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“POVERTY AND INEQUALITY ARE THE RESULTS OF DELIBERATE POLICY CHOICES”: SEND GHA BHANA STATEMENT ON THE INTERNATIONAL DAY FOR THE ERADICATION OF POVERTY

SEND GHANA joins the world in commemorating the 30th anniversary of the International Day for the Eradication of Poverty, on this day, 17th October 2022. This year's celebration, which is under the umbrella theme, “Dignity for all in practice,” reminds countries to protect and safeguard the fundamental rights of the people, including lifting them out of the situation of extreme poverty and hunger, and increasing their choice to essential social services.

Although countries around the world have made progress in the fight against poverty and inequality, recent global events such as the COVID-19 pandemic, climate change, and conflicts have the combined effect of reversing decades of progress in ending the menace. Oxfam, for example, predicts that over a quarter of a billion more people could crash into extreme levels of poverty in 2022 because of the ongoing COVID-19, rising global inequality, and the shock of food price rises supercharged by the war in Ukraine.

The World Bank notes that approximately 25.5 percent of Ghana’s population lives in poverty, and 9.6 percent live in extreme poverty, primarily in rural areas. While this is staggering, issues of child poverty are even more worrying. Approximately three-in-four children (73.4 percent) in Ghana are identified as multi-dimensionally poor, facing at least three or more deprivations at the same time. This is compounded by a decline in household incomes and/or the absence of adequate social safety nets (UNICEF, 2020). In our view, the situation could even be dire if the government does not take urgent actions to address the current economic crisis, exacerbated by the worsening cedi depreciation, high inflation rates, and hikes in food prices.

Social protection (SP) systems remain an important tool in tackling poverty and reducing the impact of economic meltdown on the poor and vulnerable people such as the elderly, children, women, and people living with extreme disabilities, who often fall below the poverty line. However, the effectiveness of Ghana’s social protection delivery is minimized by weak legal frameworks, inadequate budgets, low coverage, and insufficient grant size characterized by erratic and irregular fund releases. Collectively, these undermine the potential of the interventions in addressing poverty and vulnerability and in contributing to overall national development.

We believe a concerted effort is needed now, more than ever, to eradicate extreme poverty by 2030 in line with the Sustainable Development Goal (SDG 1).
Consequently, SEND GHANA is urging the government to take immediate steps to accelerate actions in line with key policy and international commitments to expand coverage and scale up key social protection interventions such as the Livelihood Empowerment Against Poverty (LEAP) Programme and the Ghana School Feeding Programme (GSFP) to reach all eligible beneficiaries.

To combat child poverty and boost the country’s human capital development, we are asking the government to increase investment in child protection and welfare programmes and ensure timely releases of budgets for the smooth implementation of relevant child protection policies and interventions across sectors.

We further call on the government and Parliament to hasten the passage of the Social Protection Bill into law to streamline social protection financing and delivery.

Finally, as the government is currently in discussion with the IMF for an economic reform program support, it is our ardent hope that the discussions will seek to boost social spending and thus protect the vulnerable while creating conditions for an inclusive growth. The IMF has been criticized for promoting policies that weaken social protection. Some critics have contended that, countries under IMF-supported programs were required to cut back spending on social protection programs and/or postpone commitments to expand social protection, as the IMF do not provide adequate budget flexibility to expand social Protection. To this end, as we commemorate the 30th anniversary of the International Day for the Eradication of Poverty, we would like to emphasise the importance of safeguarding social spending in any IMF supported economic reform program that the government sign on to

We believe that “Poverty and inequality are not inevitable. They are the result of deliberate decisions or inaction that disempower the poorest and marginalized in our societies and violate their fundamental rights.”

With a strong political will, this can be reversed.

Signed

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