for sale onshore. Researchers have blamed *saiko* for rapidly depleting Ghana's pelagic fisheries.⁷⁷ Beyond its implications for livelihoods and fish stocks, *saiko* also amounts to unreported catch—representing lost state revenue in the form of unpaid taxes and fees.⁷⁸ EJF also has alleged widespread human rights abuses onboard Chinese-owned trawlers in Ghana, including physical abuse, overworking, low and irregular pay, insufficient and poor quality food, and lack of medical care.⁷⁹

U.S. Relations and Assistance

U.S.-Ghana ties are close, partly rooted in Ghana's reputation as a democratic leader in Africa and a pillar of regional stability. Presidents George W. Bush and Barack Obama each visited Ghana during their tenures, and in 2019, House Speaker Nancy Pelosi led a congressional delegation to the country that, among other purposes, commemorated the 400th anniversary of the arrival of the first enslaved Africans to what is now the United States. People-to-people and cultural ties are robust. There is a sizable Ghanaian diaspora in the United States—with larger communities in the New York City, Washington, D.C., and Atlanta metropolitan areas—and several thousand U.S. citizens reside in Ghana.⁸⁰ The Akufo-Addo administration has expanded efforts to attract tourism and migration to Ghana by Black Americans, partly premised on the legacy of the transatlantic slave trade (see **Text Box**).

U.S. Heritage Tourism and Migration to Ghana

Present-day Ghana was a source and transit point for enslaved people trafficked to the Americas as part of the transatlantic slave trade, which endured from the 16th to the 19th century.⁸¹ The country's coastline is dotted with dozens of "slave castles," forts built by European traders that were used to house enslaved people prior to the Atlantic crossing. Today, these forts are prominent heritage sites and tourist destinations; Members of Congress and other U.S. officials often visit slave castles as part of delegations to the country.

In 2019, the Akufo-Addo administration launched the "Year of Return," a campaign to commemorate the 400th anniversary of the arrival of enslaved Africans to what is now the United States by encouraging members of the African diaspora (especially Black Americans) to visit, migrate to, and invest in Ghana. A number of celebrities visited Ghana during the year; President Akufo-Addo conferred citizenship on dozens of diaspora members resident in the country. There are no official, publicly available statistics on the number of diaspora members who relocated to Ghana during the Year of Return, or who have stayed. Akufo-Addo subsequently announced "Beyond the Return," a ten-year initiative to continue to attract heritage-based tourism, migration, and foreign investment.

⁷⁶ EJF, *The Ever-Widening Net: Mapping the Scale, Nature, and Corporate Structures of Illegal, Unreported and Unregulated Fishing by the Chinese Distant-Water Fleet*, 2022.

⁷⁷ Lieven Engelen, "Under cover of darkness: the damaging effects of illegal 'saiko' fishing," *The Guardian*, October 17, 2022; EJF, *Stolen at Sea: How Illegal 'Saiko' Fishing is Fuelling the Collapse of Ghana's Fisheries*, 2019.

⁷⁸ EJF, *China's Hidden Fleet in West Africa*.

⁷⁹ EJF, *Fear, Hunger, and Violence: Human Rights in Ghana's Industrial Trawl Fleet*, 2021.

⁸⁰ CRS tabulation of data from U.S. Census Bureau, 2021 American Community Survey 1-Year Estimates. CRS Research Assistant Isobel Sorenson assisted in collecting and analyzing U.S. Census Bureau data.

⁸¹ During this period, Europeans referred to Ghana—initially the coastal region, and gradually the interior—as the "Gold Coast," in reference to the gold reserves that had drawn Portuguese traders to the area in the late 15th century.

Ghana is a hub for U.S. engagement in the wider sub-region: the country hosts the U.S. Agency for International Development (USAID) West Africa regional mission, one of four U.S. Young African Leaders Initiative (YALI) Regional Leadership Centers in Africa, and one of two State Department International Law Enforcement Academies on the continent. Bilateral relations also include the U.S.-Ghana Business Forum, a regular exchange between U.S. and Ghanaian officials and business leaders focused on deepening commercial engagement. The two countries signed an agreement on civil nuclear cooperation in 2021, and in late 2022, the United States, Ghana, and Japan announced a “strategic collaboration” to support Ghana’s nuclear power program.⁸²

U.S.-Ghana Trade and Investment

Ghana is a minor U.S. trade and investment partner in global terms, but is a leading source and destination market for U.S. trade in Africa and a top regional destination for U.S. foreign direct investment (FDI). U.S. imports from Ghana in 2021 were valued at \$1.72 billion; mineral fuels accounted for nearly 80% of this total (\$1.34 billion), with cocoa comprising much of the balance (\$219 million).⁸³ U.S. exports to Ghana in 2021 totaled roughly \$960 in value; motor vehicles and auto parts (\$328 million), machinery (\$108 million), meat and poultry (\$93 million), and plastics (\$85 million) were the leading U.S. export categories in 2021.⁸⁴ Ghana is eligible for duty-free trade benefits under the U.S. African Growth and Opportunity Act (AGOA, P.L. 106-200, as amended). Mineral fuels were the top category of U.S. AGOA imports from Ghana in 2021.

According to the State Department, “roughly 100 U.S. companies maintain operations in Ghana,” including U.S. multinationals Coca Cola, Cargill, Newmont (a gold mining company), IBM, and PwC.⁸⁵ In 2021, ExxonMobil surrendered its 80% stake in a deep-water oil prospect after a 2.5-year period of exploration, exiting Ghana as part of the firm’s broader wind-down of operations in West Africa. U.S. oil and gas operator Kosmos Energy remains in the country’s energy sector, alongside Italian major Eni, Tullow Oil (UK), Vitol (Switzerland), and Aker Energy (Norway). In November 2022, Twitter inaugurated a headquarters in Accra—its first in Africa—but fired nearly all of its Ghana-based staff days later amid sweeping personnel changes following the company’s change in ownership.⁸⁶ The terminated employees have alleged a breach of Ghana’s labor laws.⁸⁷

U.S. Assistance

U.S. assistance for Ghana is diverse, encompassing a range of development, governance, and security programs. State Department and USAID-administered assistance totaled \$124.6 million in allocations of FY2021 appropriations, with \$132.4 million requested for FY2023.⁸⁸

As with most other countries in Africa, health assistance is the largest category of U.S. assistance for Ghana, with programs to combat malaria (Ghana is a President’s Malaria Initiative focus

⁸² U.S. Department of State, “The United States of America and Republic of Ghana Sign a Memorandum of Understanding Concerning Strategic Civil Nuclear Cooperation,” (July 13, 2021) and “United States and Japan Announce Partnership with Ghana to Support its Goal of Being the Mover in Africa for Small Modular Reactor Deployment” (October 26, 2022).

⁸³ CRS calculation based on data from USITC Dataweb, accessed November 29, 2022, at <https://dataweb.usitc.gov/>.

⁸⁴ Ibid.

⁸⁵ U.S. Department of State, “U.S. Relations With Ghana,” at <https://www.state.gov/u-s-relations-with-ghana/>.

⁸⁶ Grace Dean, “Twitter laid off all but one person at its only office in Africa just 3 days after it opened for the first time, report says,” *Business Insider*, November 9, 2022.

⁸⁷ Larry Madowo, “Twitter Africa employees accuse Elon Musk of discrimination over severance terms,” *CNN*, November 22, 2022.

⁸⁸ U.S. Department of State, *Congressional Budget Justification for FY2023*, 2023.

country); promote maternal, child, and reproductive health; improve water supply and sanitation; enhance nutrition; strengthen health security; and expand access to HIV/AIDS prevention and care services. Other U.S. development aid has sought to promote agricultural productivity (Ghana is one of 20 Feed the Future focus countries), improve basic education, support good governance, and strengthen civil society. As noted above, DOL administers most U.S. aid to help eradicate child labor in the cocoa industry. As of December 2022, Ghana hosted 12 Peace Corps Volunteers supporting projects in agriculture, education, and health.

State Department-administered security assistance for Ghana has included support for military professionalization, peacekeeping capacity-building, and law enforcement. Countering violent extremism is an emergent focus of U.S.-Ghana security cooperation. As noted above, the Biden Administration has designated Ghana as a focus for engagement pursuant to the Global Fragility Act (GFA), as part of a “coastal West Africa” grouping that also includes Benin, Côte d’Ivoire, Guinea, and Togo.⁸⁹ A 2021 coup in Guinea and U.S. concerns about undemocratic governance in Benin and Togo may elevate Ghana’s role within sub-regional engagement under the GFA. As of late 2022, the Administration had released little information on planned priorities or funding levels of GFA programming in Ghana. An ongoing USAID Office of Transition Initiatives (OTI) program also aims to build resilience to extremism in this coastal West Africa grouping; northern Ghana was selected as an initial focus area of OTI engagement, with projects to counter extremist messaging, aid dispute resolution, and address Fulani grievances.⁹⁰ The State Department has additionally identified Ghana (alongside some other coastal West African countries) as a potential recipient of funds via the Trans-Sahara Counterterrorism Partnership and global counterterrorism programs. The State Department Office of Inspector General has recorded deficiencies in the past planning and administration of some U.S. security assistance for Ghana, which Congress might consider as it oversees growing GFA and counterterrorism aid for the country (see “Outlook”).⁹¹

Ghana’s military has received Department of Defense-administered training and equipment and regularly participates in U.S. regional military exercises. Ghana hosted Obangame Express, U.S. Africa Command (AFRICOM’s) premier maritime exercise in West Africa, in 2021; in 2023, it is due to host Flintlock, AFRICOM’s leading annual special operations exercise. A State Partnership Program between Ghana and North Dakota’s National Guard, launched in 2004, has included military exercises and trainings on medical readiness and disaster preparedness and response. In 2018, the United States and Ghana signed an updated Status of Forces Agreement (SOFA), which governs defense cooperation and the rights and privileges of U.S. troops stationed in partner countries. Ratification of the SOFA proved controversial amid allegations by some Ghanaians that it would pave the way for a U.S. military base in Ghana, a claim the U.S. Embassy refuted.⁹²

Millennium Challenge Corporation (MCC) Engagement

Ghana has been the recipient of two MCC compacts. The first, implemented between 2007 and 2012 and valued at \$547 million, sought to reduce poverty among farmers with activities to

⁸⁹ CRS Insight IN11938, *Responding to State “Fragility” in Coastal West Africa*.

⁹⁰ Creative Associates, “The Littorals Regional Initiative,” accessed October 31, 2022.

⁹¹ Ghana was previously one of six African partner countries under the Security Governance Initiative (SGI), a security-sector capacity building program launched by the Obama Administration. A 2017 audit of Embassy Accra by the U.S. Department of State Office of Inspector General (State OIG) assessed that SGI programming in Ghana “lacked adequate direction and support” and found that an increase in U.S. security assistance for Ghana between FY2015 and FY2017 had strained embassy staffing and other resources, as “embassy staff were unable to effectively plan, synchronize, and implement this assistance.” State OIG, *Inspection of Embassy Accra, Ghana*, June 2017.

⁹² U.S. Embassy in Ghana, “Statement on Status of Forces Agreement,” March 20, 2018.

support higher-value agricultural productivity, reduce costs related to agricultural commerce and transportation, and strengthen services in rural areas. The second, a power sector project focused on improving electricity supply, closed in June 2022. Ghana's second MCC compact was initially valued at \$498 million,⁹³ but the MCC announced in 2019 that it would withhold \$190 million in funding due to the Ghanaian government's termination of a concession between the state-owned electricity utility and a private firm—a precondition for the release of funds.⁹⁴ The compact continued at a reduced investment of \$308 million, subsequently increased to \$316 million to accommodate delays due to COVID-19. The compact entailed activities to enhance electricity distribution through infrastructure investments and other support, promote energy efficiency, expand access to reliable power, and strengthen Ghana's regulatory framework.⁹⁵

Outlook and Issues for Congress

A severe economic and fiscal crisis clouds Ghana's near-term outlook. Record-high inflation and runaway currency depreciation have gutted local purchasing power, amid a mounting public debt burden. An anticipated IMF lending package may help to reassure creditors and restore stability, but it will also likely require the Akufo-Addo administration to undertake fiscal belt-tightening measures that may prove politically costly. In an October 2022 address to the nation, President Akufo-Addo attributed the country's economic woes to the global economic downturn, stating that he could not “find an example in history when so many malevolent forces have come together at the same time.”⁹⁶ Public surveys, meanwhile, suggest that many Ghanaians blame the government for failing to stabilize prices, improve living standards, and create jobs.⁹⁷

A series of military takeovers in West Africa since 2020 and the spread of extremist violence from the neighboring Sahel has thrown into sharp relief Ghana's reputation as a leading democracy and bulwark of stability in the sub-region. U.S. engagement is likely to continue to reflect Ghana's standing as an island of good governance and stability in a turbulent neighborhood. Funding and oversight of GFA assistance, an emergent facet of the bilateral relationship, are possible avenues available to Congress to help shape, direct, and assess such engagement. As discussed above, the Administration has released little public information on intended priorities or resource allocations for GFA programming in Ghana as of December 2022. In light of shortcomings the Department of State's Office of Inspector General identified in the management of past U.S. security assistance for Ghana (see above), Congress might consider, among other issues, whether there are sufficient staff and other resources in place to adequately plan, implement, and oversee GFA engagement, and whether Congress has or can obtain sufficient information to enable effective oversight.⁹⁸ Some Members might also seek to assess the impacts of USAID Office of Transition

⁹³ This does not include a \$37 million contribution from the government of Ghana.

⁹⁴ MCC, “Statement Regarding the Termination of the Private Sector Concession by the Government of Ghana,” October 23, 2019.

⁹⁵ MCC, “Ghana Power Compact,” at <https://www.mcc.gov/where-we-work/program/ghana-power-compact>.

⁹⁶ Presidency of the Republic of Ghana, “Address To The Nation By President Nana Addo Dankwa Akufo-Addo On The Economy,” October 30, 2022.

⁹⁷ Afrobarometer, “Ghanaians bemoan economic conditions.”

⁹⁸ State OIG, *Inspection of Embassy Accra*. The U.S. Department of State OIG also has identified deficiencies in the management of U.S. counterterrorism assistance for West Africa; see *Audit of the Department of State Bureau of African Affairs Monitoring and Coordination of the Trans-Sahara Counterterrorism Partnership Program*, 2020.

Initiatives (OTI) programming to help counter extremism and alleviate intercommunal tensions in the country's north, and what lessons, if any, might apply to GFA assistance.⁹⁹

Attacks on journalists and rising violence against LGBTQI+ individuals in Ghana have damaged the country's otherwise positive human rights record and may generate friction in the bilateral relationship. Congressional action related to international press freedom or LGBTQI+ rights issues may influence U.S.-Ghana relations, including by possibly providing new tools for the executive branch to apply in its promotion of global human rights. For instance, various measures introduced in the 117th Congress would direct the executive branch to take action in response to attacks on foreign journalists.¹⁰⁰ Others would enhance U.S. approaches to preventing and responding to criminalization and attacks targeting LGBTQI individuals abroad.¹⁰¹ Ghana's government, for its part, may bristle at any perceived foreign intrusion in domestic social issues.

Amid bipartisan congressional interest in the promotion of U.S. trade and investment ties with Africa, some Members may seek to assess what opportunities might exist for expanding U.S. economic relations with Ghana, a leading U.S. commercial partner in the region. Congress also might seek to examine how U.S. trade programs, such as AGOA, and development finance could help unlock greater bilateral trade and investment and improve Ghana's business climate. Some in Congress may also seek to compare the U.S. commercial presence in Ghana with that of China. The reportedly extensive involvement of Chinese nationals in Ghana's illicit economy (notably illegal mining and fishing) is another possible issue for Congress, in light of enduring congressional concern over malign activities by China and other global competitors in Africa.

Growing people-to-people and cultural ties may shape U.S. public commentary and congressional engagement related to Ghana. Few, if any, African countries have so successfully sought to attract heritage-based tourism and migration from the United States predicated on the legacies of the slave trade. Whether and how the Akufo-Addo administration and its successors are able to build on the upswing in U.S. public interest and travel to Ghana recorded during the 2019 "Year of Return"—and any associated implications for U.S.-Ghanaian ties—remains to be seen.

In considering this bilateral relationship and Ghana's role in the region, Members may consider various additional options to shape U.S.-Ghana policy and engagement. These might include:

- Conducting hearings, briefings, or fact-finding trips to examine issues in the U.S.-Ghana relationship. Issues of possible interest to Congress may include the implications of Ghana's economic crisis for its stability, governance trajectory, and U.S. commercial interests; the threat of extremism in Ghana; corruption and human rights challenges; and Ghana's ties with China and illicit activities by Chinese firms active in the country;
- Demonstrating concern or exercising oversight through correspondence with executive branch or Ghanaian officials, public statements, or resolutions or other legislation, or engagement via a new Congressional Ghana Caucus announced in late 2022;¹⁰²

⁹⁹ In a May 2022 hearing on GFA implementation, Representative Sara Jacobs asked USAID Assistant Administrator Robert Jenkins on lessons learned from OTI programming in coastal West Africa. See House Foreign Affairs Subcommittee on International Development, International Organizations and Global Corporate Social Impact, "Improving the United States' Ability to Prevent and Stabilize Conflict: Global Fragility Act Implementation."

¹⁰⁰ See, among others, S. 204, S. 226, H.R. 839, S. 1478, S. 1495, S.Res. 609, H.R. 7650, and H.Res. 1095.

¹⁰¹ See, among others, H.R. 3485, H.R. 3800, S. 424, and H.R. 1201.

¹⁰² According to press reporting, the caucus includes Representatives Gwen Moore, Sheila Jackson-Lee, Sara Jacobs, and Dwight Evans (Politico, "Wild, wonderful and divided," September 21, 2022). Representative Moore previewed

plans to launch a Ghana caucus in March 2022; see Rep. Gwen Moore, “Recognizing the 65th Anniversary of Ghana’s Independence,” remarks in the House, *Congressional Record*, vol. 168, no. 40 (March 7, 2022): p. E218.

- Considering changes to the level or scope of foreign assistance appropriations for Ghana, and overseeing implementation of U.S. assistance for the country.

Author Information

Tomás F. Husted
Analyst in African Affairs

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.