



Economic Conditions: What Ghanaians Say

Findings from the Afrobarometer Round 6 Survey in Ghana

At a Glance

- **Economic and living conditions:** Most Ghanaians evaluate the national economy and their own living conditions in negative terms.
- **Economic performance of government:** Ghanaians give government poor marks for macro-economic management.
- **Policy priorities for government:** The topmost policy priority that Ghanaians want government to address is economic management.

What is Afrobarometer?



- An African-led, non-partisan survey research project that measures citizen attitudes on democracy and governance, the economy, civil society, and other topics.
- Started in 12 countries in 1999, expanded to 35 African countries in Round 5 (2011-2013).
- **Goal:** To give the public a voice in policymaking by providing high-quality public opinion data to policymakers, policy advocates, civil society organizations, academics, news media, donors and investors, and ordinary Africans.
- National Partners in each country conduct the survey. In Ghana, the Afrobarometer Round 6 survey was conducted by the Center for Democratic Development (CDD-Ghana).



Countries Afrobarometer covers



Methodology

- Nationally representative sample of adult citizens
 - *All respondents are randomly selected.*
 - *Sample is distributed across regions and urban-rural areas in proportion to their share in the national population.*
 - *Every adult citizen has an equal chance of being selected.*
- Face-to-face interviews in the language of the respondent's choice.
- Standard questionnaire allows comparisons across countries and over time.
- Sample size of 2,400 yields a margin of error of $\pm 2\%$ at a 95% confidence level.
- Fieldwork for Round 6 in Ghana was conducted May 24 to June 10, 2014.

Geographic coverage

The 2,400 respondents were located in 291 towns in 177 districts spread across 300 enumeration areas (EAs) in the 10 regions.



Survey demographics (1)

		Unweighted	Weighted
Distribution of respondents	Western	10%	10%
	Central	9%	9%
	Greater Accra	18%	19%
	Volta	9%	9%
	Eastern	11%	11%
	Ashanti	19%	20%
	Brong Ahafo	9%	9%
	Northern	9%	9%
	Upper East	4%	4%
	Upper West	3%	3%
Settlement location	Urban	54%	54%
	Rural	46%	46%
Gender	Male	50%	50%
	Female	50%	50%
Level of education	No formal education	19%	19%
	Primary	20%	20%
	Secondary	48%	48%
	Post-secondary	12%	12%
	Don't know	0%	0%
	Missing	0%	0%

Survey demographics (2)

		Unweighted	Weighted
Religion	Christian	79%	78%
	Islamic	16%	16%
	Traditional & Hindu	3%	3%
	None/Agnostic/Atheist	2%	2%
	Refused	0%	0%
	Don't know	0%	0%
Age	18 – 25 years	22%	22%
	26 – 35 years	29%	29%
	36 – 45 years	21%	21%
	46 – 55 years	14%	14%
	56 – 65 years	8%	8%
	Over 65 years	6%	6%
	Refused	1%	1%
	Mean age	38 years	
	Median age	35 years	
	Modal age	32 years	
Youngest respondent	18 years		
Oldest respondent	105 years		

Key issues in media during survey

Economic Issues

- Announcement of plan to introduce VAT on banking services which was suspended at the last minute after series of concerns by industry players.
- Depreciation of the Cedi; the rising level of inflation; and Prof. Kwesi Botchwey's speech on the economic crisis facing country.
- AGI and IMF concerns about BoG's foreign exchange measures and their inability to stabilize the cedi.
- Government's directive to BoG to revise its foreign currency measures to save the cedi.

Key issues in media during survey

- National Economic Forum at Senchi.
- Increment in minimum wage by 14.5%.
- PIAC opposition to the use of the Heritage Fund and demand for national policy on oil revenue expenditure.

Energy Issues

- Bui shutdown and the worsening of the already unpredictable power rationing.
- Acute fuel shortage throughout the country.



Results



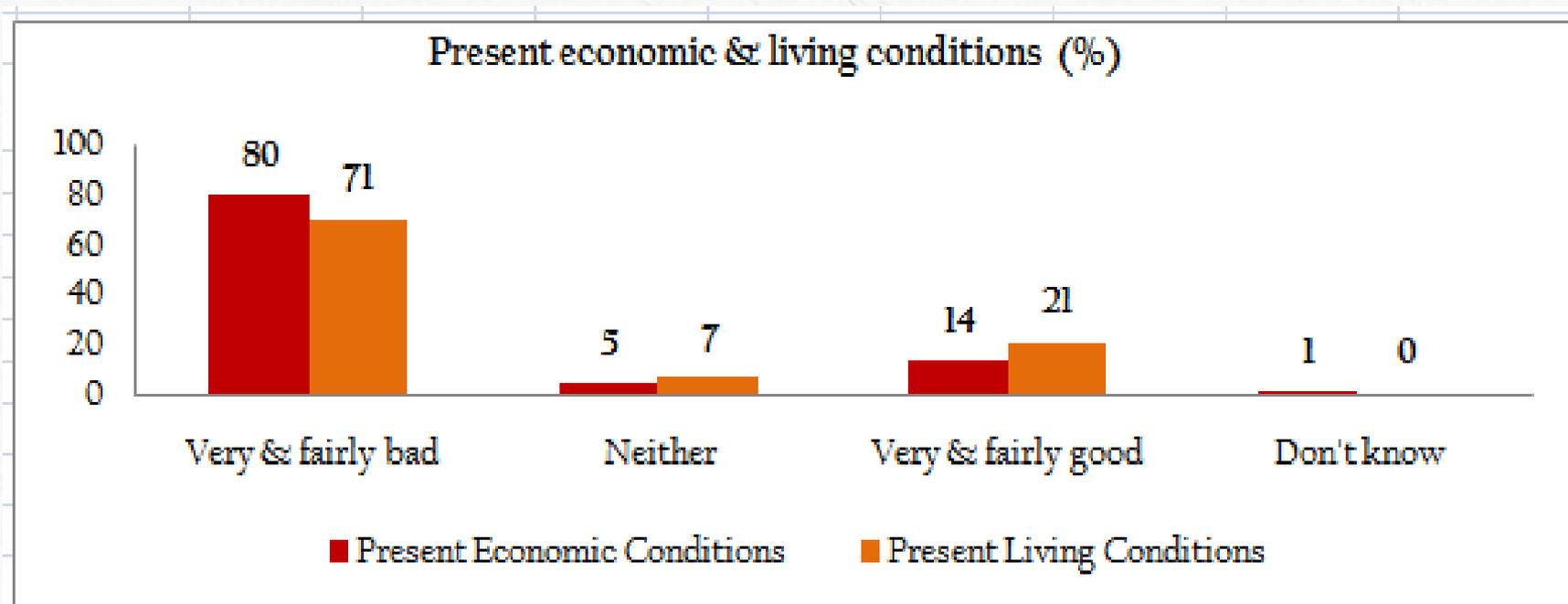
Economic and living conditions in Ghana

Key findings

- Most Ghanaians express dissatisfaction with the national economy and their personal living conditions.
- A majority say that current economic conditions are “worse” or “much worse” compared to a year ago.
- More Ghanaians are pessimistic than optimistic about national economic conditions in the coming year.

Economic/personal living conditions in Ghana

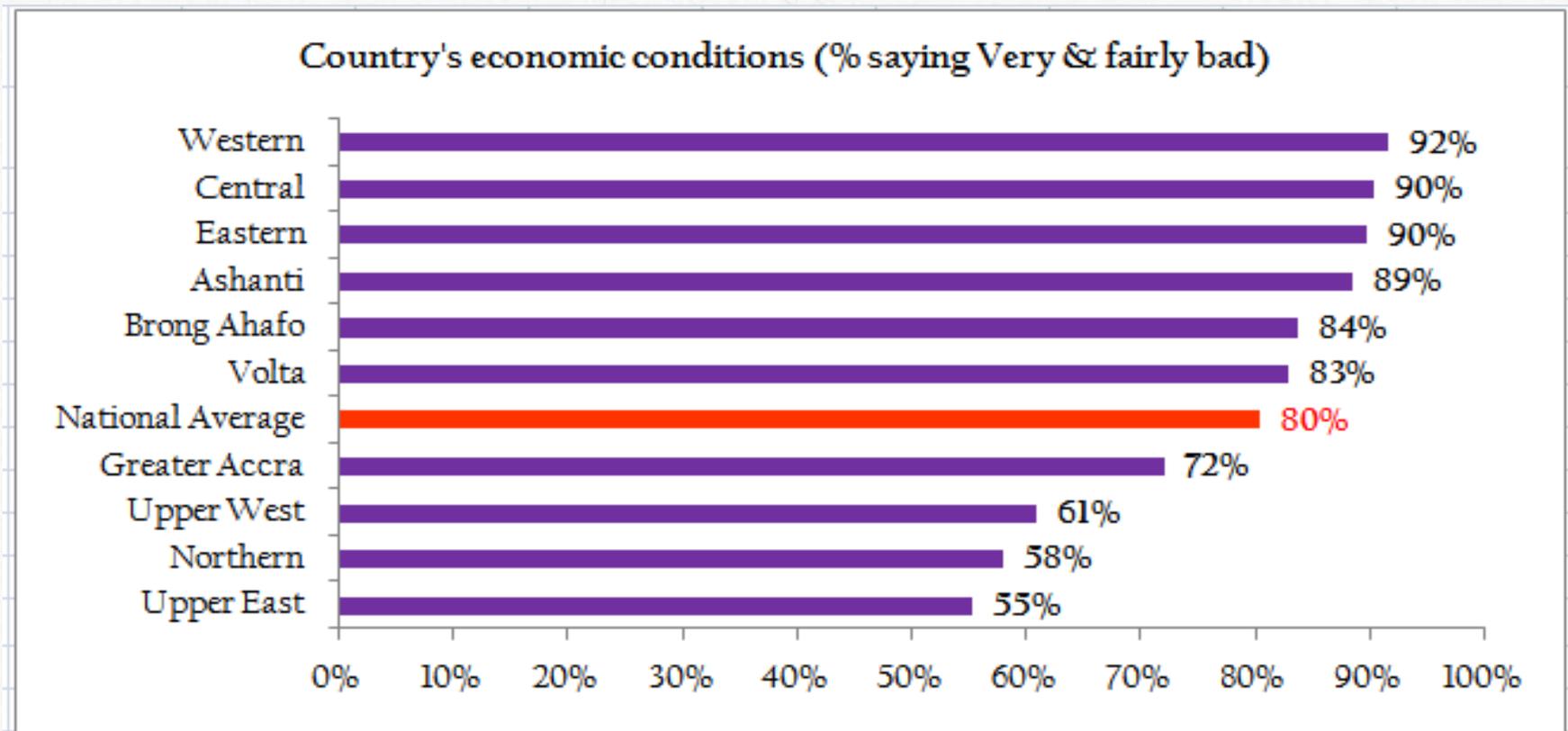
- A very large majority of Ghanaians describe the country's economic conditions (80%) and their present living conditions (71%) as “bad” or “very bad.”



Respondents were asked: In general, how would you describe: (A) The present economic condition of this country? (B) Your own present living conditions?

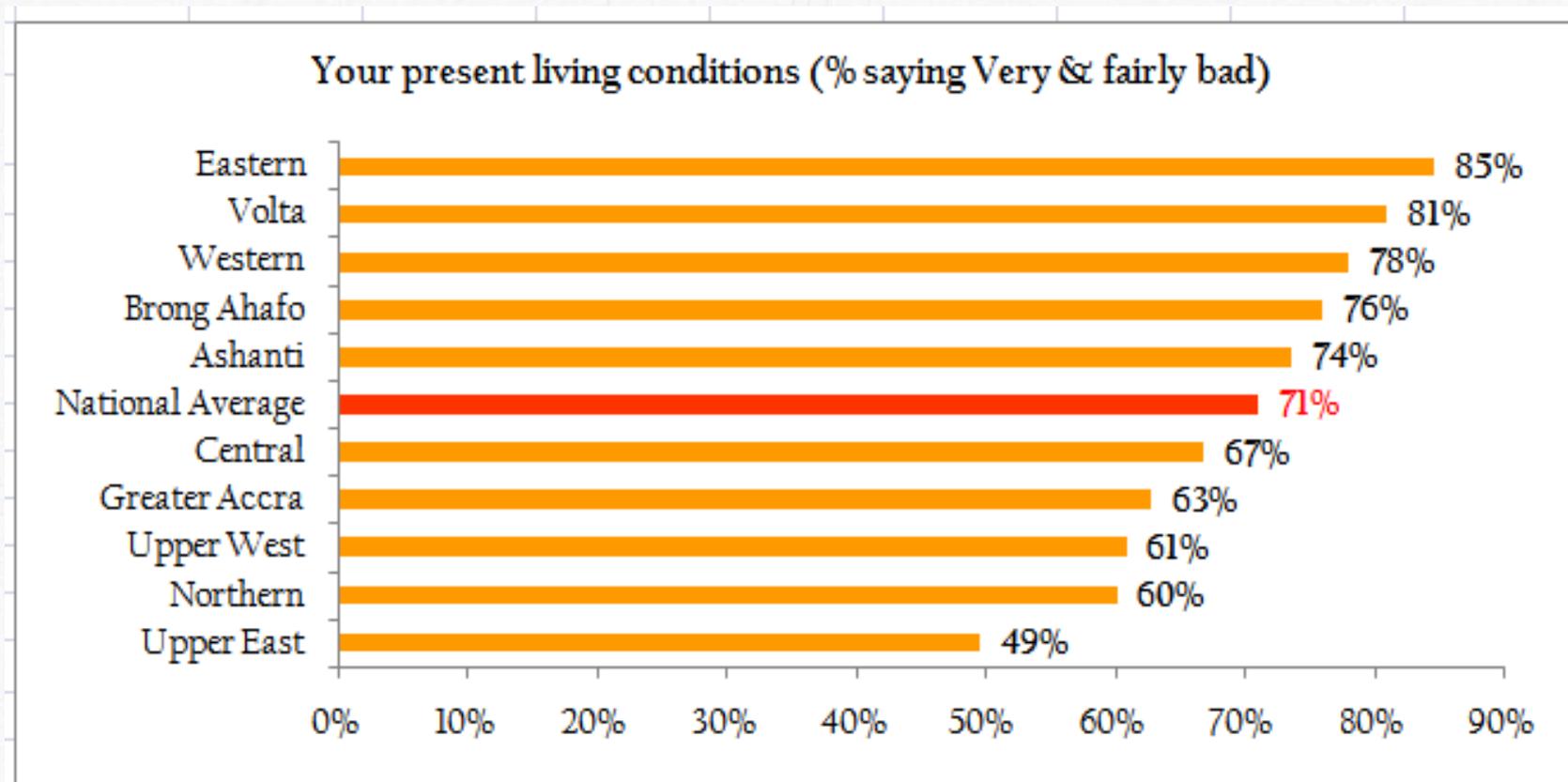
National economic conditions, by region

- Assessments of the country's economic conditions are more negative than the national average in Volta, Brong Ahafo, Ashanti, Eastern, Central, and Western Regions.



Personal living conditions, by region

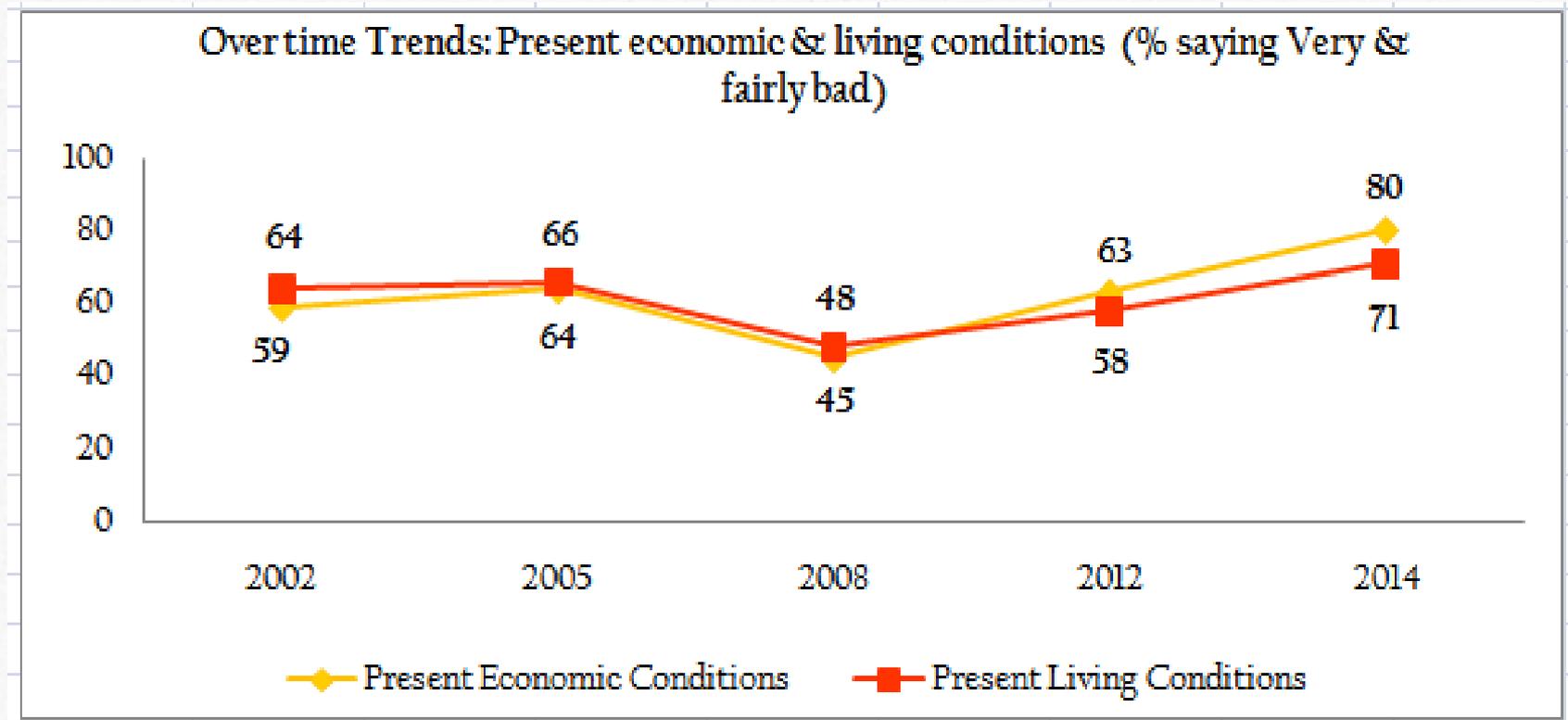
- The ratings of living conditions by citizens in Ashanti, Brong Ahafo, Eastern, Western and Volta Regions were more negative than the national average.



Trends: Economic and living conditions in Ghana

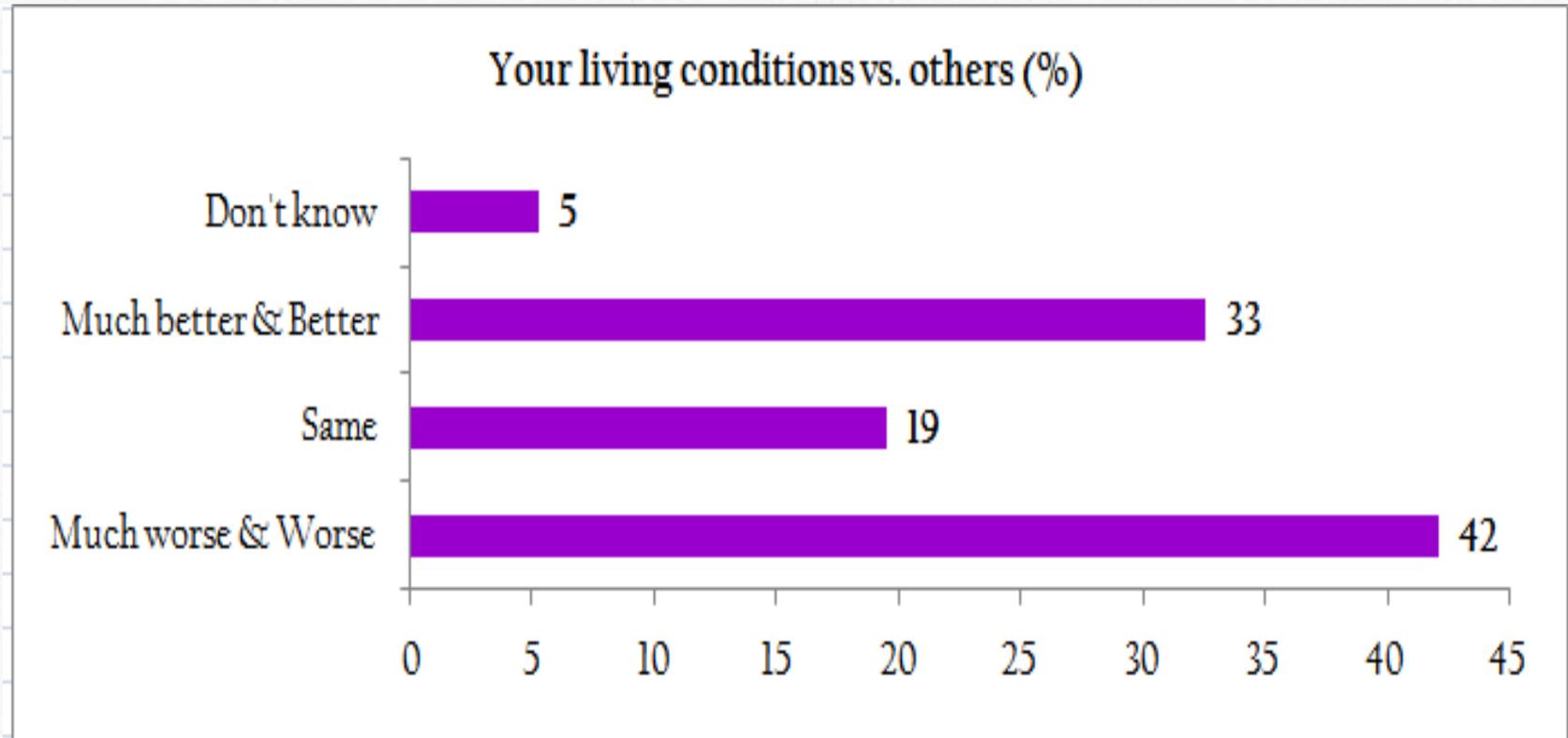
- Between 2002 and 2014, perceptions of the national economy and living conditions as “bad” or “very bad” increased by 21% and 7%, respectively.
- Negative perceptions of the national economy and personal living conditions increased steeply, respectively by 17% and 13%, between 2012 and 2014.

Trends: Economic and living conditions in Ghana



Present living conditions vs. others

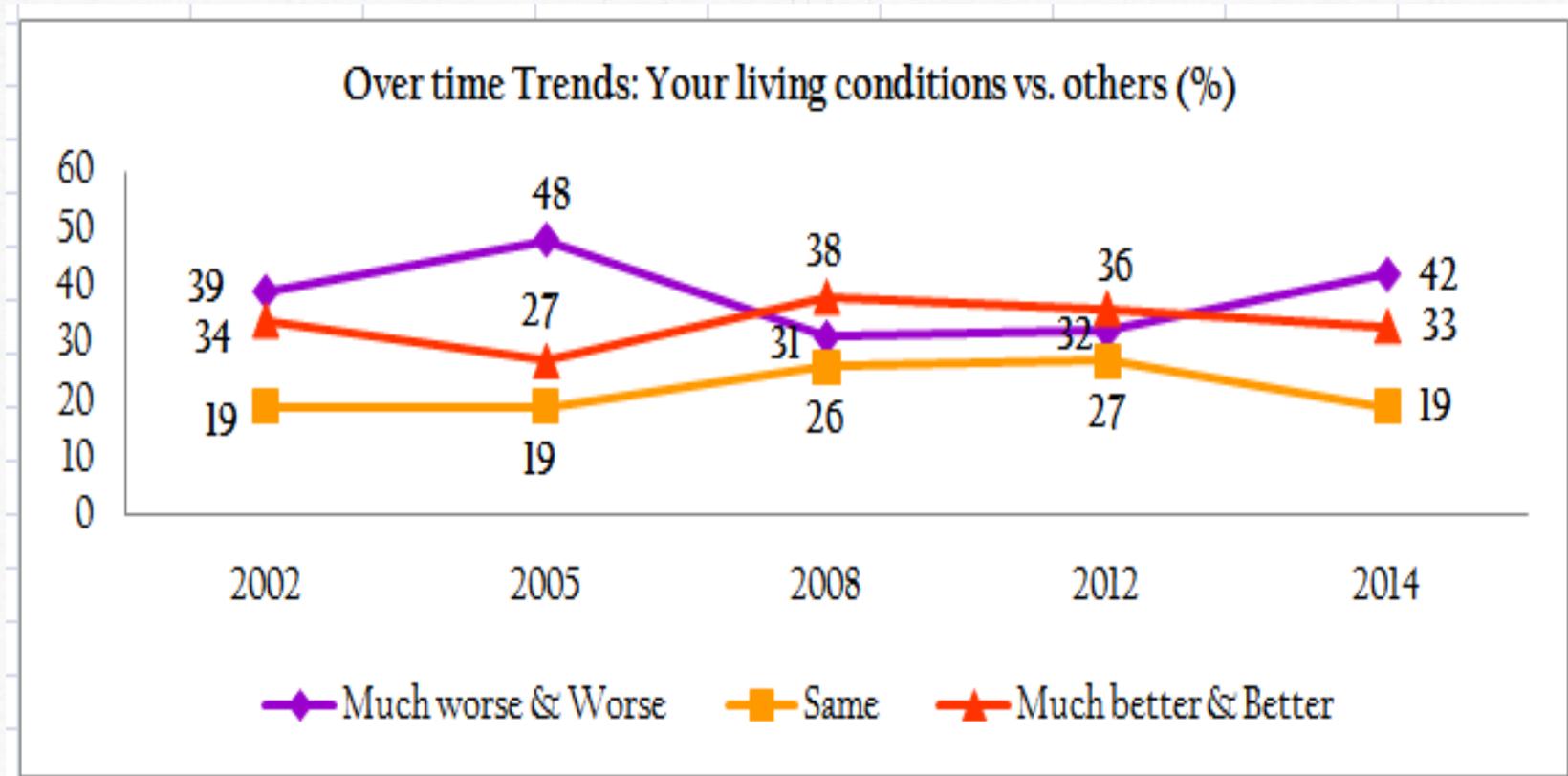
- 42% rate their living conditions as “worse” or “much worse” than those of other Ghanaians.



Respondents were asked: *In general, how do you rate your living conditions compared to those of other Ghanaians?*

Trends: Living conditions vs. others

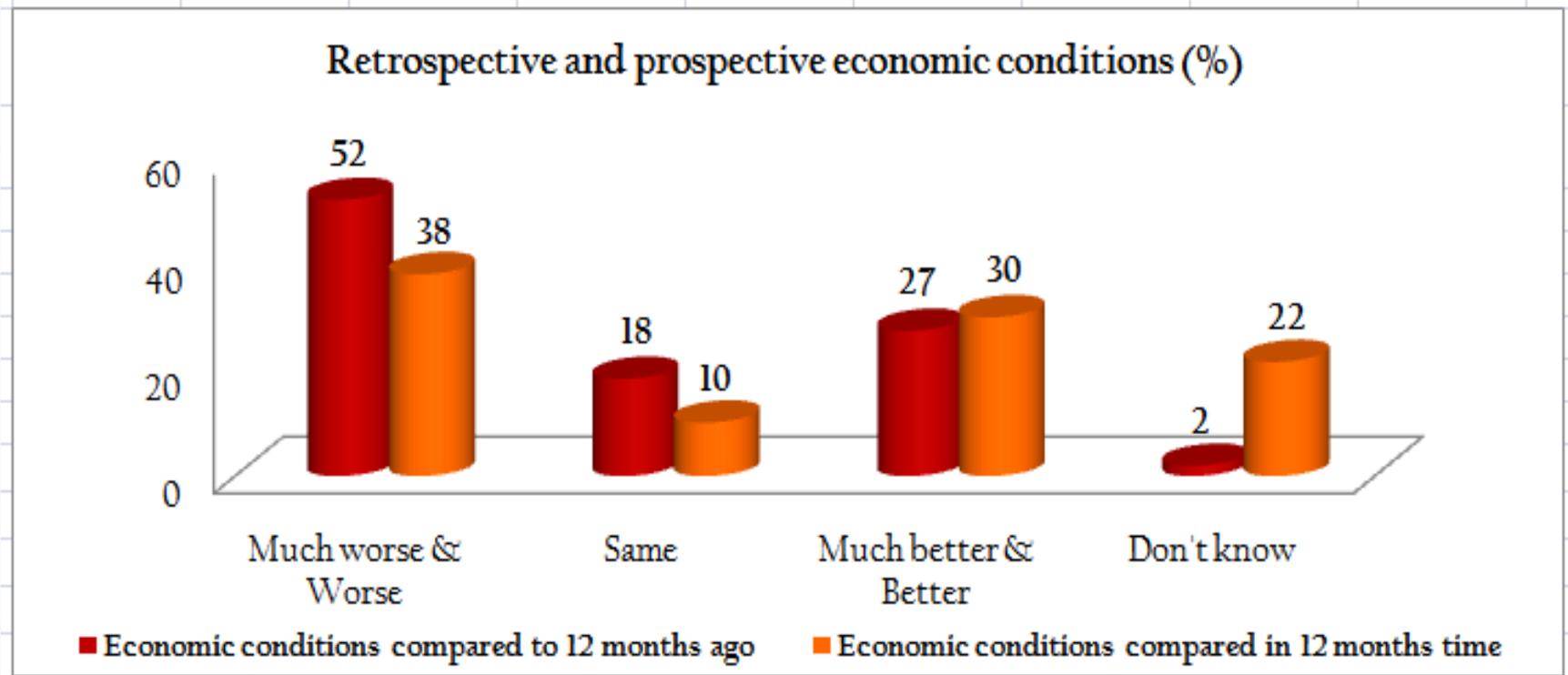
- The percentage of those who see their living conditions compared to others as “worse” or “much worse” increased by 10 percentage points between 2012 and 2014.



Retrospective and prospective assessment of national economic conditions

- A majority (52%) assess current economic conditions as “worse” or “much worse” compared to the past year.
- Almost four in 10 (38%) express pessimism about economic conditions in the coming year, while 30% were optimistic.

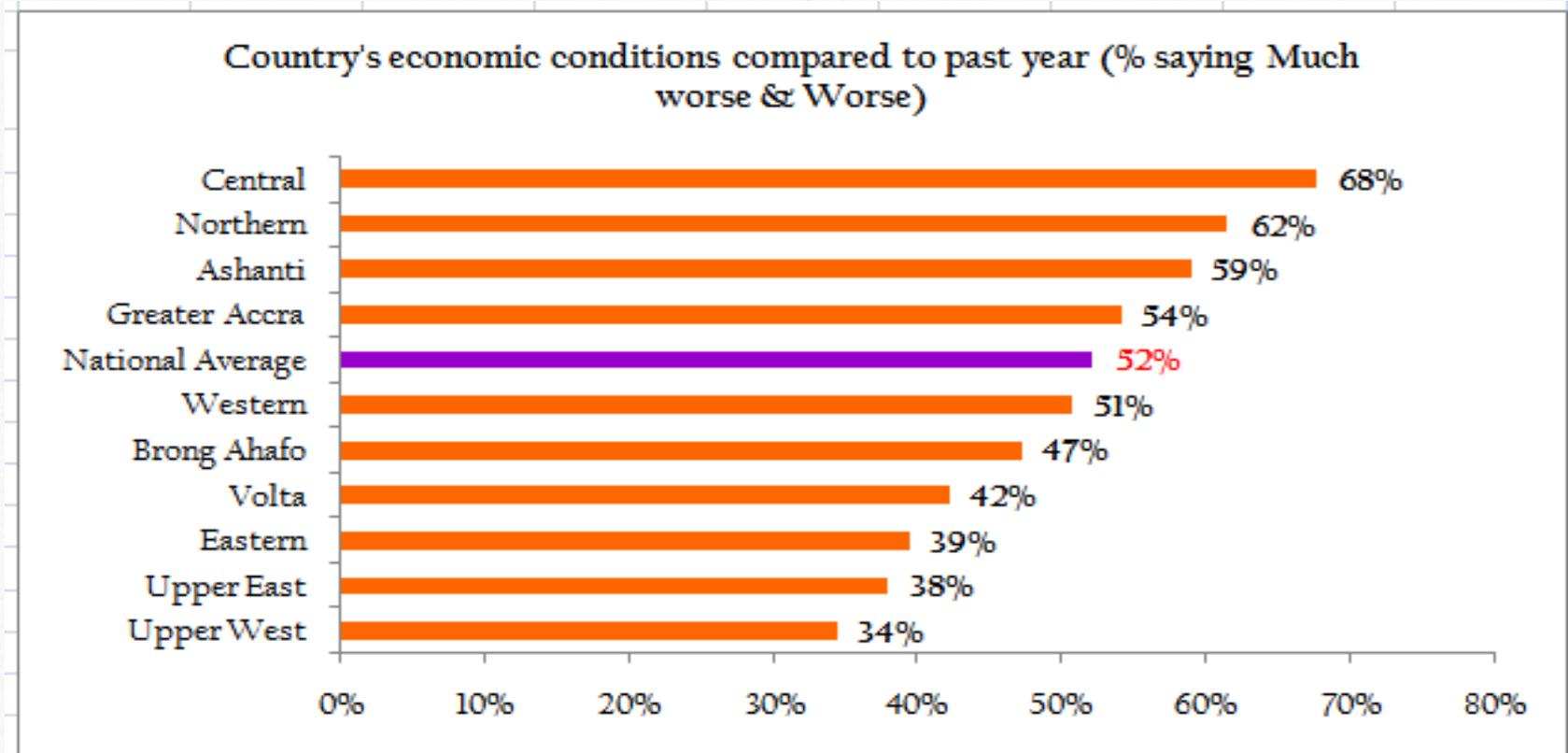
Retrospective and prospective assessment of national economic conditions



Looking back, how do you rate economic conditions in this country compared to 12 months ago?
Looking ahead, do you expect economic conditions in this country in 12 months' time to be better or worse?

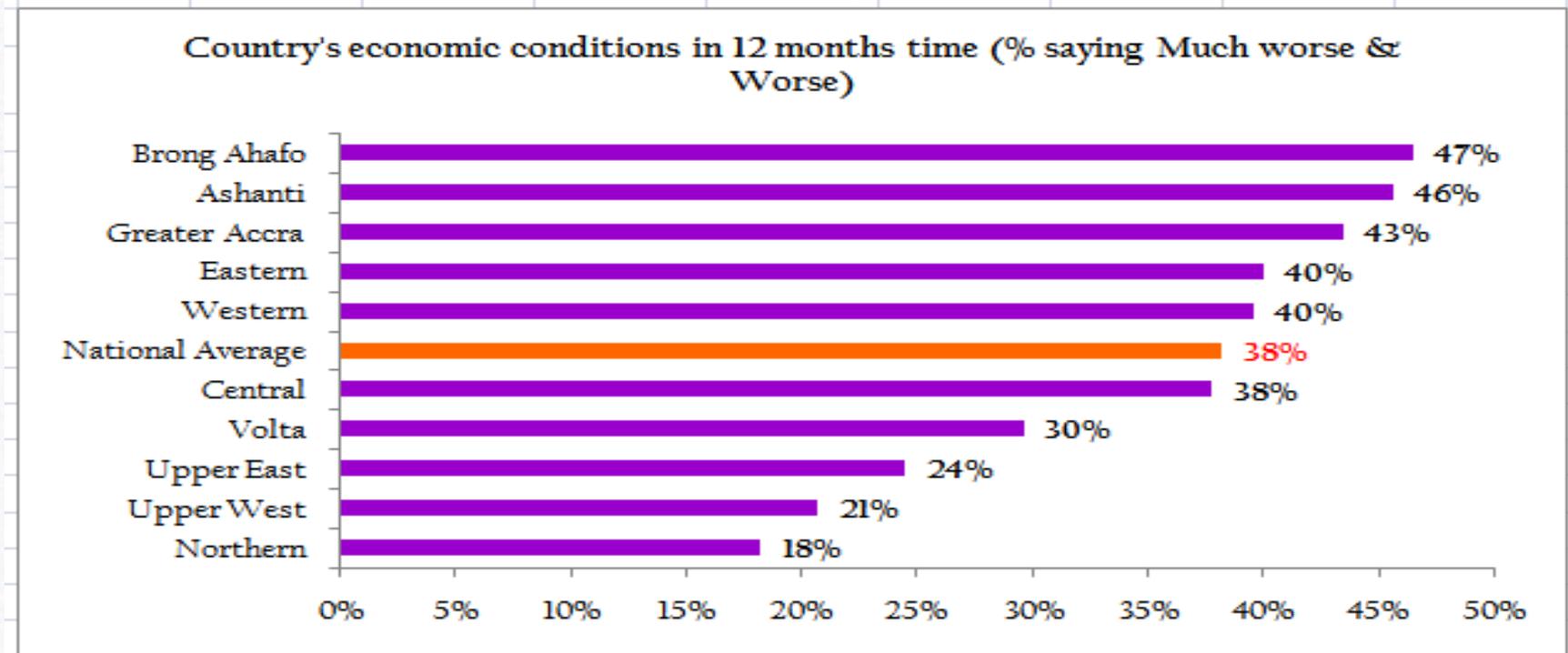
Retrospective assessment of national economic conditions, by region

- Negative assessments of retrospective economic conditions are more common than the national average in Greater Accra, Ashanti, Northern, and Central Regions.



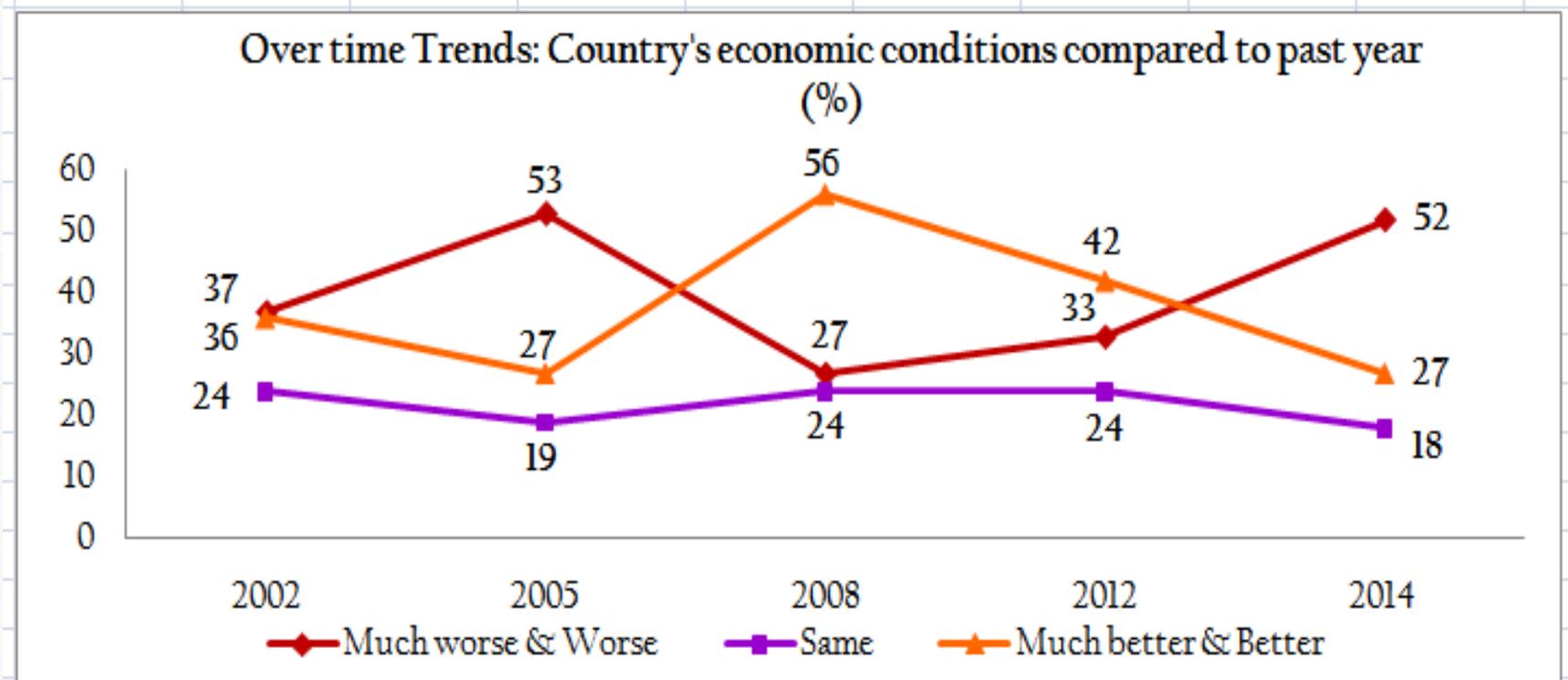
Prospective assessment of national economic conditions, by region

- In Western, Eastern, Greater Accra, Ashanti and Brong Ahafo Regions, the proportion of respondents who are pessimistic about national economic conditions in the coming year are greater than the national average.



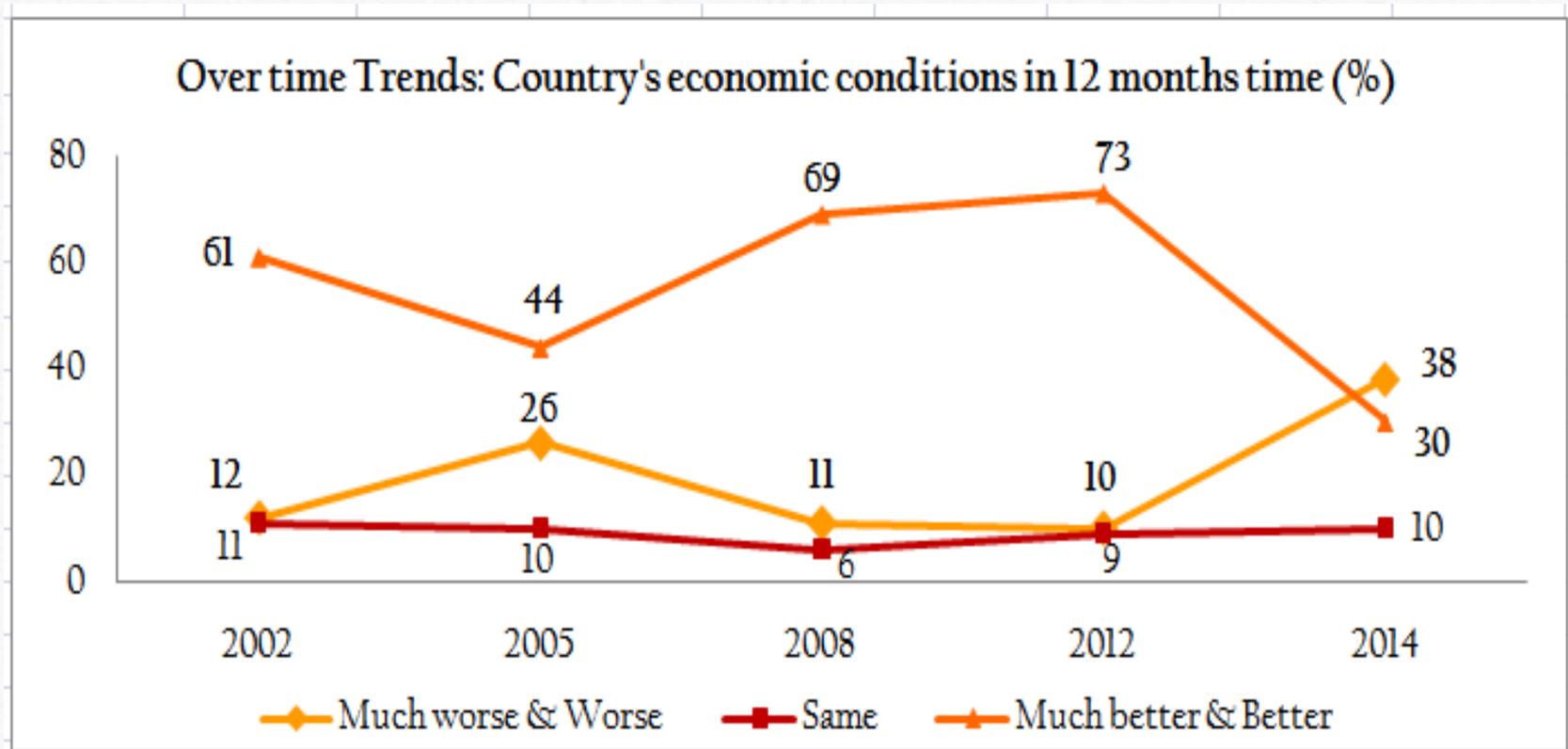
Trends: Retrospective national economic conditions

- Negative assessments of retrospective economic conditions increased by 15% between 2002 and 2014, and by 19% between 2012 and 2014.



Trends: Prospective national economic conditions

- The level of economic optimism among Ghanaians witnessed a significant 43% decline between 2012 and 2014, and a 31% decline over the period 2002 -2014 .





Shortages of basic necessities

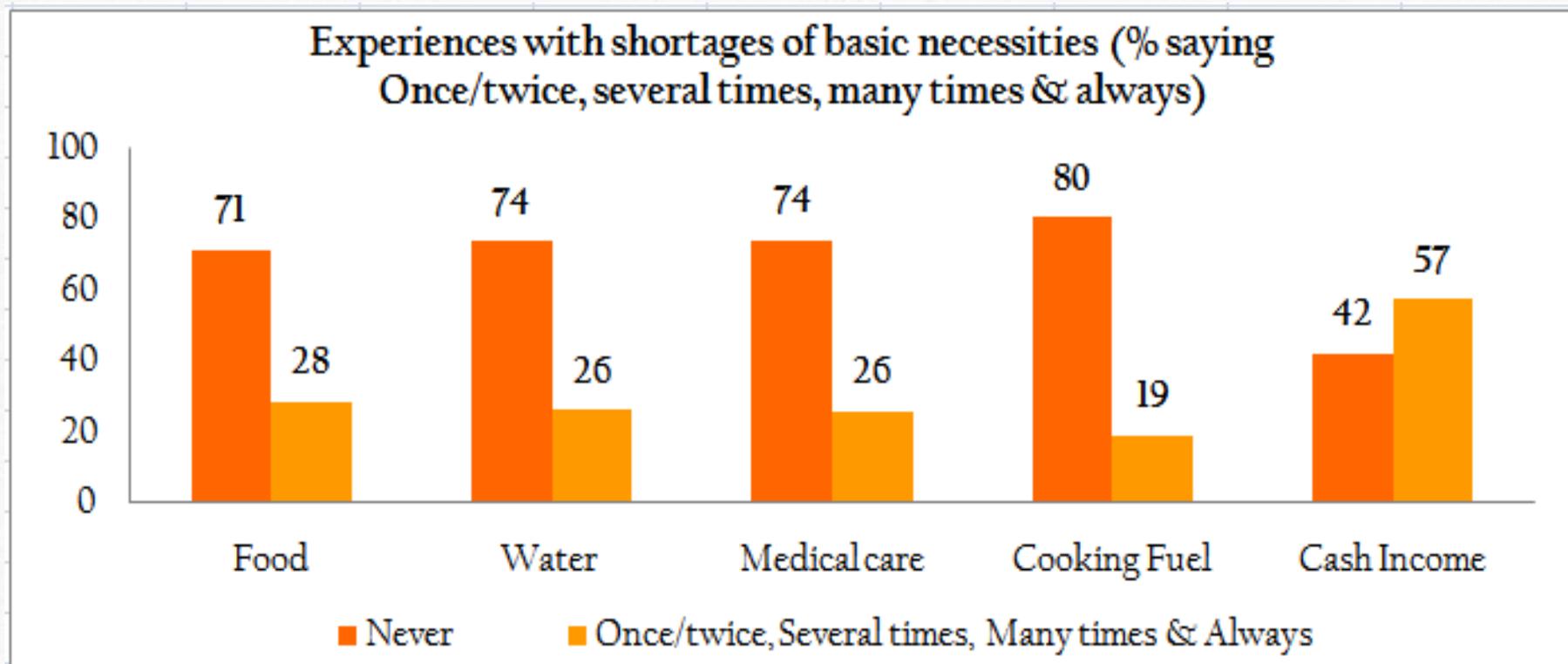
Key findings

- Some Ghanaians went without basic necessities such as food, water, medical care, fuel for cooking, and cash income sometime within the past year.
- Lack of cash income was the most common of these problems.

Shortages of basic necessities

- Close to six in 10 Ghanaians (57%) report lacking cash income sometime during the past year.
- On average, a little over one quarter of Ghanaians report going without the following necessities sometime in the past year: food (28%), water (26%), and medical care (26%).
- About one fifth (19%) also lacked fuel for cooking.

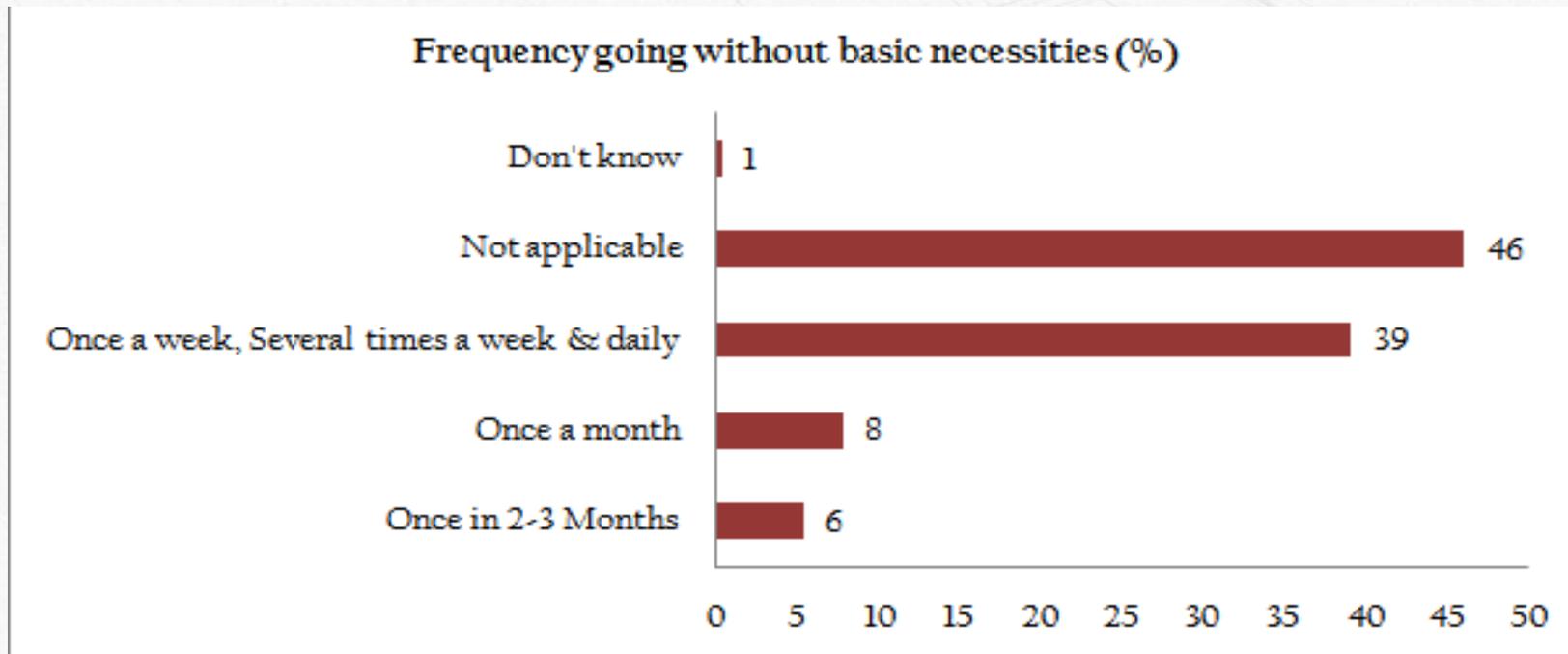
Shortages of basic necessities



Respondents were asked: Over the past year, how often, if ever, have you or anyone in your family: (A) Gone without enough food to eat? (B) Gone without enough clean water for home use? (C) Gone without medicines or medical treatment? (D) Gone without enough fuel to cook your food? (E) Gone without a cash income?

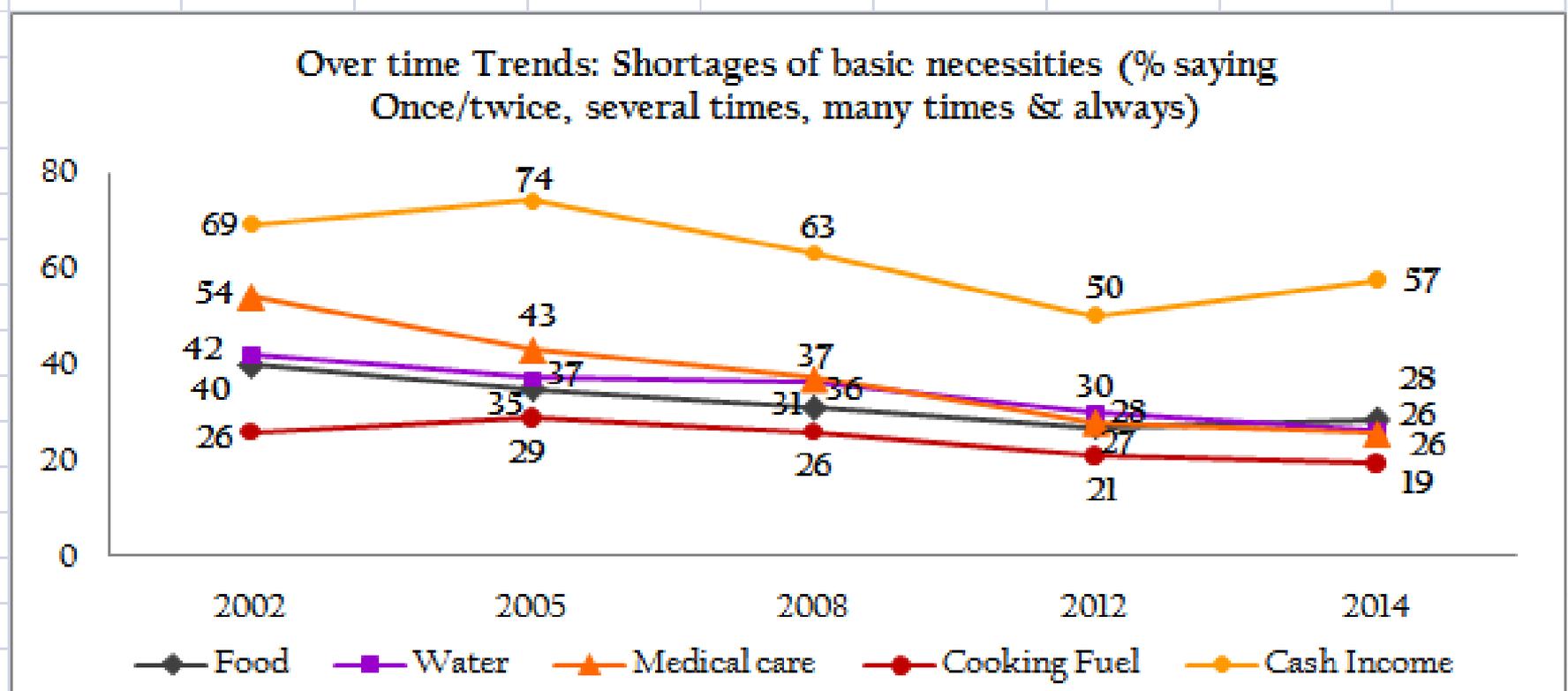
Frequency of shortages of basic necessities

- Nearly four of 10 respondents (39%) say they lacked at least one of these basic necessities “once a week,” “several times a week,” or “daily.”
- 8% said they lacked one of these basic necessities “once a month,” while 6% said “once in two to three months.”



Trends: Shortages of basic necessities

- The proportion of Ghanaians who went without basic necessities has been on a decline between 2002 and 2014.
- However, shortage of cash income increased by 7 percentage points between 2012 and 2014.





The policy priorities of Ghanaians

Key findings

- The problem the plurality of Ghanaians list as their topmost priority for government to address is management of the economy.
- This is a shift from previous surveys, in which unemployment ranked as the top priority.

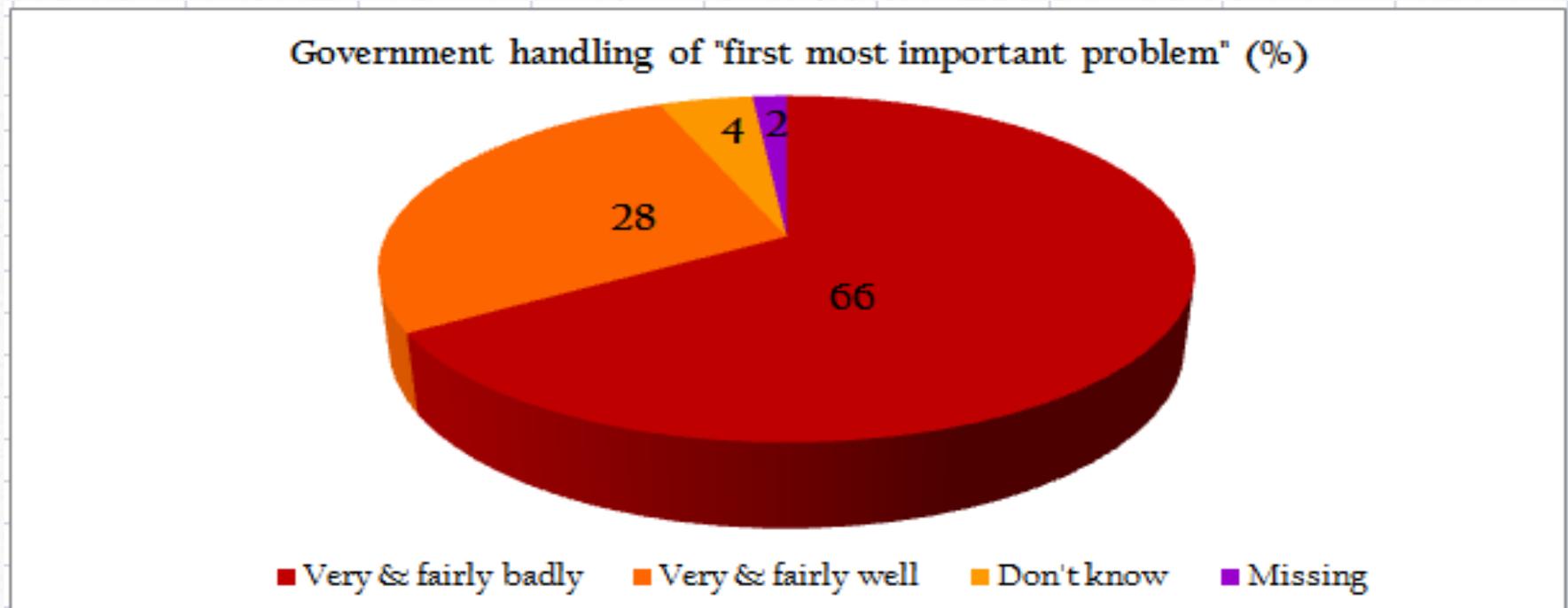
Trends: Policy Priorities of Ghanaians

- In Round 6 (2014), a plurality of Ghanaians identified **Economic Management** (18%) as the most important problem government must address. This is followed by education and electricity (12% each) and Health (10%).
- Round 5 (2012): **Unemployment** (23%); Education (14%); and Health (13%).
- Round 4 (2008): **Unemployment** (25%); Water Supply (11%); and Education (12%).
- Round 3 (2005): **Unemployment** (22%); Education (15%); and Health (14%).

Respondents were asked: *In your opinion, what are the most important problems facing this country that government should address?*

Government Handling of Policy Priorities

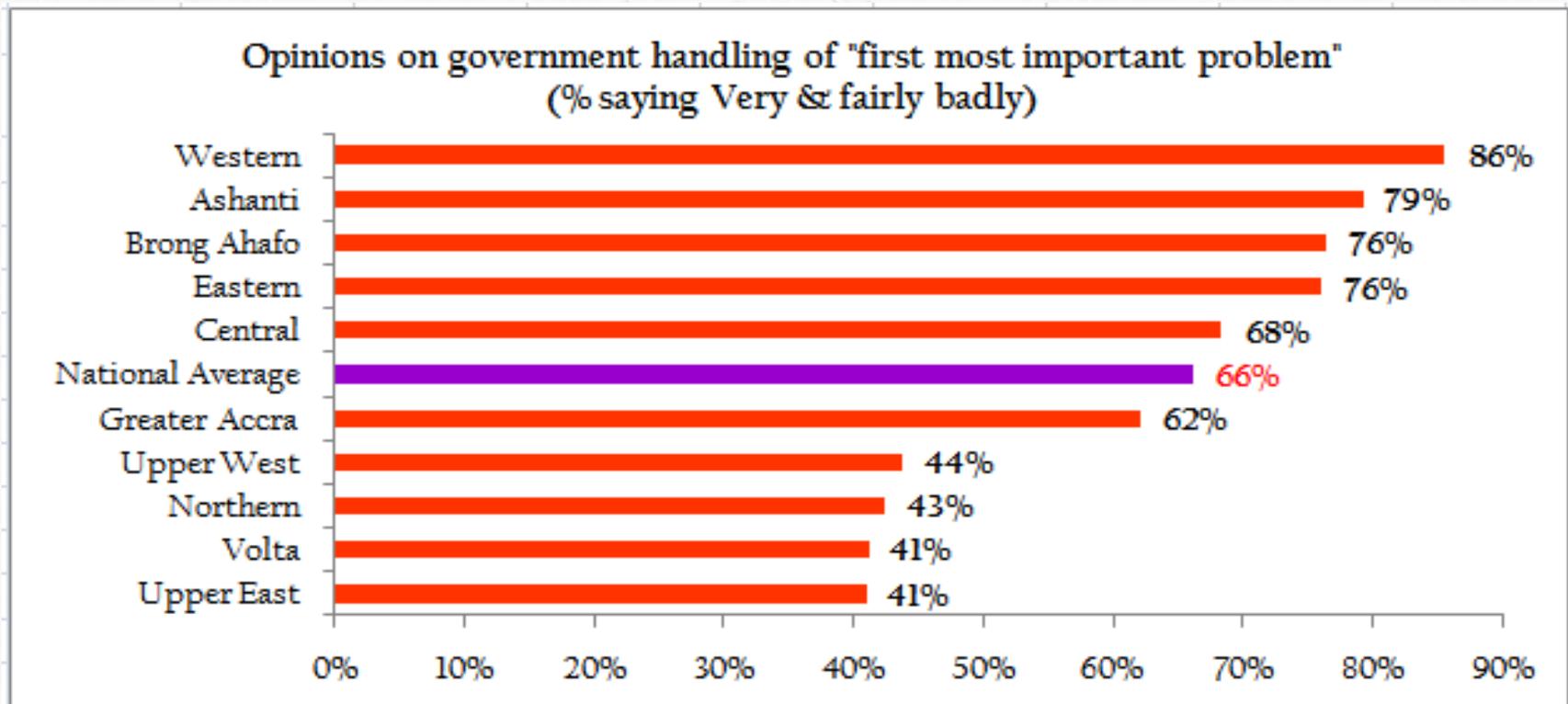
- Two-thirds of Ghanaians (66%) who listed government's economic management as their topmost priority assess government handling of the economy "very badly" or "fairly badly."



Respondents were asked: Thinking of the problem you mentioned first, in your opinion, how well or badly would you say the current government is handling this problem, or haven't you heard enough to say?

Government Handling of Policy Priorities, by region

- Residents of Upper West, Northern, Volta and Upper East Regions were less critical than the national average of the government's economic management.





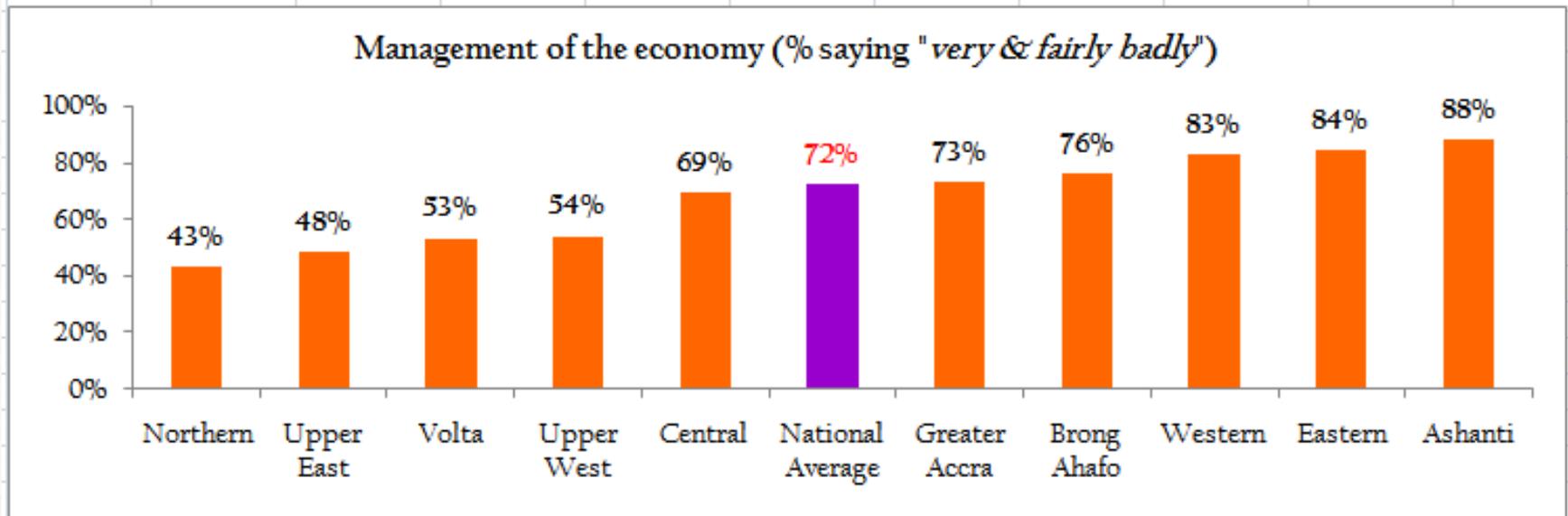
Economic performance of government

Key findings

- In general, government received negative ratings on how it has managed key macro-economic issues.
- Trend data shows an increase in negative popular assessment of government's macro-economic performance.

Government economic performance: managing the economy

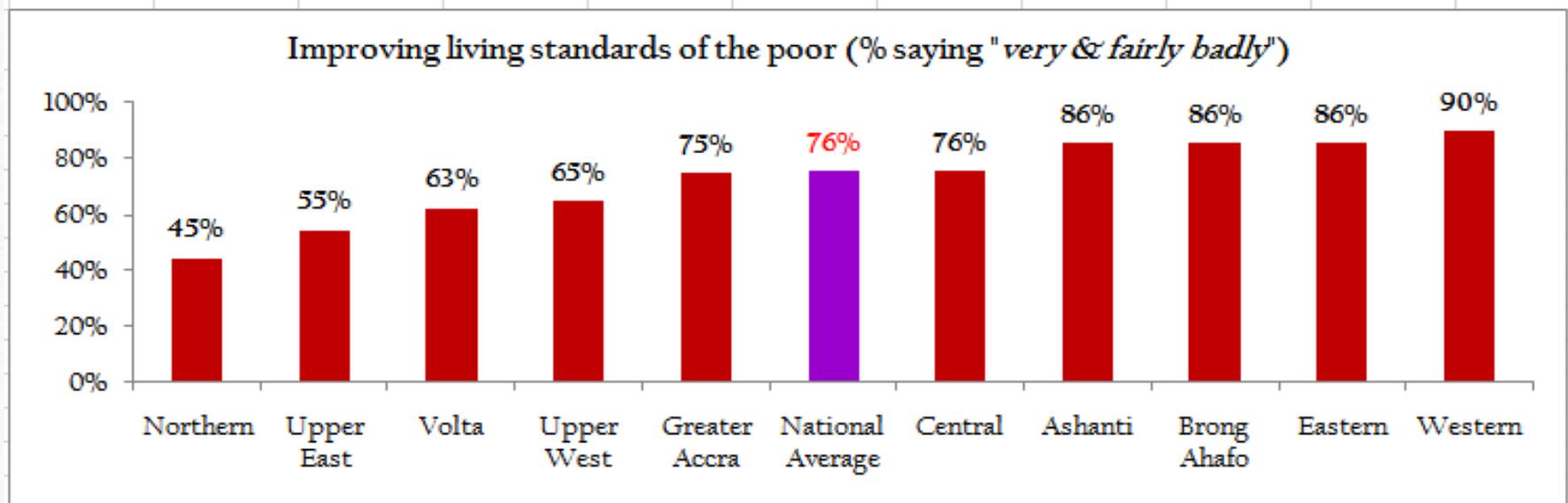
- A large majority of Ghanaians (72%) say government is managing the economy “very badly” or “fairly badly.” One quarter (25%) say “very well” or “fairly well.”
- The negative performance ratings of government economic management in Western, Eastern, and Ashanti regions are significantly higher than the national average.



Respondents were asked: How well or badly would you say the current government is handling the following matters, or haven't you heard enough to say: Managing the economy?

Govt. economic performance: helping the poor

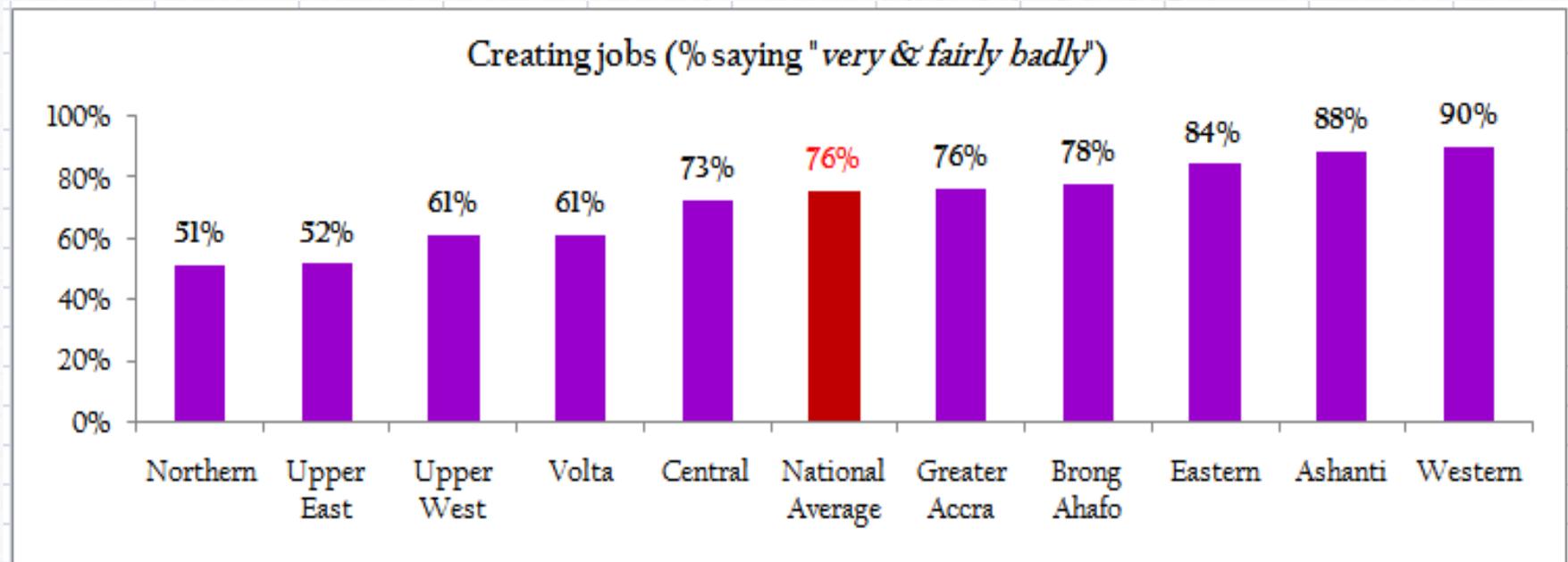
- Three-fourths (76%) say the government is performing “very badly” or “fairly badly” in improving the living standards of the poor.
- Ashanti, Brong Ahafo, Eastern, and Western regions reported significantly higher negative responses than the national average.



Respondents were asked: How well or badly would you say the current government is handling the following matters, or haven't you heard enough to say: Improving the living standards of the poor?

Govt. economic performance: creating jobs

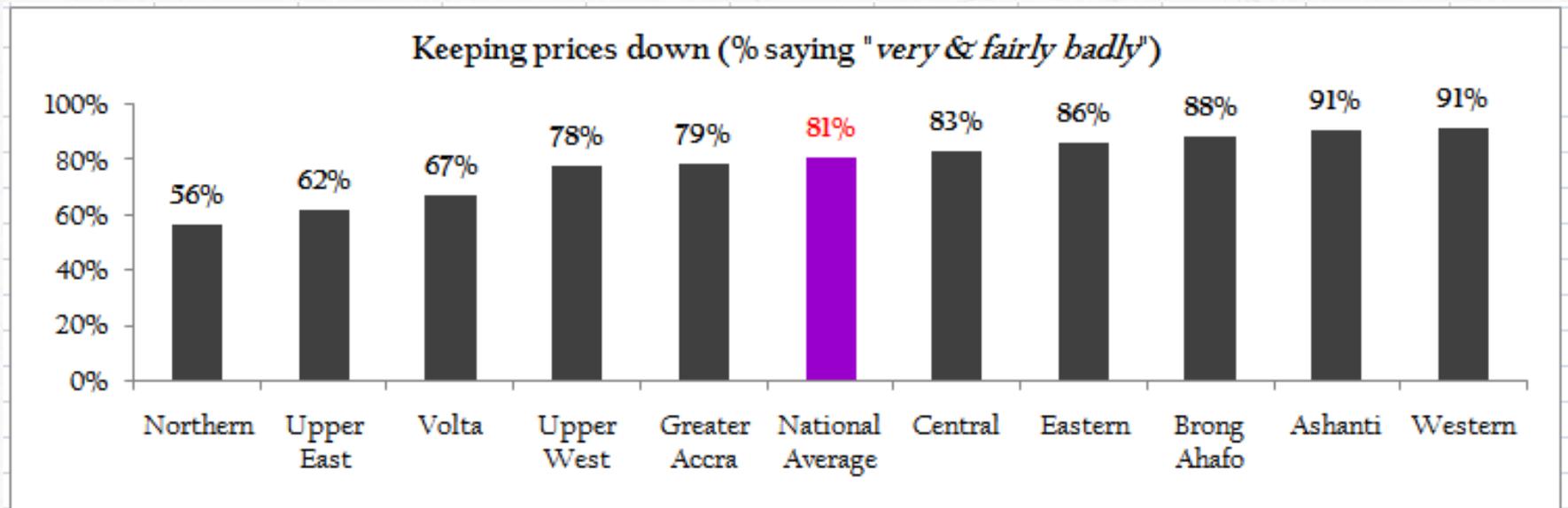
- 76% say the government is performing “very badly” or “fairly badly” in creating jobs.
- Across the 10 regions, more than half of respondents assessed government’s job-creation performance negatively. Eastern, Ashanti, and Western regions gave the worst assessment ratings.



Respondents were asked: How well or badly would you say the current government is handling the following matters, or haven't you heard enough to say: Creating jobs?

Govt. economic performance: keeping prices down

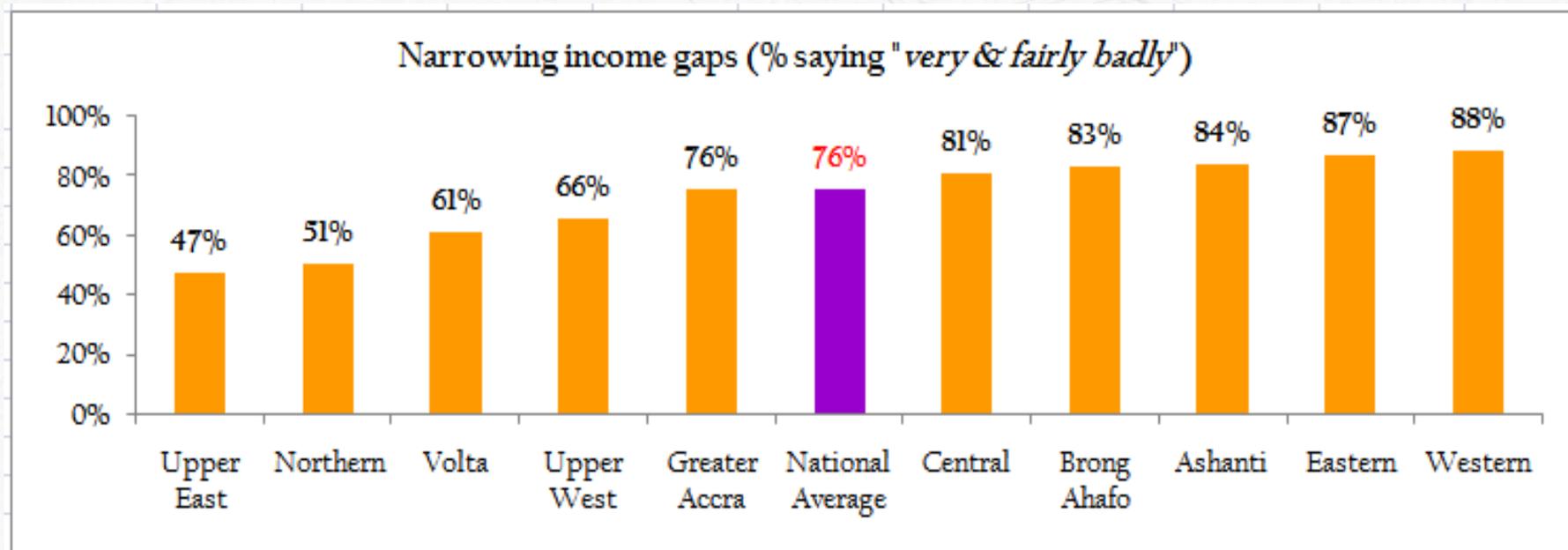
- Four of five Ghanaians (81%) think government has performed “very badly” or “fairly badly” in keeping prices down.
- Unfavorable assessments are more common than the national average in Eastern, Brong Ahafo, Ashanti, and Western regions.



Respondents were asked: How well or badly would you say the current government is handling the following matters, or haven't you heard enough to say: Keeping prices down?

Govt. economic performance: narrowing income gaps

- Three-fourths (76%) say government is performing “very badly” or “fairly badly” at narrowing income gaps.
- Central, Brong Ahafo, Ashanti, Eastern, and Western regions recorded higher than national negative averages.



Respondents were asked: How well or badly would you say the current government is handling the following matters, or haven't you heard enough to say: Narrowing gaps between rich and poor?

Trends: Government Economic Performance Ratings

- Over time, negative ratings of government performance have increased across all five indicators (managing the economy, improving living standards, creating jobs, keeping prices down, and narrowing income gaps). The tables show changes over two time periods: 2012-2014 and 2002-2014.

MANAGING THE ECONOMY

	2002	2005	2008	2012	2014	Change 2012-2014	Change 2002-2014
Very/Fairly badly	25	37	29	52	72	+20	+47
Very/Fairly well	66	58	68	46	25	-21	-41

IMPROVING LIVING STANDARDS OF THE POOR

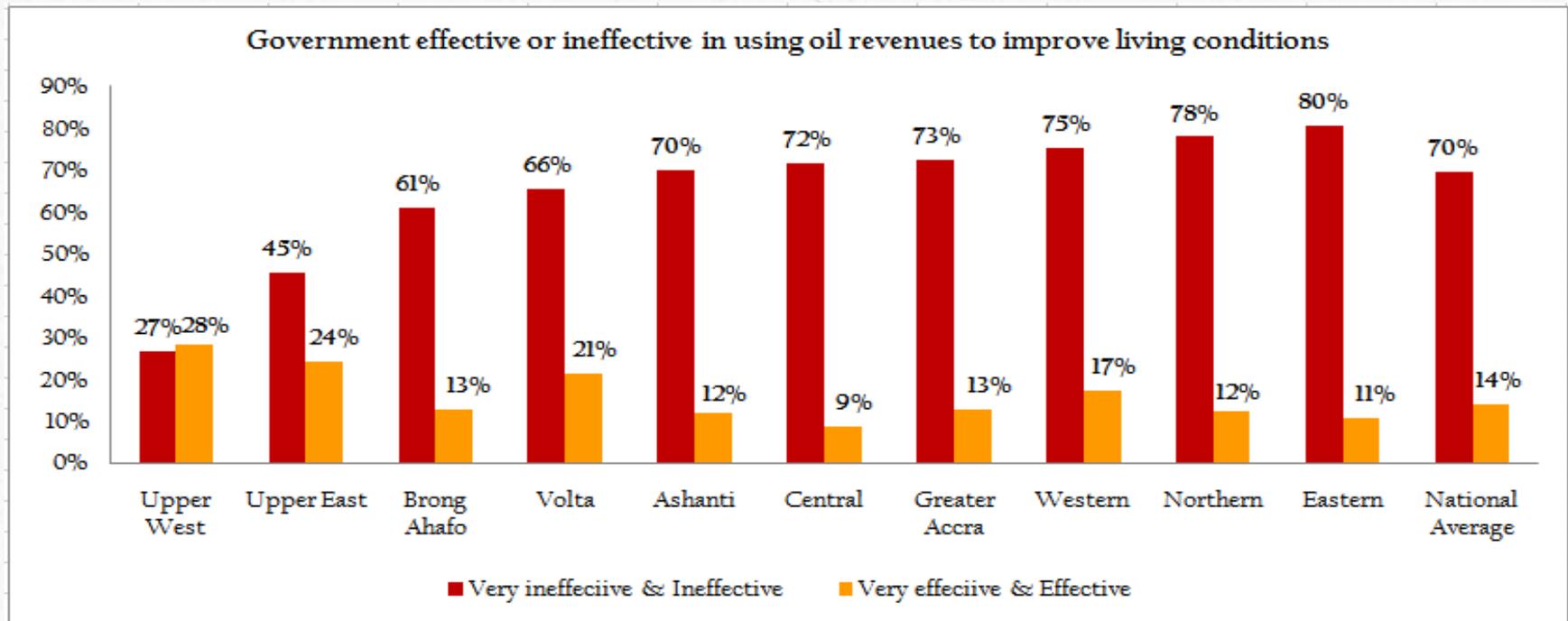
	2002	2005	2008	2012	2014	Change 2012-2014	Change 2008-2014
Very/Fairly badly	--	--	47	65	76	+11	+29
Very/Fairly well	--	--	50	34	21	-13	-29

Trends: Government Economic Performance Ratings

CREATING JOBS							
	2002	2005	2008	2012	2014	Change 2012-2014	Change 2002-2014
Very/Fairly badly	47	56	43	66	76	+10	+29
Very/Fairly well	45	39	54	32	21	-11	-24
KEEPING PRICES DOWN							
	2002	2005	2008	2012	2014	Change 2012-2014	Change 2002-2014
Very/Fairly badly	38	60	61	77	81	+4	+43
Very/Fairly well	57	38	37	23	17	-6	-40
NARROWING INCOME GAPS							
	2002	2005	2008	2012	2014	Change 2012-2014	Change 2002-2014
Very/Fairly badly	54	67	50	70	76	+6	+22
Very/Fairly well	36	29	36	27	19	-8	-17

Govt. economic performance: use of oil revenues

- Seven of 10 Ghanaians (**70%**) believe government has been “ineffective” or “very ineffective” in using oil revenues to improve living conditions in the country.

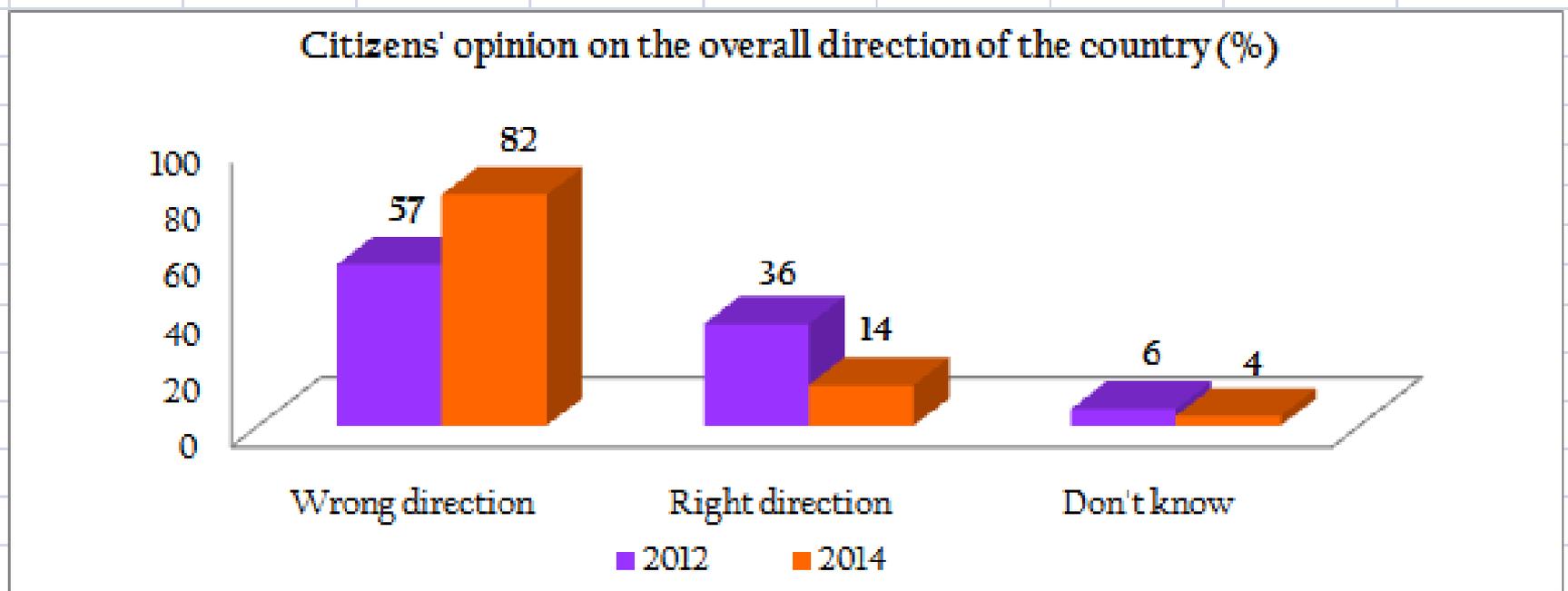


Respondents were asked: Ghana has been earning oil revenues since 2010. In general, do you think that the government has been effective or ineffective in using those revenues to improve living conditions in the country?

Conclusions

Country heading in 'the wrong direction'

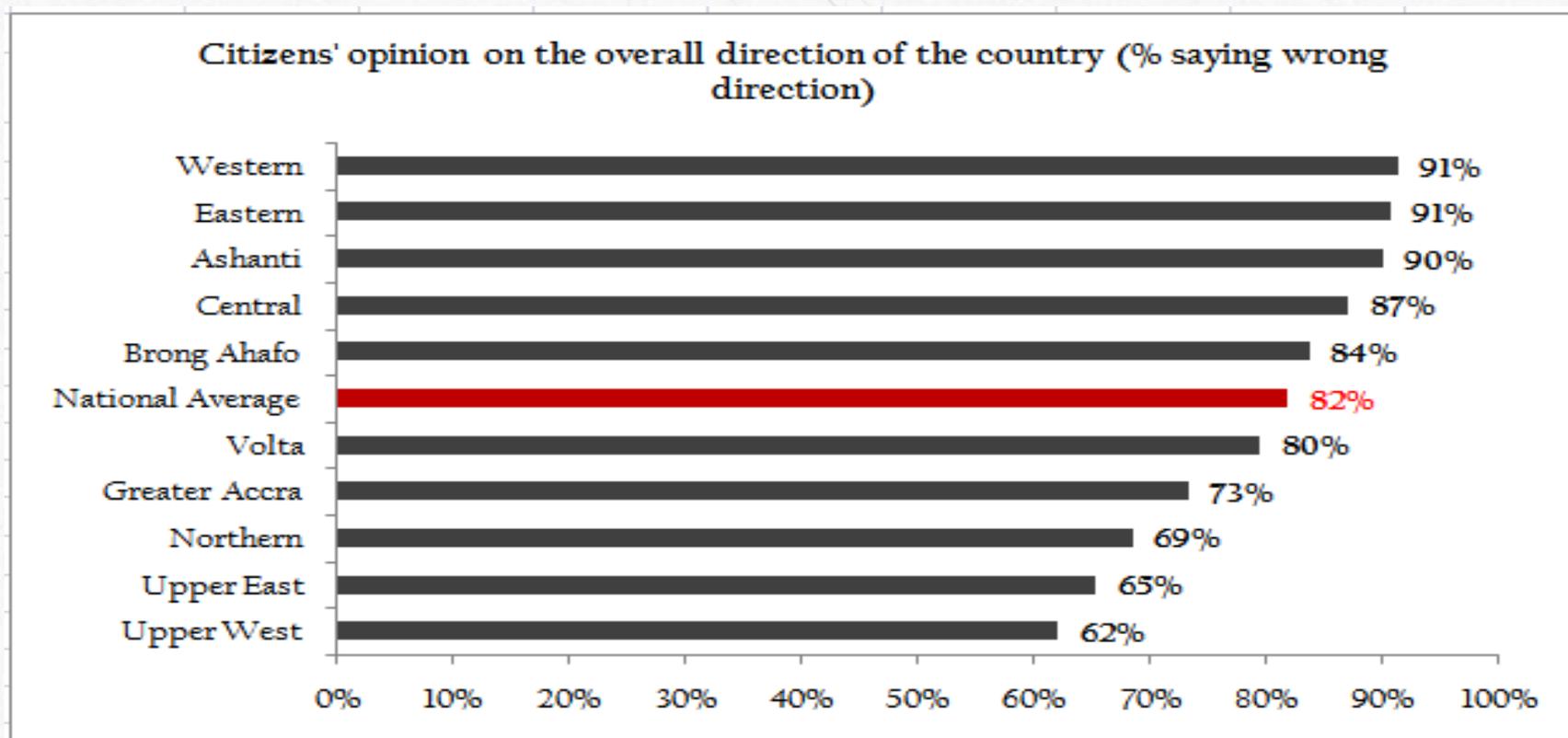
- A large majority of Ghanaians (82%) believe the country is heading in “the wrong direction.” In 2012, 57% held this view.



Respondents were asked: Let's start with your general view about the current direction of our country. Some people might think the country is going in the wrong direction. Others may feel it is going in the right direction. So let me ask you about the overall direction of the country: Would you say that the country is going in the wrong direction or going in the right direction?

Country heading in ‘the wrong direction’, by region

- The belief that the country is heading in “the wrong direction” is widespread across the 10 regions.





Thank you

Forthcoming presentation

- Trust in public institutions / officials
- Perceived corruption by public institutions / officials

- Government social service delivery performance ratings
- Local government performance ratings
- Elected leaders job performance ratings

- Popular democratic beliefs and attitudes
- Popular beliefs and attitudes towards taxation