

Ghana and Japan in Trials of Economic Cooperation: The State Trails Capital

Ghana and Japan in Trials of Economic Cooperation in the 1960s: The State Trails Capital

- Ghana and Japan's economic partnership in the early 1960s
- The research examines Ghana's Plans for Economic development through industrialisation in the early 1960s
- Assess the role and relevance of Japan in Ghana's economic ambitions, 1960s
 - Japanese private sector
 - Japanese government development assistance
- TICAD process in comparison

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■ Observations

- The Japanese private sector and the economic prospects in Ghana, 1960s
 - As a market; venue for FDI
- The Japanese private sector was the main driver of economic relations between Japan and Ghana
- The Govt. of Japan (MITI, MOFA etc.) followed the interests of private sector
 - The Government of Japan was a facilitator of the relations
 - Economic Assistance
- Reversed roles in the TICAD era: TICAD VI
 - The Govt. of Japan as the driver of Japan- Africa relations

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■ Research Method

- Archival documents on Ghana–Japan economic relations, 1960s
- 5 Year Development Plan, Ghana, 1959-1964
 - The economic ambitions of the Kwame Nkrumah government
 - Industrialization

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■ Structure of Presentation

- Kwame Nkrumahs' Developmentalist Approach,
 - 2nd Five Year Development Plan, 1959-1964
- Ghana's Rural Industrialisation program and the Japanese private sector
- 'Japanese Goodwill Mission to Ghana', 1962
- Nkrumah's Quest for Japanese Development Assistance
- Implications for the TICAD process

Trade between Ghana and Japan

Years	Total Imports from Japan £G	Total Exports to Japan £G
1938	281, 887	1
1952	2,843, 530	958
1953	3,983, 538	NIL
1954	5,293, 445	NIL
1955	8,927, 705	348
1956	8,957, 623	137
1957	10,301, 476	221
1958	6, 777, 918	6,540
1959	6, 751, 746	483, 123

Japan's export commodities to Ghana in 1958 £G

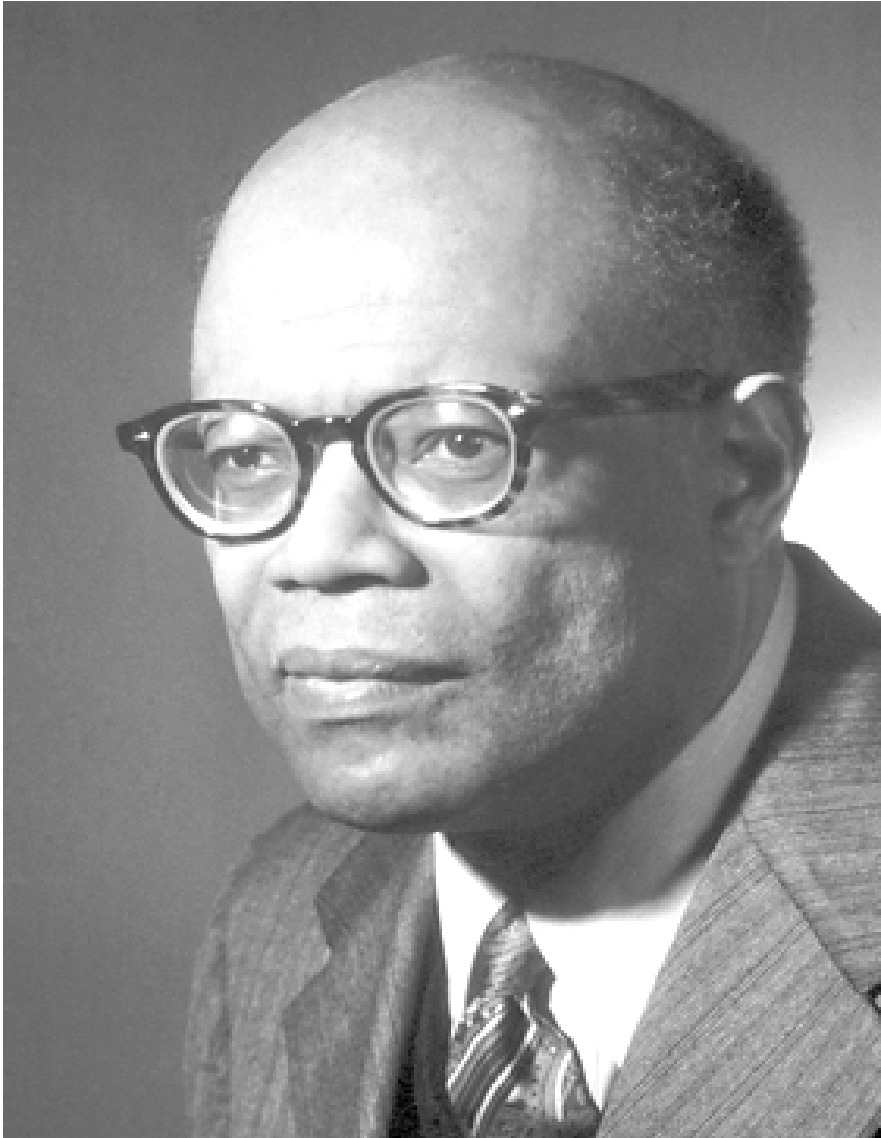
031 Group	Fish: Fresh or simply preserved	£ 297, 890
053	Fruit preserved and fruits preparations	2, 435
512	Organic Chemicals	3, 109
629	Rubber Manufactures n. e. s	124, 463
651	Textile yarns and Thread	2, 756
652	Cotton fabrics of standard type	1, 363, 303
653	Textile fabrics of standard type other than cotton	3, 177, 927
654	Tulle, lace, embroidery ribbons etc.	19, 526
655	Special Textile fabrics	315, 042
656	Made-up articles wholly or chiefly of textile materials n.e.s (other than clothing & footwear	170, 764
657	Floor coverings and tapestries	188, 108
665	Glassware	19, 124
681	Iron and Steel	375, 168
699	Manufactures and metals	61, 016
714	Office machinery	13
716	Mining, construction and other industrial machinery	16, 119
721	Electric machinery, apparatus & appliances	13, 448
732	Road motor vehicles	2, 301
733	Road vehicles other than motor vehicles	5, 554
812	Sanitary, plumbing fixtures etc.	6, 198
831	Travel goods and handbags & similar articles	10, 005
841	Clothing, except fur clothing	434, 004
851	Footwear	56, 306
861	Scientific instruments and apparatus	7, 822
864	Watches and Clocks	2, 077
891	Musical Instruments	4, 077
899	Manufactured articles	70, 016
TOTAL		
Grand Total		6, 777, 918

Commodities Exported from Ghana to Japan, 1958

		1958 £	1959 Jan-Oct. £
072	Cocoa	-	211, 796
221	Oil-seeds, oil nuts & oil kernels	-	16, 250
242	Wood in the round or roughly squared (logs)	6, 440	11, 979
28X	Iron & Steel and non-ferrous metal scrap		240, 695
89X	Miscellaneous manufactures articles , n. e. s.		50
	Re- Exports		
699	Manufactured of metals n. e. s	-	2, 353
931	Returned goods and special transactions	100	-
		£6, 540	£ 483, 123

Ghana's Plans for Economic Development:

The Arthur Lewis Report on Industrialisation and the Gold Coast, 1954



- The Arthur Lewis was commissioned in 1953
- The Report is instructive in its recommendations about the industrialisation of the post-colonial economy
- ‘The development of manufacturing for the home market essentially depends [on] improving the productivity of other economic activities.’
- Lewis’ recommendations **prioritised agricultural production**
 - ‘**industrialisation for a home market can make little progress unless agriculture is progressing vigorously**’
- **Nkrumah ignored these recommendations**

2nd Five Year Development Plan: Rural Industries in Ghana and the Japanese Private Sector

- Akosombo Dam, Hydroelectric Project, 1961
- **Ghana Rural Industries, June 1961**
 - Ghana Industrial Development Cooperation
- **8 Groups of Small Scale Industries** to be powered by Japanese machines and equipment
- **Bamboo Articles Factory in the Eastern Region**
 - **5 Japanese technicians** arrived in Ghana in November 1960
 - From Maruhiro Giken Manufacturing Co. Ltd

Rural Industries in Ghana and the Japanese Private Sector, 1960s

Technical Requirements

1. Rice milling Coir Processing Rattan Copra Expeller Peanut Processing	Chuo Boeki Goshi Kaisha (CECOCO), Ibaraki, Osaka, Japan: 2 Technicians required for installation of machines and training of Ghanaians.
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It is felt that it will be needless to send out these technicians without prior construction of the building for the alternate
Installation of plant and Machinery

2. Shirt and Blouse Machines	Machines ordered from Nichimen , Japan
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One Master Tailor and a technician are required for installation of machines and training of Ghanaians in cutting and sewing

3. Bamboo Mats and Blinds	Machines ordered from Yashima Trading Co. Ltd
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One technician required for installation of machines and training of Ghanaians in the factory

8 Small-scale Industries

Capital Requirement

6	Rice Milling Factory	£ 99, 146
1	Garment Factory	£ 12, 313
1	Bamboo Articles Factory	£ 31, 676
2	Bamboo Curtain and Mat Factories	£ 52, 569 . 12
6	Rattan Factories	£ 39, 750
3	Groundnut Factories	£21, 776
1	Copra Oil Processing Factory	£ 4, 971. 08
4	Coir Processing Factories	£ 92, 738. 06
		£354. 940. 11

Rural Industrial Development: Japanese Technicians, Maruhiro Manufacturing Giken Co. Ltd.

Technicians	Position	Existing Contract: Pay per month	Variation of Contract suggested
Mr. S. Fujimori	Leader	£100	£200
Mr. E. Fujiwara	Interpreter	£100	£100
Mr. K. Hasui	Technician	£100	£100
Mr. K. Ikenoya	Technician	£100	£100
Mr. Harada	Technician	£100	£100

■ Contract signed in Japan on 4 October 1959

1. Duration of the contract: 8 months
 1. commencing from 6 June, 1961 to 4 January, 1962
2. Build Bamboo Articles Factory
3. Train Ghanaian workers and apprentices

■ Responsibilities of the Government of Ghana

1. Return Air ticket
2. The Provision of Lodgings
3. Furniture
4. An adequate amount for food per month
5. The services of a Cook
6. Free Medical Services
7. Workmen's compensation benefits

Japanese Goodwill Mission to Ghana, 19 March – 2 April, 1960

- 2 March 1960 Ministry of Trade confirmed the arrival a **Japanese Goodwill Mission to Ghana**
 - Meet officials to explore the possibilities of economic cooperation
 - Discuss opportunities for Technical Assistance to Ghana
 - Study the availability of raw materials exportable from Ghana to Japan

Members of the Mission to Ghana		
Mr. Hideshi Kagawa,	Leader	Director, Toyomenka Co. Ltd.
M. Toshihiko Tatsumi	Member	Staff, Toyomenka Co. Ltd
Mr. Isaburo Ito	Member	Assistant Head of Managing Section, Guidance Division, medium/small-scale Industries Board, Ministry of International Trade and Industry
Toru Nozawa	Member	Vice President of Tomoegumi Iron Works (in charge of medium/small scale industries)
Mr. Go Miyata	Member	Advisor to Nihon Water Works Consultants
Mr. Taian Ishii	Member	Technician of Public Works Bureau, Ministry of Trade and Industry (in charge of electric power).

Japanese Goodwill Mission to Ghana, 19 March 1960 – 2 April, 1960

Date		Itinerary
19 March	Arrive at Accra Airport	Private arrangements to be made by the Japanese Embassy
21-25 March	Accra	Conference and meetings with: Prime Minister, Minister of Economic Affairs; Minister of Trade; Public Works and Housing Minister; Vice Minister of Finance; Presidents of Industrial and Agricultural Development Corporations, and Cocoa Marketing Board; Ghana Ambassador to Tokyo, and Assistant Director of Development Commission; leaders of Ghana Chamber of Commerce and Industry, Eastern Region Chamber of Commerce and Industry; Indian Merchants Association; Bank of West Africa, and Barclays Bank; Inspection of reservoir and facilities at Accra Port.
26 March	Tema/ Akosombo	Inspection of Tema Port; Conference with President of Tema Development Corp.; Inspection of region of Volta River power development plan
27-28 March	Kumasi	Meeting with Asantehene; Conference with Director of the Water Supply Bureau of Ghana Chamber of Commerce and Industry. Visit to former head of Ashanti. (?) Inspection of lumber mill, furniture plant and Kumasi market
29/30 March	Takoradi/ Sekondi	Inspection of Takoradi Port. Conference with Director of Transportation and Port Bureau Inspection lumber mill and shipyard
31 March- 2 April		Inspection of diamond market related to Industrial Development

Recommendations of the Japanese Goodwill Mission, Nov. 1960

- Economic cooperation conceivable in **three fields**
 - **Public Works:** Road construction, railways, water supply and power development are under **government monopoly** but
 - Japan may be able to assist Ghana through supply of diesel power generators and other machiner
 - Japan to station water supply consultants in Ghana permanently to render technical assistance in water works
 - **Large Enterprises:**
 - Japan will be able to render technical assistance in developing industries related to the Volta River development plan
 - Japan will be able to cooperate with Ghana in developing the salt industry on a large scale
 - **Smaller Industries**
 - From the viewpoint of production costs, it may be advisable to give priority to those industries which will utilize indigenous raw materials.

Recommendations of the Japanese Goodwill Mission: Development Assistance

- **Technical Assistance**

- Top priority should be given to industrial technicians

- Japan could also send experts in electricity, water supply etc. to supply the lack of technicians resulting from the withdrawal of British experts

- **Supply of Machinery and Equipment**

- It will be also possible for Japan to export machines and equipment to Ghana in parallel with the kind of technical assistance mentioned above

- **Invitation of Ghanaian Trainees**

- As part of economic cooperation between the two countries it is desirable that Japan give technical guidance and training to trainees in Japan upon concluding an agreement on economic cooperation with Ghana

Ghana - Japan Economic Cooperation: From Nkrumah to Ikeda Hayato, 13 Feb., 1962

- ‘Since the Goodwill Mission from Japan negotiations between our two Governments have dragged due mainly to
 - Ghana Government’s concern about **the heavy imbalance of trade in favour of Japan**
 - Japan’s insistence on the abrogation by the Government of Ghana of **Article 35 of the General Agreement on Tariffs and Trade (GATT)**
- ‘The Government of Ghana wishes to make it clear to the Govt. of Japan that it has decided **to renounce unreservedly the right to invoke Article 35 of GATT against Japan**’

Visits to the Embassy of Ghana by Japanese Companies May, 1961

1	Mr. S. Hasegawa	Nippon Electric Co. Ltd	Build Television manufacturing in Ghana
2	Mr. T. Oka	Kinoshita & Co. Ltd.	Export Iron to Ghana
3	Mr. Y. Yamamura	Sekisui Chemical Co. Ltd	Construct Plastic Industry in Ghana
4	Mr. K. Tanaka	Komatsu Mfg. Co. Ltd	Sale of Construction Merchandise to Ghana
5	Mr. M. Tanaka	Nichemen Co., Ltd.	Export of General Merchandise to Ghana
6	Mr. M. Matsuoka	C. Itoh & Co. Ltd.	Manufacture of Footwear in Ghana
7	Mr. K. Suzuki	Centerless Industry Co. Ltd	Market for Clear View Screen
8	Mr. Z. Giveon	Oriental Exporters (Japan)	Visiting Ghana to explore export possibilities of Ghana products to Japan
9	Mr. R. Fujii	Mitsui Bussan Kaisha Ltd.	Fishing Industry in Ghana
10	Mr. T. Amano	Mitsui Bussan Kaisha Ltd	General Import &Export Business in Ghana
11	Mr. T. Inoue	Mitsubishi Shoji Kaisha Ltd.	Purchase of Cocoa directly from Ghana
12	Mr. Y. Kawada	Mitsubishi Shoji Kaisha Ltd	Importing Timber from Ghana
13	Mr. T. Takeuchi	Sumitomo Shoji Kaisha	Importing Timber from Ghana
14	Mr. Y. Sakamoto	Sumitomo Shoji Kaisha	Ghana Government Tenders
15	Mr. Y. Fujii	Okuno Electric Industry	Export of Electrical Goods to Ghana
16	Mr. S. Murayama	Bukken Tokyo Supply Co. Ltd	Market for Visual education aid in Ghana
17	Mr. T. Adachi	Taiheiyo Suisan Kaisha	Fishing industry in Ghana
18	Mr. K. Igarashi	Japan Telecommunications Consulting Assoc.	Telecommunication and Television Survey
19	Mr. R. Minato	Minsho-Mataichi Co. Ltd.	Registration with Ghana Supply Commission
20	Mr. Y. Hano	C. Ito & Co. Ltd.	Tender for Radio Assembly Plant in Ghana
21	Mr. I. Hoshino	Nippon Kogyo Shinbun	Economic and Industrial Development of Ghana
22	Mr. F. F. Berete		

The TICAD Process and the Japanese Private Sector

- **TICAD IV, 2008**

- **Boosting Economic Growth**

- trade and Investment;
- Private and Public Sector Development
- accelerating Infrastructure and Capacity Development

- **TICAD V, 2013: Yokohama Action Plan**

- **Boosting Economic Growth: Promote Investment by**

- stimulating competition
- reducing costs of doing business
- policy reforms in legal and financial system and protection of property rights.

- **TICAD VI, 2016**

- **Boosting Economic Growth: Promote Investment by**

- Japan announced \$30 billion of investment from both Japanese public and private sectors over the next three years

Ghana in the TICAD Process: The Japanese Private Sector

LIST OF JAPANESE COMPANIES THAT HAVE INTERACTED WITH THE GHANA EMBASSY IN JAPAN SINCE TICAD VI, 2016

No.	Name of Japanese Company	Type of Business	Contact Date
<u>1.</u>	Japan Overseas Infrastructure Investment Corp. for Transport & Urban Development (JOIN)	Construction & Infrastructure Development	October, 2018
<u>2.</u>	Yamachin Company		November, 2018
<u>3.</u>	Kosugi Zohen Co. Ltd	Land Scaping	November, 2018
<u>4.</u>	EIGER Company Ltd.	Interested in Cocoa	
<u>5.</u>	CBC Group Co. Ltd.	Trading & Supplier of Chemicals	April, 2019
<u>6.</u>	Tashiten Inc.	Consultancy Services	August, 2018
<u>7.</u>	GJK International Co. Ltd.	Consultancy Services	November, 2018

Conclusion

- The Japanese Private Sector interests in Ghana's emerging economy in the 1960s
 - The State trailed the Private Sector
- TICAD era: Reversed roles in government/private sector attitudes towards Africa
 - MOFA and Prime Minister's Office: initiatives to get the Japanese private sector interested in Africa
 - Lack of Japanese Private Sector interest in Africa