

# Managing Government Interventions to Reduce Income Inequality and Poverty in Ghana

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## Abstract

The fight against poverty and inequality continues to gain government attention. Consequently, the government continues to formulate and implement diverse policies with little success. However, there is a growing understanding that policies do not fail solely on their merits. Indeed, their success largely depends on the governance processes involved in their implementation too. Thus, there has been a resurgence of interest in the concept of governance since the early 1990s. This study aims to examine whether governance reduces poverty and income inequality in Ghana. Also, to investigate perceptions of policy implementation practices in Ghana. The study used both qualitative (Thematic and Content analysis) and quantitative analyses (Structural Equation Modeling) for the analysis. According to the qualitative analysis, policy formulation lacks the processes perceived by Ghana's citizens. The quantitative analysis showed that governance has a positive effect on poverty and income inequality reduction. Thus, the absence of effective governance creates a gap in the path to progress and the abolition of poverty and income inequality. In addition, the poor should be involved in shaping their destiny through well-informed participatory politics. Furthermore, there should be zero tolerance for corruption and close monitoring of every poverty reduction program put in place by the government to ensure its transparent implementation.

## Keywords

Good Governance, Bad Governance, Implementation, Policy, Welfare

## 1. Introduction

Developing countries face numerous obstacles, including poverty, inequality, and underdevelopment. Consequently, countries have prioritized these issues and implemented strategies to address them (Sebudubudu, 2010). According to Lennon

(2009), a government, political party, or corporation may define a policy as a strategy or course of action intended to influence decisions, actions, and other matters. Almost every facet of society's endeavor is the focus of policy, a dynamic and morally complex procedure by which a democratic system addresses a public issue (Bolaji, 2014; Bolaji, Grey & Campbell-Evans, 2015).

According to de-Graft Aikins et al. (2016), Ghanaian governments have prioritized the welfare of their citizens in their governance policies ever since gaining independence. Translating political objectives into practical social welfare measures has proven difficult. Recently, purposive targeted interventions have been attempted to address disparities in healthcare, education, employment, and agriculture. Some of these new programs are the Education Capitation Grant, the School Feeding Program, the National Health Insurance Scheme (NHIS), Community-based Health Planning and Services (CHPS), Free Basic Education, One Village One Dam, Planting for Food and Jobs, Livelihood Empowerment Against Poverty, etc. (see for more details, Abukari, et al., 2015, or Atuilik, 2025). None of the projects showed any significant results.

Given the current level of economic inequality and poverty in Ghana, and despite more than 50 years of development assistance, policies, and efforts, the bulk of the population's standard of living has not improved. Indeed, according to Bonye et al. (2013), over the past three decades, there has been little success in the attempts of governments, the IMF, and the World Bank to implement policies and strategies to invert the downward trend in people's living standards and create an environment that would allow for the start of sustained economic growth and prosperity. This begs the question of whether the problem stems from the way the policies are being implemented or if the policies are not appropriately aimed at decreasing poverty and income inequality.

Currently, there is a consensus on the significance of both the content of economic policies and the process by which they are implemented, particularly in light of new international strategies for reducing poverty. This follows the relative failure of structural adjustment policies in developing countries (Aloui, 2019). Development programs are starting to incorporate new features, including ownership, participation, and governance (Aloui, 2019).

It is common knowledge that the success of policies is not based solely on their merits. Indeed, their advancement also relies on the governance process involved in their implementation (Hudson, Hunter, & Peckham, 2019). Thus, there has been a resurgence of interest in the concept of governance since the early 1990s. Indeed, the good governance agenda has dominated the field of international development. The concept of "good governance" is predicated on advancements that have "virtually every aspect of the public sector". The term "governance" is expansive and multifaceted (Grindle, 2004). Engaging with a wide range of institutions, establishing ground rules for political and economic interactions, and creating decision-making frameworks that assign priorities to public issues and distribute resources are all necessary to advance the good governance agenda (Aloui,

2019). Changes in political decision-making, interest representation, public discussion procedures, and political organizations can occasionally be necessary when implementing good governance or excellent implementation tactics (Grindle, 2004). Despite this challenge, recent political pronouncements from bilateral and multilateral donors highlight the significance of good governance as a means of achieving greater economic growth, which in turn contributes to the general well-being of the citizenry as well as a desirable goal or component of development (Aloui, 2019).

Development agencies' international law has recognized "bad governance" as a significant barrier to the advancement of economic progress and well-being in developing nations (Moore, 2001). For example, Collier (2007) showed that poor governance is one of the four "development pitfalls". Based on recent historical data from 58 small countries (those categorized as falling behind the rest of the developing world in terms of economic growth and the eradication of poverty), he found that 76% of them had "been prolonged by a period of bad governance and bad economic policy".

Employing both qualitative and quantitative approaches could help investigate how governance and policy implementations have affected poverty and income inequality, especially in Ghana.

The following questions were the focus of this study: 1) Does Ghana's governance help to reduce poverty and income inequality? 2) How do Ghanaians perceive policy implementation procedures?

Several empirical studies have been conducted on governance, political systems, and government intervention appraisals (Ayee, 2000; Nkrumah, 2000; de-Graft Aikins et al., 2016; Abdulai, 2015; Kwankye & Cofie, 2015; Selase, 2018; Akudugu, Fielmaa, & Akugri, 2012; Ahwoi, 2010; Nudzor, 2014). None of these studies empirically tested the effect of the implementation of government intervention on poverty and income inequality. The ones that came close only did this in the theoretical approaches. This study fills the gap between the theoretical and empirical contributions in this research area.

The rest of the paper is organized as follows: First, the study described some stylized facts regarding Ghana. Second, the study expounded a short survey of the related literature. Third, the research strategy was outlined, including the presentation of data. Fourth, some explanations and comments on the empirical findings regarding the relationship between poverty and governance were illustrated. Finally, the study wraps off this effort with political observations and conclusions.

## **2. Stylised Facts**

### **2.1. System of Governance in Ghana**

One developing nation that has embraced decentralization to support accountable, efficient, inclusive, and bottom-up local governance is probably Ghana (Anafo, 2018), at least in Africa. The foundation for Ghana's efforts to create an effective local and national governance framework is provided by the Republic of

Ghana's 1992 Constitution, the Local Government Act 1993 and its successor, the Local Governance Act 2016, as well as several other pieces of legislation (Crawford, 2004; Anafo, 2018).

Ghana's history of decentralization began with the British colonial authorities' implementation of indirect control in 1878 (Ayee, 2000; Nudzor, 2014). It continues from the pre- and post-independence periods to the current democratic and "Fourth Republican" regime. Chiefs and elders were chosen by hand to represent their people in the government during the colonial era (Kyei, 2008). They were established as local authorities with the authority to "establish treasuries, appoint staff and perform local government functions" (Crawford, 2004). The effort was to assist British colonial authorities in maintaining peace and order, even if it went against democratic values (Forkuor & Adjei, 2016). An attempt was made to bring the government apparatus closer to the populace through the creation of districts in coastal towns and, subsequently, in the northern territories (Crawford, 2004). Crawford (2004) claims that this administrative structure substituted the democratic principles of Ghanaian chieftaincy, which held chiefs accountable to their subjects, with upward accountability to the colonial "master". This was due to the fact that, as Nkrumah (2000) points out, "the chief's recognition by the central government was more crucial than his people's support" (Nudzor, 2014).

Political unrest following Ghana's independence in 1957—primarily brought on by military coup—thwarted attempts at decentralization until 1988, when the government began to demonstrate a stronger commitment to the decentralization of administration (Ahwoi, 2010; Nudzor, 2014; Forkuor & Adjei, 2016). This was demonstrated by the passage of PNDC Law 207, and the People's Defence Committees (PDCs) were established in every town and village. Ayee (2000) countered that PNDC Law 207 was similar to other regimes in that it prioritized the administrative decentralization of the federal government over the transfer of political power to local governments.

After the law was passed, ten regions of Ghana had 110 districts instead of 65 (Songsore, 2003). The DA, a non-partisan political organization, held elections every four years after the first round of elections in 1988/89. Until 2003, there were 110 Metropolitan/Municipal/District Assemblies (MMDAs). After these 28 additions, there were 138 administrative districts. In 2007, 32 MMDAs were added, resulting in a total of 170. By the end of 2023, the current count of MMDAs was 261 (Forkuor & Adjei, 2016). The extent of government commitment to encouraging local engagement for grassroots poverty reduction and development is demonstrated by the progressive increments in administrative districts, which serve as centers of local development. The number of subdistrict structures naturally increases as the number of MMDAs increases (Forkuor & Adjei, 2016).

The goal of decentralization was consolidated in the 1992 Constitution within the larger framework of a liberal democratic constitution. The 1992 Constitution's Chapter 20, Article 240, Subsections 1 and 2 clearly state the goal of decentralization. The three main goals of decentralization are quick socioeconomic develop-

ment, efficient and effective service delivery, and a democratic participatory government.

A framework for local governance has been established ([Appendix 1](#)), with the Regional Coordinating Council (RCC) at its head serving as both a coordinating organization among the 16 regions of Ghana and a means of enhancing local participation in governance and eliminating all uncertainty. The MMDAs and sub-district organizations—the submetropolitan, urban, town, area, and zonal councils and unit committees—are positioned beneath the RCC. To guarantee the success of development projects and the decrease of poverty in their respective spheres of influence, these sub-district organizations are expected to function as subordinate entities to the MMDAs.

The president appointed a regional minister to lead each of the 16 regions' RCCs. The RCC is made up of two chiefs from the Regional House of Chiefs, the regional minister and his or her deputy, the District Chief Executive (DCE) and presiding members from each district, and the regional heads of the decentralized ministries in the area who serve as non-voting members.

As stated in the Legislative Instrument (L.I. 1589, 1994) that created the Sub-district structures (SDSs), their role is to represent the grassroots voice of the people by directing their hopes and aspirations towards the MMDAs for redress and sharing information from the MMDAs ([Ayee, 2000](#)). SDSs are not intended to initiate development projects. Because of this, they are not given a budget from the federal government or the MMDAs; instead, they must raise money through taxes or charitable donations and start grassroot-beneficial self-help projects and programs. Therefore, SDSs are crucial allies in promoting growth at the local level. However, there has only been a partial realization of this promise because there is still a significant obstacle to effective grassroots governments ([Akudugu, Fielmua, & Akugri, 2012](#)).

From a superficial examination, it appears that SDSs are not able to carry out their duties, as stipulated in the Local Government Act, 1993. They hardly ever have the opportunity to offer a forum for discussion, resolution, and pursuit of issues and goals related to community development. Because sub-district structures handle unimportant and routine matters, research and studies on them are not as actively conducted as on MMDAs ([Ayee, 2000](#)). There is little opportunity for them to play a representative and inclusive role in local-level development. According to [Ayee \(2000\)](#), a crucial aspect of local governance in Ghana is the implementation of a dual hierarchical structure in which institutions of the central government and their local counterparts “operate in parallel”, but with frequent encroachment by the more resource-rich central government on the functions and duties of the less resource-rich local government.

## **2.2. A Brief Narrative of Policy Implementation Processes**

Government policies are expected to be enacted, transformed into projects and programs that address public needs, and successfully carried out in order to meet

goals and targets aimed at raising the standard of living for the majority of the populace (Kwankye & Cofie, 2015).

The step in which the government implements an adopted policy as required by legislation or policy actions is known as policy implementation (Theodoulou & Kofinis, 2004). It includes, among other things, a number of actions made by the government and its agencies to fulfil the aims and objectives stated in policy declarations. According to Theodoulou and Kofinis (2004), government departments and agencies that oversee the relevant policy domain are formally assigned the task of putting the directive into action. The “Top-Down” theory holds that implementation requires the existence of a previous stage, in which broad decisions and objectives have been established and activated through the implementation process. Thus, the policy cycle that encompasses policy conception, delivery, review, monitoring, and evaluation includes the implementation of policies. However, putting an idea into practice is a complicated process because people doing so must anticipate and prepare for new obstacles as well as manage difficulties at several levels (Burke et al., 2012). The act of implementing policy is a distinct process conceptualized as a hierarchical structure involving four main levels, namely, governmental, regional, district, and community, despite being represented as the fourth stage of the policy-making process (Nudzor, 2014). This stage is frequently when a policy’s success can be determined; a well-written policy can be unsuccessful if it is poorly implemented (Selase, 2018).

In Ghana, policies are implemented at the national level by the Ministries in charge. The president of the Republic receives direct reports from the minister in charge of the ministry, which is responsible for all relevant matters. Even if a policy comes from a single ministry, inter-ministerial committees coordinate because policies typically overlap and require resources from other ministries for everything from planning and execution to assessment and oversight.

The Working Committee on Policy Implementation exists in addition to a Ministerial Committee. This is intended to guarantee that many stakeholders are effectively coordinated, collaborated, and harmonized in a functionally integrated national manner. Furthermore, the implementation plan aims to eliminate role ambiguities, reduce redundancy, and boost the overall policy implementation efficiency<sup>1</sup>.

A vital role is also played in the implementation process by organizations such as the Ghana Standard Authority, Commission on Human Rights and Administrative Justice (CHRAJ), CRDD, National Accreditation Board (formerly Inspectorate Division), National Road Safety Authority, and Food and Drugs Authority. These are independent organizations whose members are chosen by the government with the goal of enhancing policy implementation quality and control. The government is the only source of accountability.

<sup>1</sup>These organisations include: In the education sector, the National Council for Tertiary Education (NCTE) and Ghana Education Service; In the health sector, the Ghana Health Service, Nursing and Midwifery Council, and Medical and Dental Council, along with affiliated institutions; And, in the road and transport sector, the Ghana Highway Authority.

The implementation of social protection is the responsibility of sub-national actors, namely, Regional Coordinating Councils (RCCs) and local authorities. They work in conjunction with private and civil society groups to address regional contexts. Since the regional director is in charge of everything within the region, he or she communicates with the district directors and regional managers of the different religious and civil society organizations in the area to carry out any policies that are introduced or come from the national government. Among other things, the regional director is in charge of giving all the districts control of the help they require and facilitating the distribution of funding, instructional materials, and resources from the federal government.

The main players in advocacy, public education, monitoring, and assessment include traditional authorities, non-governmental and civil society organizations (NG/CSOs), organized labor, faith-based organizations, development partners, and the media.

The foundation of all official institutions in Ghana is the 1992 Constitution, which also establishes guidelines for leadership philosophies and organizational frameworks. Apart from the Constitution, there exists other formal legislation that regulates the lives of public officials in conducting government business, such as the Procurement Act (Act 663) and the Code of Conduct for Public Officials.

Using a streamlined questionnaire, Ghanaian policymakers assessed their policies after they were forced to see whether they were successful in accomplishing their objectives (Selase, 2018). Evaluations may take place both during and after the implementation of the policy. Ghanaian public policy is often evaluated for its applicability and relevance. This can lead to continuation, modification, or discontinuation. Policymakers' altering goals, values, views, and priorities are frequently the cause of these instances (Selase, 2018). The Medium-Term Development Policy Framework, Ghana Shared Growth and Development Agenda [GSGDA, 2010-2013] is an example of a public policy for reducing poverty in Ghana; it has been changed to the Medium-Term Development Policy Framework, Ghana Shared Growth and Development Agenda [GSGDA, 2014-2017]. The policymaking cycle restarts when new issues emerge, assisting governing bodies to effectively tackle significant new difficulties.

Numerous studies have examined the implementation process of policies in Ghana. Abdulai (2013) concluded that despite a gradual shift towards participatory decision-making and improvements in policy processes and outcomes, the country is plagued by a number of structural challenges that prioritize the preferences of the elite to the detriment of the disenfranchised rural populace. This research raises significant doubts about a few core tenets of good governance. According to a different study done by Abdulai (2015), Ghana's public policy and programme design and implementation have improved as a result of the country's consensus-based policy-making process. The author went on to say that the situation is far from satisfactory because elected and appointed participants continue to have an informational advantage over their non-state counterparts, marginal-

ized and unorganized groups continue to feel alienated, and official actors continue to have a stronger urge over non-authoritative players in participatory episodes. Additional issues that impact the execution of policies in developing nations were noted by Egonmwan (1991). These include defining goals too broadly, setting overly ambitious policy objectives, and selecting the wrong organizational structure for carrying out policies. Additionally, policy implementation may be omitted if the economic elements are ignored.

Policy implementors' failure to perform as they should because of a lack of funding will be the only outcome (Makinde, 2005). Implementation problems can occur when large sums of money are set aside for a project, but the officers in charge of carrying it out steal those funds or a significant portion of them (Makinde, 2005).

The aforementioned explanations outline several organizations involved in the implementation of national policy developed in Ghana. The fact that the policy is anticipated to be developed and carried out within a decentralized administrative framework poses certain important issues that require discussion. One of the most important topics to consider is whether the policy achieves the goals for which it was designed and whether the top-down, rationalist approach to policymaking places any constraints, difficulties, or limitations on policy-making processes.

### 3. Short Survey of the Literature

#### 3.1. Level of Influence of Actors and Ideas on Policy Implementation

Many elements influence and are affected by the creation and execution of policies. This section clarifies the ways in which various elements and power dynamics influence institutions, players, and ideas that propel the execution of policies aimed at reducing poverty and income inequality in Ghana.

Within every political system are individuals (known as the actors) who mould and sway choices and policies (de-Graft Aikins et al., 2016). The types of policies developed and put into effect depend on the character, extent, and balance of power among various actors. According to the UK Department for International Development (DFID, 2010, 2011), power relationships between policy actors are said to be ingrained in each nation's current "political settlements". Political settlement in Ghana comprises multiple groupings, each with distinct power dynamics. Oduro et al. (2014) created a typology of political settlements in Ghana, where four policy actor sets were positioned at four different degrees along a power and incentive for a change continuum. According to de-Graft Aikins et al. (2016), this typology identifies political elites, labor unions, business associations, the military, police, technocrats, and political party foot soldiers as groups with a great deal of power and a strong incentive to either support or oppose change in the decision-making process. According to Oduro et al. (2014), these people make up the ruling class or "elite class", and it is ultimately up to them to formulate and implement policies. This class has historically shown a propensity to back policies that

strengthen its position of power and status as the dominant class and to oppose any changes that put its standing in society in jeopardy.

Faith-based organizations (FBOs), multinational players, business organizations, and religious leaders comprise a second group that possesses significant decision-making power but lacks the motivation to bring about or oppose change (high power-weak incentive for change) (de-Graft Aikins et al., 2016). Because they support policymaking through grants, loans, and budgetary support, donors have considerable influence on national decision-making (de-Graft Aikins et al., 2016). Donors are hesitant to push for some types of change, however, as they worry that doing so could be interpreted as meddling in the nation's internal affairs. Traditional authorities, local political elites, local business elites, and small- and medium-sized enterprise (SME) traders constitute the third group. They have a strong incentive to either promote or oppose change, but very little power to do so (low power, high incentive for change) (de-Graft Aikins et al., 2016). The last category includes non-profit organizations, youth, women, and disability organizations, as well as small-scale farmers who lack the motivation and power to make an impact on decision-making. The nation's social protection policies are aimed at this category, which is considered the least fortunate. To reduce the enormous gap between the most and least influential groups, social protection policies have been implemented. The most powerful people want to keep things as they are, while the weakest strive for change (de-Graft Aikins et al., 2016).

Donors, political parties, and their developmental philosophies have been significant sources of concepts for social policy and security (de-Graft Aikins et al., 2016). Learning experiences from the south are also included in Ghana's social protection measures. To combat poverty and vulnerability, African nations traditionally depend on unofficial assistance and social insurance (de-Graft Aikins et al., 2016). For instance, regular financial agreements and payments like the "susu" and the "tontine" are common among rotating savings and credit groups in Ghana, Burkina Faso, Zaire, and Rwanda (Steel & Andah, 2003). According to Barrientos (2006), traditional approaches used in most African countries delink labour market policies and concentrate only on individuals, while social protection experiments in countries such as Bangladesh, Mexico, South Africa, Brazil, and Chile have adequate linkage with market policies and tend to focus more on families and households. Certain social protection programs in Ghana, like the LEAP project, were adapted from nations that led the way in developing programs with close ties to the market (de-Graft Aikins et al., 2016).

O'Toole (1997) examined how policies are implemented in network contexts, which include intricate institutional structures, linked groups, or systems. These settings require effective co-operation and coordination. This school of thought concludes that new policies must be incorporated into the routine tasks of those in charge of implementing them to be successfully implemented. It identifies the main obstacles to implementation as uncertainty, lack of trust, and weak or limited institutions.

Furthermore, Wandersman et al. (2008) identified three implementation-influencing elements. These comprise personal traits, organizational features, and community elements. Regarding individual traits, they contend that there are important elements related to implementation, such as the education of practitioners, their experience with the same or comparable innovation, and their attitude towards the innovation or the drive to apply it. They connect them to a range of organizational traits that are necessary for successful implementation, such as leadership, program goals and vision, commitment, and size; skills related to planning, executing, and assessing; climate; structure; and innovation-specific elements such as availability of information about the innovation and organizational support for its implementation. On the other hand, community-level elements that are important for programme implementation include social capital, collective efficacy, community empowerment, community competence, community preparation for prevention, and community capacity. These elements emphasize the value of relationships within the community, available resources, leadership, involvement, feelings of community, and readiness to take direct action to address issues that arise.

According to this framework, enhanced institutions, devoted leadership at the top, and community mobilization that leads to total ownership of the policy are all necessary for the successful implementation of policies. Ultimately, the achievement of successful implementation necessitates the mobilization of both material and human resources to support full implementation, in addition to the aforementioned factors.

### **3.2. Linkage Between Poverty and Income Inequality and Good Governance**

Although “governance” has many definitions, “good governance” is defined as the state in which “virtually every aspect of the public sector” is improved (Grindle, 2004). Engaging with a wide range of institutions, establishing ground rules for political and economic interactions, and creating decision-making frameworks that assign priorities to public issues and distribute resources are all necessary to advance the good governance agenda (Aloui, 2019). Adopting good governance can occasionally include modifications to public discussion procedures, interest representation, political decision-making, and political organization (Grindle, 2004).

The relationship between poverty and governance is close. Currently, poverty is governed by certain rules. Governance concerns pertain to the voice and power of the underprivileged and disadvantaged in society (Said, 2006). According to DFID (2007), governance is essential to winning the battle against poverty and cannot be achieved without “good” or at least “good enough” government. Furthermore, reducing poverty and income disparity is largely dependent on “governance done right”. States can be considered effective or ineffective based on their capacity to defuse violent conflicts, uphold their commitments to human

rights, foster economic development, and offer vital public services to their populace. According to [DFID \(2007\)](#), this is the most crucial element that determines whether development is effective. Reducing poverty and income inequality requires addressing challenges related to good governance, such as institutional effectiveness, decentralization of power, the rule of law, proper social service delivery, and participatory democracy ([Said, 2006](#)). According to [Moore \(2001\)](#), development agencies' international law has recognized "bad governance" as a significant barrier to economic progress and enhanced well-being in developing nations. Consequently, these agencies continue to be crucial resources for governance reform.

The structure of political regimes and governance throughout Africa has hindered the implementation of anti-poverty measures and development strategies. Rent-seeking behavior and patron-client relationships are characteristics of African politics and policymaking. These political systems provide poor service delivery, little citizen involvement, and little policy coordination, which is why these programs do not appear to take off ([Said, 2006](#)).

[Sonora \(2019\)](#) examines the relationship between Latin America's income inequality and the rule of law, which is a measure of governance. She discovered improvements to legal systems, especially those that safeguard property rights, lessen corruption, and lower inequality. [Adeleye et al. \(2017\)](#) examined how financial development in sub-Saharan Africa is impacted by institutional quality in terms of lowering income disparity. This study used five institutional quality aspects: political rights, rule of law, political stability, government efficacy, and corruption control. They argued that if corruption is managed, income inequality will decline given the growth in credit, finding only the interaction term of control of corruption with financial development to be statistically significant.

According to [Gyimah-Brempong \(2002\)](#), [Sulemana and Kpienbaareh \(2018\)](#), and [Kunawotor et al. \(2020\)](#), income inequality is comparatively lower in African nations, which are better able to control the level of corruption in their national governments as a result of noteworthy institutional quality or governance. The majority of these empirical studies contend that high levels of tax evasion, a biased tax code, slower economic growth, and decreased public spending on social services, such as health and education, all contribute to inequality.

[Do et al. \(2015\)](#) found that the execution of poverty reduction policies is responsible for the remarkable success in reducing poverty in northwest Vietnam. However, they pointed out that there is scant evidence to support the claim that government initiatives significantly improve the number of impoverished residents residing in rural northwest villages.

### **3.3. Conceptual Framework**

It is widely recognized that policies do not work or fail on their own. According to the [UNDP \(2000\)](#), bad governance is the primary cause. It is uncertain how to ensure effective policy creation and execution in complicated, chaotic systems.

Nevertheless, governments are starting to show interest in finding ways to assist and enhance the policy process, particularly during the implementation stage, rather than letting it fall into a complete or even partial failure.

Good governance is required to increase the government's ability to execute its promises and hold itself accountable for the resources at its disposal in order to effectively integrate poverty reduction into the agenda of public policy (Nyong'o, 2001; Adejumo, 2006).

Considered a top-down approach, Sabatier and Mazmanian's (1983) framework is frequently cited in the literature (see Appendix 2). Their three main observations, which form the basis of their model, are as follows: 1) policymaking is an ongoing, unique process that involves formulation, implementation, and reformulation; 2) the requirement to prioritize achieving policy objectives while maintaining the integrity of the output of implementing agencies and the results of the implementation process; and 3) the three-dimensional implementation perspective, which includes the actors or target group that a policy is intended for, the field-level implementing officials, or the periphery, and the original policy maker, or the center.

According to Sabatier and Mazmanian (1983), identifying the variables that influence the achievement of legal goals at each stage of the procedure is a critical function of the implementation analysis. They further categorize the variables influencing the execution of policies into three primary parts: 1) the traceability of the problem; 2) the statute's or non-statutory variables' capacity to advantageously organize the implementation process; and 3) the overall impact of several political factors on the ratio of support for legislative goals.

The idea behind the tractability of problem(s) is that certain societal issues are far more challenging to solve than others. Technical challenges are among the main characteristics of this variable. It is emphasized that several technical requirements are critical, including the capacity to create performance indicators at a reasonable cost and an explanation of how such indicators affect the situation. It is also critical to note that the success of a majority of programs depends on the advancement of a particular technology. The time needed to complete the program tasks is reduced, and costs are increased when a suitable technology is used.

Any statute, court ruling, or executive order can be used to implement the policy. Numerous strategies, including the choice of implementing institutions, availability of financial and legal resources, and laws that guarantee the involvement of outsiders in the implementation process, can be used to accomplish this (Sabatier & Mazmanian, 1983). The general thesis is that by changing the power available to them to reorganize the implementation process, policymakers can impact the accomplishment of a policy's legal objectives.

Numerous extra-legal factors have the potential to positively or negatively impact policy implementation. The accomplishment of statutory objectives, for example, can be affected by technological advancements and socioeconomic situations. When the current socioeconomic situation deteriorates, governments may

change their support to dedicate limited resources to implementation. This could have had an impact on the success of the implementation owing to reprioritization. The degree of the impact may lead to regulatory relaxation and a great deal of discretion for administrative personnel, which will inevitably result in localized objective determination.

According to [Sabatier and Mazmanian \(1983\)](#), the implementation process contains a built-in cause-effect relationship. They provided five dependent variables that were progressively linked to causative factors through an iterative feedback loop (see [Appendix 2](#)).

Every stage can be seen as an endpoint or dependent variable and, at the same time, as an input for stages that come after, according to [Sabatier and Mazmanian \(1983\)](#).

#### 4. Research Strategy

To balance the limitations of the qualitative and quantitative approaches, the study employed mixed techniques (i.e., qualitative and quantitative methods) for data analysis. The combined method provides a more comprehensive understanding of the case under study. Unlike quantitative techniques that provide numerical values, the qualitative approach produces verbal information ([Polgar & Thomas, 1995](#)). While structural equation Modelling (SEM) was used for quantitative analysis, Thematic and Content analyses were used for qualitative analysis to ensure clarity, comprehension, and generalizability of the research findings. The study opted for SEM because of its conceptually attractive way to test the research theory by assessing how well, in reality, this theory fits the represented data.

The primary data source was gathered through a combination of face-to-face questionnaires and an online survey through random sampling in Ghana. According to [Levy and Lemeshow \(2013\)](#), random sampling usually gives each unit in a population an equal and independent probability of being selected. Consequently, the sampling results are often representative of the population. Ten (10) people were randomly sampled from each of the five (5) districts that were randomly chosen from each of the sixteen (16) regions of Ghana. Hence, eight hundred (800) respondents were interviewed. Google Forms was used to create a sample of the questionnaire that was circulated in an effort to reach more respondents. A total of 376 answers were obtained via Google Forms, making a total sample size of 1176. Though 1176 respondents were engaged, after cleaning and sorting, where missing responses were deleted, 996 respondents were used for this study.

The key factors for the SEM analysis were composite variables derived from the research survey, in which a series of responses were collected to reflect governance indicators and poverty and income inequality reduction indicators. The governance indicators were structured following the descriptions of governance indicators by [Rizk \(2012\)](#), [Siddique et al. \(2016\)](#), and [Aloui \(2019\)](#). These variables were used to describe how governance reduces poverty and income inequality. The variables are described as follows:

*The factor “Voice and Responsibility” indicator* evaluates opinions on press freedom, freedom of expression, and freedom of association, as well as the degree to which a nation’s residents are allowed to choose their government and participate in policy formulation and implementation. This variable is represented as voice in the model.

*The “Government Effectiveness in Implementation” indicator* describes how well public services and how free it is from political influence, and how programmes and projects are implemented. This variable is represented as an implementation of the model.

*The “Corruption Control” index* evaluates the degree to which elites and private interests are perceived to be “monopolising” the state and using public power for personal gain, encompassing both major and minor forms of corruption. This variable was represented by corruption in the model.

*The Poverty and Income Inequality Reduction “Poverty” indicator* measures the ability of every citizen to afford the basic needs of life, such as shelter, clothing, healthcare, food, and education, with less differences between them. This measurement aligns with the World Bank’s (1990) definition of poverty, which is defined as “the inability to reach the minimum standard of living”, as determined by basic consumption needs. This variable was represented by poverty in the model.

*The “Government Effectiveness in Policy Success” indicator* evaluates how credible the government’s commitment to ensure its programmes and projects succeed. This variable is represented as policy success in the model.

*The “Government Effectiveness in Nature of Policy Formulated” index* describes how well public services are perceived, how well public education is perceived and how free it is from political influence and how well policies are developed and carried out. This variable is represented as policy nature in the model.

*The “Implementation Team Capability” indicator* allows for showing how free team in charge of policy implementation selected is from political influence, how well these individuals are qualified for such positions, and how credible the team’s commitment to ensure the programme and projects succeed is. This variable is represented as capability in the model.

## 5. Empirical Results and Discussion

### 5.1. The Perceptions of Policy Implementation Practices in Ghana

**Table 1** provides basic descriptive statistics showing the pattern of responses provided by the respondents to the themes of the survey. Mixed responses were almost evenly spread for some of the questions asked. The pattern of responses from **Table 1** below indicates that policy success and how it translates to an improvement in welfare are increasingly affected by corruption, lack of supervision, politization of policies, stakeholders’ involvement, and so on.

**Table 1.** Perceptions of policy implementation practices in Ghana.

Themes	Statement	Strongly Disagree	Disagree	Indifferent	Agree	Strongly Agree
1	The management of the various interventions do not have qualified expertise individuals	299	124	309	150	114
2	Some of policies did not have the right management team	105	73	338	288	192
3	The long-term plans of these policies have always been the target of the management of the various policies	390	219	147	120	120
4	Management's orientation is always on the Short-term performance of the policies	119	137	209	315	216
5	The level of management commitment to see the best of the policies has been the best	77	228	256	232	203
6	Views from all stakeholders are taken before drafting the final strategic plan to be implemented	347	237	143	158	111
7	All stakeholders were involved in the constitution of the management team of the various policies	288	274	188	147	99
8	Research to establish strengths, weaknesses, opportunities and threats of policies were regularly conducted	228	222	150	192	204
9	Management team are greedy, corrupt and self-seeking	110	145	50	268	423
10	Strategy formulation process is flexible enough to allow practices to blend well with the specific community needs	74	206	417	132	165
11	The management does not supervise contractors on the projects hence policies are not implemented well	57	102	59	379	399
12	Drafted projects are always nice on paper but worse after implementation	40	89	59	379	429

Source: Author Survey (2023).

**Themes 1 and 2:** The pattern of responses was represented by the frequency of respondents who chose a particular option. For instance, most respondents (309) did not know whether *the management of the various interventions do not have qualified expertise individuals* while about 299 respondents strongly disagreed with this assertion. Not many respondents (114) strongly agreed that *the management of the various interventions do not have qualified expertise individuals*. When they were asked to share the view on whether *Some of policies did not have the right management team*, majority of the respondents do not know (338) and the view that followed closely is 288 respondents who agree with the assertion.

When asked to give reasons for their opinions, they responded as follows:

*Government usually do not consult before forming the team and we usually do not know them. Another person claimed that, mostly, we only see people working on projects, but we are not able to tell who and who is in charge. Another person chimed that the district assembly sometimes bring people and introduce them as individuals sent by the president to work on this or that project but we do not know their background so we cannot tell whether they qualify or not. One person who agreed with the statement claimed that I believe they are not qualified for the job because most of the projects implemented in my town is in deplorable state and it is because the project was poorly implemented. In addition, the projects are often managed by political appointees, sometime without the technical know-how.*

According to Akwei et al. (2020), the constitution of Ghana entrusts enormous powers to the president to appoint heads of public institutions, including board members, without regard for qualifications. In addition, a very strong family bond serves as the primary source of identity, loyalty, and responsibility. This may affect the awareness and management of government programs and projects (The Hofstede Centre, 2016). This national culture has translated into a political culture where political party members use the party as “family” and where they can get help, support, and identity (Bob-Milliar, 2012). de-Graft Aikins et al. (2016) also posit that a restricted set of actors shapes the political settlement relating to social protection in general, and the ideological positions of the key actors are not aligned with existing predictions. Fusheini and Marnoch (2020) cited an example during the formulation and implementation of the National Health Insurance Scheme: when the government saw that people on the ground were not siding with their decisions, they constituted their own technical team, which excluded all the existing so-called experts in the initial team.

**Themes 3 and 4:** Respondents were also asked whether *the long-term plans of these policies have always been the target of the management of the various policies*. The majority of respondents (390) strongly disagree, and (219) disagree with this claim. A total of 240 respondents agreed with the statement, while 147 had no idea. To further solicit their opinions, respondents were asked *Management’s orientation is always on the Short-term performance of the policies*. To this statement, most of the respondents (315) strongly agreed closely, followed closely by 216 respondents who agreed to the assertion. Respondents backed their views by saying the following:

*NPP time look at PFJ, look at one village one dam, look at how free SHS is struggling. NDC time look at SADA, look at free uniforms and sandals, and others; they are all short-term. They are always in hurry to finish the project and take their share so that next time they can repeat the same project and get their share. Some other respondents claim that, politicians do not look at the longevity of the project but how much the project will benefit them.*

Imurana et al. (2014) posit that the majority of African politicians' egos cause them to veer policy in different directions, usually in an attempt to maintain their political power and party interests. Policies are changed needlessly if not abandoned. When new administrations take office, they are unable to implement policies that have been begun by the outgoing opposition government. In rare instances, their only option is to rename the policy or expand its scope to include unrelated societal issues. Imurana et al. (2014) again stated that politicians formulate policies that offer transient fixes, but neglect to address the root cause of the issue over time in an attempt to swiftly appease the public. Election victory is valued more highly than the viability of programs and the accomplishment of their main objectives (Makinde, 2005).

**Theme 5:** In the statement, *the level of management commitment to see the best of the policies has been the best*, most of the respondents (256) did not have any idea, giving the reason that politicians are cunning, and it is difficult to read their minds, while the second highest of responses (232) agreed with the assertion. According to some respondents:

*every president wants to leave a legacy, so they put committed people to work to ensure that they do good works.*

On the other hand, the respondents who disagree (228) quizzed that,

*If the level of management commitment to see the best of the policies has been the best, why are many projects abandoned? Why are some fail even during the tenure of the president that brought the project? One person gave an example of the free laptop project saying that, if management is committed why did they provide inadequate laptops and the training for the people was not readily enough for it's take off and other preparations were lacking for the success of the program?*

According to Imurana et al. (2014), the variables that affect a specified problem are the fewest factors that policymakers pay attention to. Most of the time, they ignore the social, administrative, and external environmental factors in favor of concentrating solely on political and economic factors. Therefore, the policy has flaws from the outset (Makinde, 2005).

**Theme 6:** On the statement that *Views from all stakeholders are taken before drafting the final strategic plan to be implemented*, more than half of the respondents strongly disagreed (584).

According to one respondent, *these days politicians always draw up their projects and programmes and campaign with them before coming to power so not every stakeholder was involved but we are made aware by their campaigns*. Another person claimed that *No participation/consultation of all actors during project development*.

Given the lack of stakeholder dialogue over the development of a design for the NHIS program, a lengthy confrontation ensued (Fusheini & Marnoch, 2020). Fu-

sheini and Marnoch (2020) also cited the absence of a dialogue process to resolve differences in the development of a design for the NHIS program.

**Theme 7:** On the statement *All stakeholders were involved in the constitution of the management team of the various policies*, the majority of the respondents strongly disagree (288) and followed closely by respondents who disagree (274). The reasons cited for this opinion are as follows.

*They (government) always plan their projects and people to manage before coming to the villages and towns for implementation.* Another person also said that *politicians only pick individuals that helped them gain power or belong to their political party.* Another person said that *mostly people in the communities who know the challenges of the communities are not included in the management teams, they bring their people from Accra and someone in the District Assembly will bring them.* Another person added that, *because the front-line implementer are always too partisans and hence are selective in the implementations.*

According to de-Graft Aikins et al. (2016), the Ghanaian political settlement encompasses several groups with different power relations with political elites, business associations, technocrats, and political party foot-soldiers who possess a significant amount of power and also have a strong incentive to either effect or resist change in the decision-making process and are therefore consulted during programme formulation and implementation. However, the informal sector, consisting of women's groups, disability groups, and small-scale farmers who have both low power and weak incentives to influence decision-making, is not mostly consulted during policy formulation and implementation. Imurana et al. (2014) agreed with this assertion and added that, in most African countries, the target group is usually left out at the policy formulation stage. Only high officials of the government and policy actors participated. Fusheini and Marnoch (2020) cited an example in which the informal sector was poorly represented during the policy-making and implementation process of the National Health Insurance Scheme. This restricted the chances of the informal sector making inputs for designing the system and operational processes, especially during the initial stages of policy implementation.

**Theme 8:** The statement that *Research to establish strengths, weaknesses, opportunities and threats of policies were regularly conducted* had a majority of the respondents strongly disagreeing (228) and those disagreeing being 222. According to the respondents, after implementation and handling, no authority came to check anything. However, those who agreed with the statement claim that most series of meetings are organized, and they explain the strengths and weaknesses to the authorities, but nothing is done afterwards. Fusheini and Marnoch (2020) agreed with the assertion of the respondents by narrating how they refused to listen or engage donors from the World Bank and the Danish International Development Agency (DANIDA) because of their assessment of the implemented

NHIS. The discord was so intense that the government decided not to engage other stakeholders in any further discussions (Fusheini et al., 2012). Hence, they claim that policy actor positions in implementation are based on differing values, ideologies, perceptions, and power bases and frequently cause degrees of discordance, as demonstrated in the case of Ghana's NHIS.

**Theme 9:** On the statement that *Management team are greedy, corrupt and self-seeking*, more than half of the 996 respondents (691) agreed with the assertion. According to the respondents, the government always gives projects to their party members in the form of their share of the national cake.

One respondent stated that *some of the programmes failed because the people in Government don't have better agenda for the people of this country all they do is stealing from the people*. Another person said that *before you even get access to benefit from a project, you go through a lot of paperwork, go here go there pay this pay that*.

In Ghana, many citizens perceive the state as neo-patrimonial, and its institutions as highly corrupt (Afrobarometer, 2019). According to Akwei et al. (2020), elected officials collude with politicians, bureaucrats, construction contractors, and political party chairs to extract financial resources from the state. This is done through the public procurement process during policy formulation or implementation. According to Imurana et al. (2014), policy actors both at the top level and in the field syphon financial resources to satisfy themselves. Unfortunately, the agents and institutions put in place to ensure accountability are also bribed to falsify their reports and massage their probing. Finally, the system is weakened and the formulated policies cannot achieve their stated goals (Makinde, 2005). There have been instances where a state official chairs a government project and becomes the sole supplier of materials for the project at a rate above the market rate (Takyi-Boadu, 2011).

**Theme 10:** Further, respondents shared their opinions on whether *Strategy formulation process is flexible enough to allow practices to blend well with the specific community needs*. Most respondents did not know (n = 417). The argument that they are not privy to the strategies, but when further quizzed whether the projects implemented were specific to the needs of the communities, about 206 respondents disagreed. The argument is that most of the projects implemented in Ghana are general and not specific to each community.

One of the respondents claimed that *there are many projects implemented in some villages and left without use (like water pump) because there are multiple of the same project. This because they just bringing it without consulting*.

Fusheini and Marnoch (2020) disagree with the statement, citing an example where during the formulation of the NHIS, Government actors, led by the then health minister, strongly favored a centralized single-payer system while key stakeholders, including donor partners-especially the World Bank, the Danish In-

ternational Development Agency (DANIDA), and existing community-based schemes-all favored decentralized multi-payer systems. The government, being the main policy implementer, objected and even threatened to withdraw from the project. The resistance to effectively incorporating the workings of government and civil society actors, who represented relevant constituencies, was a missed opportunity in the policy-making and subsequent implementation process (Fusheini & Marnoch, 2020).

**Theme 11:** Furthermore, over 700 out of the 996 respondents strongly agreed that *the management does not supervise contractors on the projects hence policies are not implemented well*. They supported their claim by reasoning that:

*due to poor supervision, under-qualified personnel were posted at CHPS compounds, drugs were not frequently sent to these CHPS compounds and health education that needed to be given to community members on certain important health conditions were also absent. Another also claims that the SADA policy fail because the Funds were used for unnecessary ventures, they cut down trees and plant trees which do not survive all due to no supervision.*

Evidence also demonstrates poor views on government work. As a result of the political-cultural orientation carried over from colonial times, some writers relate this to the cultural orientation during the colonial period (Amponsah, 2010; Damoah & Akwei, 2017). For example, Amponsah (2010) links colonial rule, when public sector work was seen as belonging to the “Whiteman”, and hence could be handled carelessly, to the failure of Ghanaian government projects. He suggested that project and program abandonment by the Ghanaian government could be caused by these political considerations.

**Theme 12:** In addition, about 800 out of the 996 respondents agreed that *Drafted projects are always nice on paper but worse after implementation*. Respondents cited the existing state of projects, such as the one village one dam, PFJ, CHPS Compound, one district, one factory, etc., which vary greatly from the project plan in government documents. Imurana, Kilu, and Kofi (2014) claimed that the NHIS policy defined in the draft fails to be client-oriented and gets out of touch from the local people. de-Graft Aikins et al. (2016) also claim that LEAP aims to offer cash grants to the disabled. However, evidence of the current beneficiaries and targeting mechanisms is lacking. Akwei et al. (2020) explained that Ghanaian policy planning and implementation of the programs are based on partisanship politics and are mainly related to poor budgeting and starting more projects than the country can finance, thereby relying on foreign donors. The implication is that if donors fail to provide funding support and do not carry out proper feasibility studies, then such projects would have to be abandoned or revised to fulfil political promises.

## 5.2. Does Governance Reduce Poverty and Income Inequality in Ghana?

It is essential to search for governance indicators that will contribute the most to



sult contrasts with theoretical expectations. [de-Graft Aikins et al. \(2016\)](#) explained that voice and responsibility have no impact on poverty in Ghana because actors are unable to act in unison and frequently function on distinct power-incentive dimensions, even though they may have similar developmental objectives and values. Actors may disagree on values and goals related to development in various situations, and inconsistency between philosophy, intention, and conduct is worsened by this struggle, thereby affecting the impact. [Chang and Kerr \(2017\)](#) also explained that depending on whether participants are insiders or outsiders, citizens' perceptions of and tolerance for political corruption or wrongdoing change. In addition to viewing corruption as pervasive, people inside clientelist networks also exhibit greater tolerance for misconduct than people outside. Insiders in the patronage system are, therefore, more accepting of political corruption and, therefore, may not bring the change that will be impactful. However, according to [Leke and Monisola \(2015\)](#), a weak institutional foundation and lack of public participation in governance and decision-making are connected to the persistence and pervasiveness of poverty in a number of nations. This is because they can cause inadequate monitoring, low accountability, and opaque resource distribution. Ultimately, resources are wasted, development programmes are rendered useless, and efforts to reduce poverty are consequently ineffective. [Aloui \(2019\)](#) also finds a positive relationship between voice and responsibility and poverty reduction.

The results show that the interaction between Government Effectiveness in policy formulation and poverty reduction had a positive and significant impact on poverty reduction ( $\beta = 0.062, p < 0.05$ ). This means that when formulating a policy that targets the right needs of the people, poverty is reduced. This is consistent with economic theory. According to [Siddique et al. \(2016\)](#), good governmental institutions lead to well-formulated policies, which, in turn, influence growth and distributional outcomes, which then affect the pace of poverty reduction. [Fusheini and Marnoch \(2020\)](#) contend that effective policy formulation through policy discourse can be especially useful in helping stakeholders comprehend and agree upon goals as well as in determining the best way to specify and schedule implementation tasks, which reduces poverty. [Aloui \(2019\)](#) also posits that the management of bureaucrats in the case of policy changes and its indirect impacts include the quality of public services that mainly affect private sector investment activities. This, in turn, stimulates economic growth and subsequently leads to poverty and income inequality reduction.

A similar outcome resulted from the impact of Effective Government Policy Implementation ( $\beta = 0.062, p < 0.01$ ) on poverty reduction, which was positive and statistically significant. The results show that an improvement in policy implementation leads to a consequent reduction in poverty and income inequality in Ghana. Similarly, the theory postulates a positive relationship between effective policy implementation and poverty reduction. [Sabatier and Mazmanian \(1983\)](#) claimed that the implementation process has an inherent cause-and-effect relationship. They explained that prevailing socioeconomic position governments

may alter support for allocating scarce resources for implementation. This may affect successful implementation as a result of reprioritizing, but the extent of the effect may result in relaxation of rules and considerable discretion for administrative officials, which invariably leads to localized objective determination.

From **Table 2** and **Figure 1**, the results show a negative and significant relationship between Implementation Team Capability and poverty reduction ( $\beta = -0.023$ ,  $p < 0.10$ ) in Ghana. This finding implies that team capability increases poverty in Ghana. According to theory, employing a capable and well-equipped team will lead to a reduction in poverty, whereas employing an incapable team to manage pro-poor projects will worsen poverty. Ghanaian policy planning and program execution, according to Akwei et al. (2020), are based on party politics and mostly have to do with inadequate budgeting and initiating more projects than the nation can afford; hence, projects are shabbily implemented or abandoned if the government cannot solicit external funds. Akwei et al. (2020) also claimed that the awards of contracts in Ghana are based on partisan politics and not on competence, as well as preferential access to government procurement in a non-open competitive bidding process. This does not lead to a reduction in poverty. Afrobarometer (2019) agreed with the findings of the study which indicated that access to public administration and institutions is difficult, resulting in the payment of bribes in Ghana. This hinders the effective implementation of government programs and projects.

**Table 2** and **Figure 1** show that the interaction between policy implementation success and poverty reduction yielded a positive and significant relationship ( $\beta = 0.354$ ,  $p < 0.01$ ). This implies that policy success has reduced poverty in Ghana. Kwankye and Cofie (2015) claimed that in 2004, the successful implementation of the Revised National Population Policy, among other things, identified some achievements. They also claimed that the successful implementation of the Ghana Fertility Survey (1979/80) helped control the population and its consequences on increasing poverty. Imurana et al. (2014) suggested that, like any other policy, implementation bottlenecks of the NHIS have set in, making it difficult for the scheme to achieve its core objective, and it is gradually becoming unpopular. Fusheni and Marnoch (2020) added that if policy dialogue aimed at securing the active participation of key government and civil society actors who relate to program-relevant constituencies was successful, the implementation of the NHIS would have presented evidence-informed arguments and would have reduced health-related poverty in Ghana. According to Boamah (2010), though there are insufficient houses for Ghanaian citizens, and as such most of these citizens “sleep rough” in kiosks, tents, containers, shops, offices, etc. (homeless people), the unsuccessful implementation of the affordable housing projects by the government led to abandonment. Aloui (2019) concludes that high rates of government efficiency are associated with lower levels of poverty.

Corruption control positively impacted poverty reduction ( $\beta = 0.045$ ,  $p < 0.01$ ). This implies that when corruption is well controlled, poverty and income inequal-

ity decrease. [Leke and Monisola \(2015\)](#), [Siddique et al. \(2016\)](#), and [Aloui \(2019\)](#) found similar results. [Akwei et al. \(2020\)](#) explain that corruption undermines democracy and good governance by flouting formal processes. Corruption usually inhibits development when leaders help themselves with money that would otherwise be used for development projects. It generates economic distortions in the public sector by diverting public investment into capital projects where bribes and kickbacks are more plentiful. [Said \(2006\)](#) concluded that the issues of institutional effectiveness, corruption control, power decentralization, rule of law, adequate delivery of social services, and participatory democracy, which are germane to good governance, are key elements in the reduction of poverty.

### 5.3. Robustness Checks

The accuracy in predicting the entire model is essential for structural equation modelling (SEM). The model for this study was evaluated for goodness of fit before examining the existing relationships among the research constructs. The SEM approach was based on a number of metrics to show how well the theory behind the research accounted for the survey's data output. The relationship between the estimated covariance matrix and the observed covariance matrix that emerges from the suggested research model determines how well the model fits the data. According to [Hair et al. \(2010\)](#), a model is considered to be well-fitting if it accurately predicts every significant link that exists between the measurement model and the constructs.

**Table 3.** Model fit indices.

Model	Default model	Saturated model	Independence model	Zero model
CMIN	0.313	0.000	825.869	3482.500
CMIN/DF	0.313		39.327	124.375
DF	1	0	21	28
P	0.576		0.000	0.000
RMR	0.007	0.000	0.461	0.593
GFI	1.000	1.000	0.763	0.000
AGFI	0.997		0.684	0.000
NFI	1.000	1.000	0.000	
CFI	1.000	1.000	0.000	
TLI	1.018		0.000	
RMSEA	0.000		0.196	

Source: Author Calculations.

The goodness of fit of this study shows how well the specified model among the indicators reproduces the observed covariance matrix. This indicates the similarity of the estimated covariance to the observed covariance. According to the acceptable guidelines for SEM, a good model should achieve the following: 1) CMIN/DF < 5 (preferably < 2); 2)  $p > 0.05$ ; 3) CFI > 0.95; 4) NFI > 0.90; 5) TLI > 0.95; and 6) RMSEA < 0.06 (or upper confidence level < 0.08). From **Table 3**, all the indices meet the requirements outlined. This demonstrates that the model was determined accurately and is therefore valid.

## 6. Conclusion and Policy Implications

This study aimed to answer the following questions: 1) Does governance reduce poverty and income inequality in Ghana? 2) What are the perceptions of the policy implementation practices in Ghana? This study used a mixed method. The findings from the qualitative analysis indicate that policy formulation for implementation lacks the processes perceived by citizens of Ghana. On the other hand, the quantitative analysis showed that governance has a positive effect on poverty reduction.

Therefore, the absence of effective governance is a gap in the path to progress and the abolition of poverty. In addition to policy documents outlining government initiatives to combat poverty, a national anti-poverty plan would address how the government should be organized to improve political inclusion, accountability, participation, and citizenship rights (both political and economic). The poor should be involved in shaping their destiny through well-informed participatory politics. This can be done by involving organising community focus group discussions on the needs of the various communities before projects are drawn for these communities. Also, members of the community should be selected to be part of the implementation teams.

There should be zero tolerance for corruption and close monitoring of every poverty reduction program put in place by the government to ensure its transparent implementation.

## 7. Limitations and Recommendations for Further Study

Limitations remain inherent in every empirical research work and this one is of no exception. One of the main limitations of this study is the sample size. Out of the over 30 million population of Ghana, the sample size used for the qualitative study was 1176. Therefore, generalisation of the results should be made with care.

The study did not consider regional differences, cultural differences or historical contexts in the relationship between poverty and income inequality reduction and governance. It is therefore recommended that; further studies should explore how cultural or historical contexts might explain the observed relationship between governance and poverty reduction in Ghana. Also, further studies should explore how regional differences might explain the observed relationship between governance and poverty reduction in Ghana.

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## Data Availability Statement

The data that support the findings of this study are available upon request from the corresponding author.

## Ethics Statement

Prior informed consent was obtained from all participants. The study took into account all ethical standards.

## Conflicts of Interest

The author declares no conflicts of interest regarding the publication of this paper.

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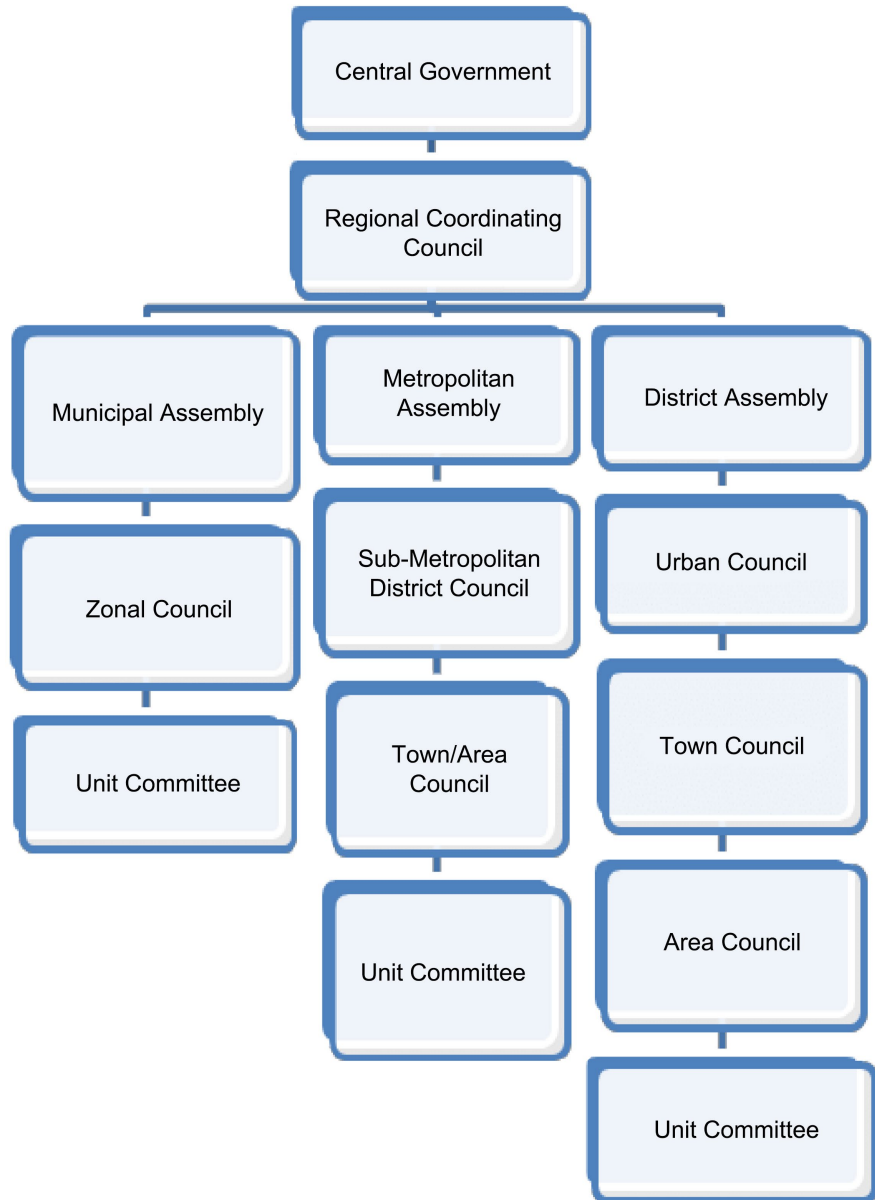
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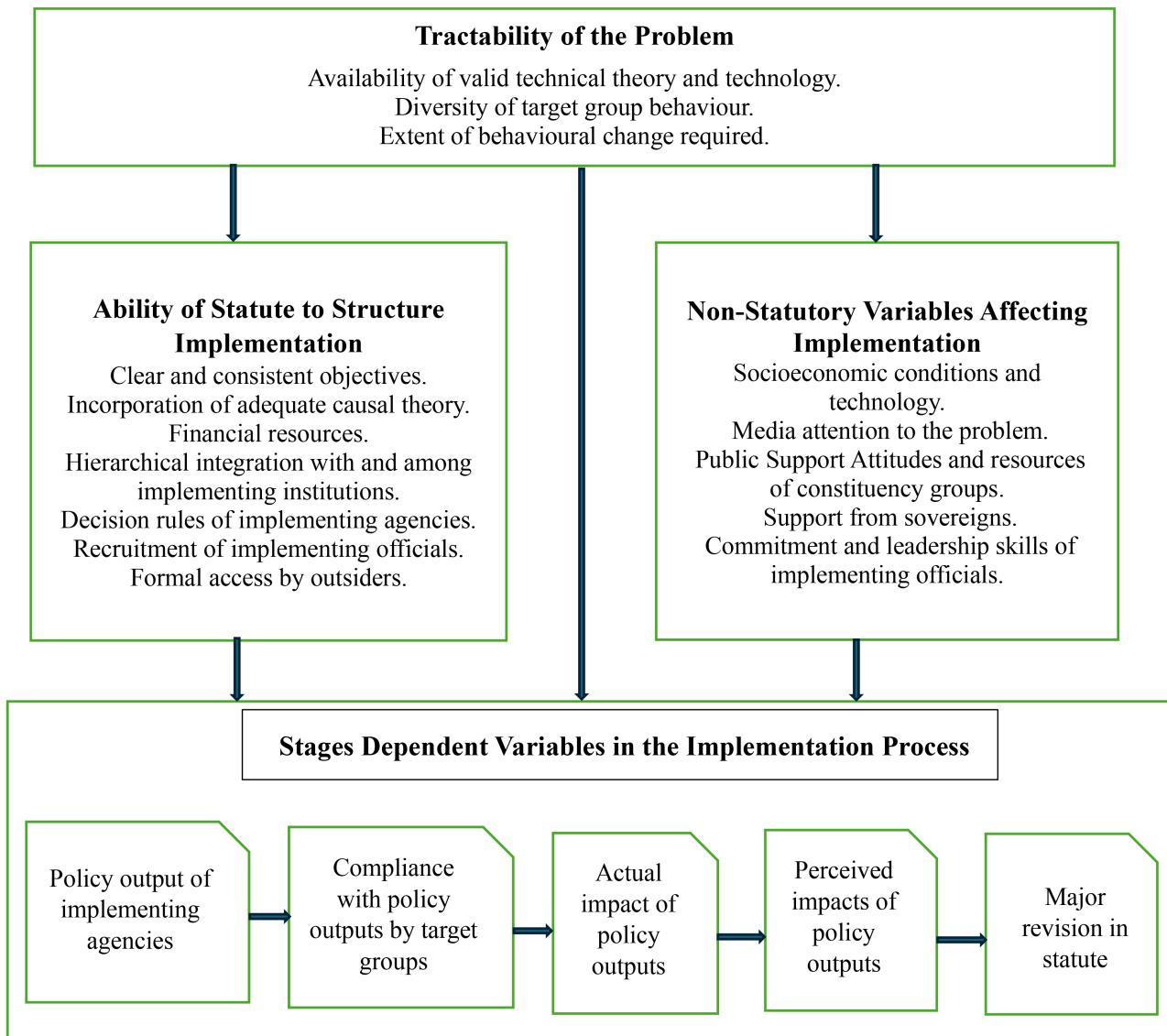
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## Appendices



**Appendix 1.** The structure of the local government system in Ghana. Source: Constitution of Ghana.



**Appendix 2.** Sabatier and Mazmanian bottom-up, top-down implementation model. Source: Sabatier and Mazmanian (1983).