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Exploring Entrepreneurial Initiatives Among New African Nations: Reflecting Upon the Entrepreneurial Culture of Ghana and Namibia – Two Former German Colonies

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1. Introduction

In the 'olden' days Africa was well known for its numerous challenges. In a 'new' Africa, the continent aims in addressing its challenges and develop essential strategies which will lead to the development of the continent. This chapter seeks to explore the entrepreneurial initiatives that occur in two African nations namely; Ghana and Namibia and the role culture plays in shaping entrepreneurship in Africa. The term entrepreneurship is derived from a French verb '*entreprendre*' meaning to take one's own hand and do something (Nieman et.al, 2009). In this chapter the author further explores this initial definition from an African context.

In addition this chapter explores the significant difference in terms of entrepreneurship between Ghana and Namibia and why the Western African nation of Ghana who received independence in 1960 has a lower literacy compared to Namibia who gained independence 21 years ago.

This chapter will first look into the background of Ghana then Namibia. The methodology employed to conduct the study will be discussed to the greatest detail. Thereafter economies of these two nations will be explored, followed by a distinctive comparison. The chapter will be summarized with conclusions and recommendations for further research.

2. Background on the two African economies (Ghana and Namibia)

2.1 Ghana

This West African nation of Ghana was initially part of 'Togoland'; a nation which was a German protectorate from 1884-1914. Togoland initially constitute two nations, the nation of Togo and a major part of the Volta Region District, Ghana. These colonies were formed during the imperialism period of Germany, which was also known as the scramble for Africa. Germany occupied Togoland for less than three decades and the German colonial period ended on August 6, 1914, however French and British troops invaded the territory on August 7, 1914. Although Ghana is relatively small in size, the nation has earned a special

place in the hearts of many African people. The nations were known as Golden Coast, from the days of the Asante's federation, Ghana has served as a role model for a number of African nations, mostly due to resistance to colonial conquest. Ghana was the first African nation to receive independence on 6 March 1957 in sub-Saharan Africa. The capital city of Ghana is Accra, and the nation has a land area of 238,537 square kilometers (Turner, 2009). It is illustrated in the literature that fifty (50%) of the Ghanaian people are Christians, while the remaining population constitutes Muslims and other traditional religions.

The primary interest of Germany in Ghana was due to the nation's abundance and richness in crops such as cacao, coffee and cotton. During this period the colonial administrators brought with them scientific methods which ensured efficient and effective cultivation of crops which made it easier for the crops to be exported. Prior to the occupancy of Germany, Ghana had well established infrastructure most of which was destroyed during World War I. Given the current situation in Ghana it appears that no strong initiative measures were employed to rebuild the infrastructure of the country to date.

2.2 Namibia

The Southern African nation: *Namibia* was previously known as South West Africa whose western border is the Atlantic Ocean, and shares land borders with Angola and Zambia to the north, Botswana to the east and South Africa to the south and east. Namibia is a relatively large and sparsely populated country and is the 31st largest country in the world. The country is divided into thirteen (13) regions; the Caprivi, Kavango, Kunene, Omusati, Ohangwena, Oshana and Oshikoto regions in the north, the Omaheke, Otjozondjupa, Erongo, and Khomas region in central areas, and the Hardap and Kara's regions in Southern Namibia (Republic of Namibia, 2010).

Namibia has its diverse history embedded in a rich culture. It was first ruled by Germany, and after the First World War (I) the newly formed League of Nations gave the mandate for governing Namibia to Britain. This mandate was managed by South Africa on behalf of Britain, and came into effect in 1921, and this was the beginning of South African control over Namibia. In 1973 the South West African People's Organization (SWAPO) was the official representative of the Namibian people. Followed by political unrest and internal violence, South Africa installed an interim administration in Namibia in 1985. Namibia gained full independence from South Africa on 21st March 1990, following Namibian War of Independence.

Namibia is a member state of the United Nations (UN), the South African Development Community (SADC), the African Union (AU), and the Commonwealth of Nations (Republic of Namibia, 2010). The total population of Namibia is 2million and a stable multiparty parliamentary democracy. It is the second least densely populated country in the world. English is the official language used for business communication but other recognized and widely spoken languages include: Oshiwambo, Herero, Setswana, and German amongst many others. The Namibian dollar is the official currency used in Namibia. Its capital city and the largest city is Windhoek. The backbone of the Namibian economy is driven by agriculture, herding, tourism and mining of gem diamonds, uranium, gold and silver production. Close to fifty percent (50%) of the population lives below the international poverty line, and the nation has suffered heavily from the effects of Human

Immunodeficiency Virus (HIV)/ Acquired Immune Deficiency Syndrome (AIDS) with fifteen percent (15%) of the adult population infected by HIV in 2007 (Pikkarainen, 2004: 11).

3. Education or literacy levels in Ghana and Namibia

This section of this chapter will briefly outline the education or literacy levels of these two economies, as the dimension of education is strongly associated with the level of entrepreneurial activity which occurs in an economy.

3.1 Education in Ghana

In Ghana the education system has been very formal since the country attained independence in 1960 and there is little room to integrate the cultural constituents in a classroom setting, due to the challenge faced by native educators to integrate local cultural systems into the mainstream curriculum. This makes the system relatively similar to patterns of education which were followed during the period of colonialism. Schools or any training institutions used minimal self-initiative when conveying academic material to the participants. Instructors find it difficult to convey academic material in a local cultural context, because they are not equipped to do so. The nation of Ghana appeared to have lower literacy levels compared to Namibia which gained independence during the last twenty one (21) years. Literacy levels in Ghana could be relatively low because individuals are not taught content which they can relate and apply to their daily living circumstances.

The Ghanaian people spoken to for the purpose of this research are of the opinion that changes which were prevalent at independence of Ghana did not follow a gradual pattern, which integrated people of color, ethnicity and race. The language dimension also has an important role to play when viewing the changes in the Ghanaian economy after independence. English is the official language used in the country; however the integration of local languages into mainstream business activities can help the economy to prosper.

3.2 Education in Namibia

Soon after independence; education and literacy programmes in Namibia underwent two fundamental phases due to colonization. Initially the invasion of the Germans had a fundamental influence on the education and literacy programmes followed by a long period of South African (Dutch) colonial rule. At Namibian independence educational and literacy programmes were not phase out indefinitely, however the process followed a gradual pattern of change or transformation. At independence most of the Namibian elderly people were employed by white settlers or employed in mines where most of them were accustomed to speak Afrikaans (similar to Dutch or German).

Upon gaining independence the government of the Republic of Namibia did not phase out all the educational and literacy programmes indefinitely as the process was conducted following a gradual transformation. This was mainly to ensure that all citizens were given an equal opportunity to be part of the transformation process, regardless of race, sex or gender (in short ensuring that the diverse nationalities within the country are fully represented and catered for). In a similar fashion schools and adult literacy programs have streams for various languages, and learners have the opportunity to learn at their own pace

in native language, followed by Afrikaans and German. Although English is the official language most Namibians are multilingual and this is made possible by the manner through which the government integrated new educational programmes after independence. This does not imply that Namibia has the best education system in Africa, the country is also faced with its challenges, but there is a vision of change and hope that Namibians are striving to achieve.

4. Research methodology

Being explanatory in nature this chapter aims to reveal the cultural differences between Ghana and Namibia. This chapter will give a general vision of Ghana and Namibia based on other sources and academic literature. It was wise for the researcher to select both qualitative and quantitative research methods to write up this chapter. Qualitative research techniques capture rich meaning of the respondents in their own words. Quantitative methodologies allowed the researcher to obtain information about the people of Namibia and Ghana in a fast and orderly manner. In addition quantitative methodologies will clearly illustrate why there is such a distinctive difference in terms of entrepreneurial orientation amongst these two nations, given the fact that Ghana was a prime role model for most African nations. When the researcher employs quantitative techniques the focus is on how rather than why? 'How come Ghana's entrepreneurial initiatives are much lower than that of Namibia?

The technique of participant observation was also employed for this research, with the methodological mandate of being technically sensitive. This technique was only employed for the Namibian participants, as the lack of research funding did not enable the researcher to conduct the study in Ghana. Participant observation is a good research technique as it enables the researcher to grasp an understanding of entrepreneurship and its social context (Bruyn, 1966; Jorgensen, 1993, and Spradley, 1997). The use of participant observation was very critical to obtain information about the Namibian respondents because, according to the African concept of "Ubuntu", the individual is part of the society and the individual's survival depends on that society (Mbigi, 2005).

Secondary printed sources were also reviewed to derive information for this chapter, in particular to get information on Ghana, as it was not possible for the researcher to conduct the study in Ghana. An extensive literature survey was conducted to capture information on both nations. The methodology enabled the researcher to review secondary literature and record possible and meaningful insights. Interviews were identified through snowball sampling. As explained by Muller-Wille and Hukkinen (1999), 'In snowball sampling of interviewees, those already interviewed identify who else they think should be interviewed'. According to Goodman (1961) interviewing only stops when the last respondents suggest only individual's names by others. Prior to conducting the interviews the interviewer tried to build a trusting relationship with the respondents ensuring that correct and accurate information about Ghana and Namibia is obtained.

The researcher developed a clear interview guide which constitutes open ended questions and close questions to capture a rich and meaningful understanding of what people say in their own words, about the entrepreneurial initiatives of these nations, their own experiences and the way forward envisaged for the respective nations. Interviews generally

lasted for about 15 to 20 minutes. Most of the research pertaining to Ghana was obtained through desk research, and twenty Namibians were interviewed to obtain information on Namibia. The respondents were very eager to be part of the research and also very cooperative. To ensure consistency, reliability and quality, data was consistently updated and verified. Whenever the researcher came across conflicting ideas follow up interviews were conducted to verify information or data

5. Entrepreneurial initiatives in Ghana and Namibia

5.1 Ghanaian entrepreneurial initiatives

Ghana's government has a vision of accelerated and sustained economic growth which aims at providing equal opportunities for all Ghanaians. According to Mitchell (2006b) the West African nation of Ghana is currently seen as one of the most underprivileged regions in the world. This could be viewed and judged in terms of the commonest yardstick, gross national product or by certain measures which pertain to human development. These measures include life expectancy, education, food security and adequate access to clean and safe drinking water. There are local food products or commodities which the Ghanaians trade with namely; cassava however to movement of products from one destination to another. However effective and effective service delivery is complicated by poor communication networks and great distances which make the movement of both people and products impossible.

Entrepreneurial activity in Ghana refers to the degree to which the citizens of Ghana find ways and means to produce food and local consumption of commodities for individuals within the nation to benefit the community. Like a number of other nations in West Africa, Ghana's economy is primarily based on agriculture. Cacao is the main product exported from Ghana and is the main source of external revenue. Approximately close to fifty percent (50%) of the Ghanaian gross domestic product constitute agriculture, forestry and fishing, while the manufacturing and mining industries contribute twenty percent (20%) of the GDP. Wholesale and retail trade add 12%, services constitute 14% while transport and communications contribute 4% to the GDP. Regardless of this well laid distribution of resources across the various sectors, natural and in some situations skilled human resources at its disposal the Ghanaian economy was still unable to sustain its growth. The downspin of the economy has been symptomatic of the political turmoil and social unease which pervaded in the past and continued to persist in the neighboring countries of West Africa (Pellow and Chazan, 1986: 4). When we study local communities in Ghana at a community level most of the enterprises falls within the category of micro, small and medium entrepreneurship, with an employment capacity of close to seventy (70%) of the Ghanaian labor force. Some communities engage in farming, art, craft, grow crops, carpentry, just to name a few. This form of entrepreneurial initiatives practiced by these communities is a good illustration of indigenous entrepreneurship. Entrepreneurship based on self-knowledge which is conducted by indigenous people (Dana, 2005).

5.2 Entrepreneurial initiatives in Namibia

Namibia is rich in mineral deposits namely; uranium, diamonds, silver, tin, zinc. Most of the Namibian population is employed in the agricultural sector. It is critical to highlight at this

point that people in the agricultural sector have a very strong sense of sharing regardless of the resources that they are producing. The lifestyle of the people is strongly embedded in the cultural concept of “Ubuntu” which is a term Former South African President Nelson Mandela describes as, *“I am, because you are”*. No individual can sustain or live by him/herself, but can only achieve because of the support from others.

The mining sector contributes fifty percent (50) of the Namibian exports. In return exports accounts for forty percent (40%) of the GDP. It is important to clarify at this stage that GDP growth is volatile because of the heavy reliance on mineral exports, but nevertheless robust and Namibia has exceeded a number of its neighboring countries.

The manufacturing sector of the Namibian economy is an industry which produces or sells food. An entrepreneurial initiative in terms of the Namibian economy entails the development of local resources by Namibians, for the sustenance of their own people based on local knowledge. Similar to Ghana the small business sector in Namibia operates under an umbrella body of small and medium enterprises, and these are sometimes not formally linked to local communities. Most entrepreneurial initiatives of local communities normally operate in an informal manner (underground economy) before they are eventually integrated into the formal economy.

When we talk of Namibia, most entrepreneurial initiatives are integrated within the agricultural sector where communities focuses on raising stock livestock, due to inefficient supply of water and poor rainfall which limits effective farming. Except for the northern regions of Namibia, who are closer to the Angolan border (which is naturally greener), some of the central and most of the southern communities survive from small livestock (in terms of indigenous communities).

6. Concluding remarks and recommendations for future research

This chapter explored the entrepreneurial initiatives of two African nations namely Ghana and Namibia. The chapter in particular looked at why Ghana which has been a prime model of development for many African nations is still challenged to develop its economy, while Namibia which was the last nation to gain independence is doing relatively well. The findings from this chapter reveal that the forms of business enterprises adopted by these two nations at their independence had significant differences. The programs adopted by Ghana had a strong Western approach to business, while Namibia seems to have adopted local cultural practices in its business initiatives. Western African nations seem to be very entrepreneurial at a local community level, but the level of cooperation and coordination for communities to work together seems to be major challenge for Ghana. Issues of nepotism, corruption seems to be a major challenge for the Western nation of Ghana, which seems to hinder good initiatives for flourishing entrepreneurship. Most respondents which were interviewed for this paper felt that there is room for good entrepreneurial initiatives, but the issues of nepotism and corruption cause many Ghanaians to leave the country to seek for better opportunities elsewhere.

Namibia seems to have a good balance between Western cultural practices of conducting business with indigenous cultural practices. However flourishing entrepreneurial initiatives remains a major challenge. Opportunities for entrepreneurial initiatives in Namibia are

good, but the lack of skilled people to take up these opportunities is scarce. From this chapter the researcher can also deduced factors that hinders business formation in these nations namely lack of well-established infrastructure, poor communication links or networks, overpopulation, strict regulatory measures or procedures which make it difficult for certain members of the community to contribute to their maximum potential. The findings of this chapter also reveal that higher levels of literacy are critical for any economy to flourish and in particular developing the entrepreneurial initiatives within an economy. Strong differences in terms of culture can be seen between Ghana and Namibia. Both nations' lives by the "Ubuntu" principles but challenges exist within the various cultural groups within the regions of each nation. Namibia seems to have undergone a longer period of German colonization, and that might bring about significant differences between the various nations: both in terms of culture and literacy. It is the recommendation of the author that both Western and African approach should be integrated both in Ghana and Namibia for entrepreneurial initiatives to flourish and improve the living conditions and the well-being of the communities. It is important to reiterate that skilled manpower is an essential ingredient for any successful economy. It is worry some that the current education systems in Africa are directed in giving a sub-average education to the masses rather than also giving superb education to the gifted few. To make matters worse, the gifted few are often nabbed by the greedy first world economies. For both the Ghanaian and Namibian economies to be a success in future, it has become high time that professionals trained abroad returned to their home nations, but African nations fail to create an enticing environment which would make those trained abroad to stay. Issues amongst many others which make the stay of the Africans trained abroad unpleasant is professional jealousy from those which have never studied abroad. Both Western and African practices should be adopted for effective and efficient change to take place. A limitation of this study is that an in depth study on Ghana could be conducted for future research, and the researcher has to extract a larger sample which could probe more information on these significant differences in terms of entrepreneurial activity.

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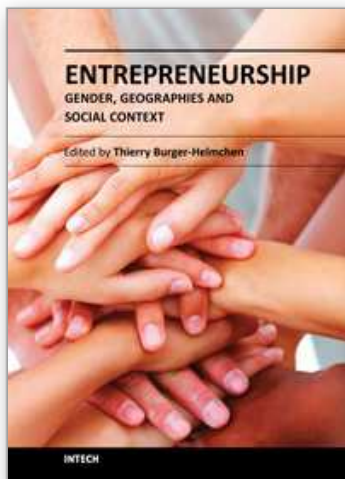
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