

The Significance of Infrastructure in a Country's Growth

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Abstract

Why are the Western countries more advanced than many African & Asian countries? Why even Indian and South Korea have raced ahead of Ghana, and other African countries in the recent times? Or for that matter, why is Ghana lagging behind many countries in terms of economic growth and poverty? There are many reasons and answers to these questions and one of them is the fact that all these nations have very good physical infrastructure. Indeed, the fact that they have better roads, ports, highways, airports, and other elements of infrastructure is one of the reasons why they have clocked faster economic growth. In a developing and expanding economy an efficient network is vital, but this requires investment in infrastructure and management. With publicly-funded programs facing scrutiny, your sector needs to find alternative procurement models, while ensuring existing asset bases. Interest is increasing in private finance initiatives that attract investment from pension funds, sovereign wealth funds and infrastructure groups and funds. This kind of initiative looks likely for many countries with secondary implications for infrastructure users in the future



I. Why is Physical Infrastructure so Important to a Nation's Development?

The answer is that once goods are produced, they need to be transported to the ports and airports for transportation to other states and countries. This means that excellent roads are needed to transport the goods or otherwise, they would be delayed leading to economic and reputation losses. Indeed, if a manufacturer produces goods quickly but is unable to transport them to the destination as fast as they can, then there is no point in making the goods in an efficient manner in the first place.





A. Roads, Ports, and Airports

Moreover, good roads are also needed for manufacturers to obtain raw materials and other components. In addition, ports that are well functioning and where ships do not need to wait for longer periods of time or in other words, are not congested are very crucial for economic growth as otherwise, the loading, and unloading of goods from the ships would cause losses to the exporters and importers. Similarly, there is a need to develop airports that are modern and efficient for freer and easier movement of people in and out of the countries. For all these reasons, it is vital that the physical infrastructure needs to be as efficient and as productive as possible.



B. Other Elements of Infrastructure

There are other elements of infrastructure and they are the power and water situation apart from the development of a city's infrastructure. Indeed, if there is power outages and blackouts or what are known as "power holidays" or "industry holidays" wherein the manufacturers cease production on certain days, then these timeouts would lead to losses for them. Moreover, if a city is unable to cope with the influx of migrants and absorb the growing numbers of people, then the people working in the plants and factories would be unable to function effectively and work productively.



C. Need for Massive Investments in Infrastructure as a Route to Faster Economic Growth

No nation develops without investing in infrastructure and indeed, this is the reason why in the aftermath of the Second World War, the Western countries massively invested in infrastructure. It is also the reason why Japan and South Korea and later China undertook a drastic improvement in their infrastructure so as to ensure that it “enables” faster economic growth and development. Indeed, it is the enabling aspect which is important since infrastructure is supposed to facilitate and spur economic growth by providing better connectivity and enhancing productivity and efficiency.



D. The Hardware and Software of Enabling Infrastructure

Moreover, investments in infrastructure work as a force multiplier wherein the monies invested in building highways, ports and airports not only creates the “hardware” for a nation’s development but also results in more growth because the huge amounts of money are spent on construction materials, wages, and production of other raw materials which help those industries to grow faster. Therefore, it is indeed the case that massive investments in infrastructure enable the nation’s economic development by ensuring that the hardware is in place and the software wherein the people needed to staff the plants and factories are also capable and work productively.



E. Human Capital

Indeed, while many experts talk about physical infrastructure, they forget to talk about another crucial element and that is the software or the skills of the employees and their productivity and productive capacities. This aspect which is developed through investments in healthcare and education enables a healthy and well educated workforce who would then lead to faster economic growth by ensuring that the necessary human resources are there for the industries and the technology companies to take advantage of.



F. Urban Planning

Urban planning is a technical and political process concerned with the development and use of land, protection and use of the environment, public welfare, and the design of the urban environment, including air, water, and the infrastructure passing into and out of urban areas, such as transportation, communications, and distribution networks. Urban planning is also referred to as urban and regional planning, regional planning, town planning, city

planning, rural planning or some combination in various areas worldwide. It takes many forms and it can share perspectives and practices with urban design. Urban planning guides orderly development in urban, suburban and rural areas. Although predominantly concerned with the planning of settlements and communities, urban planning is also responsible for the planning and development of water use and resources, rural and agricultural land, parks and conserving areas of natural environmental significance. Practitioners of urban planning are concerned with research and analysis, strategic thinking, architecture, urban design, public consultation, policy recommendations, implementation and management. Urban planners work with the cognate fields of architecture, landscape architecture, civil engineering, and public administration to achieve strategic, policy and sustainability goals. Early urban planners were often members of these cognate fields. Today urban planning is a separate, independent professional discipline. The discipline is the broader category that includes different sub-fields such as land-use planning, zoning, economic development, environmental planning, and transportation planning

Another important element in a nation's infrastructure is the way in which the urban areas are managed and planned. For instance, most Ghanaian cities are groaning under the weight of their residents and the creaking infrastructure results in poor planning and haphazard growth which would derail any chances of faster economic growth. Indeed, if there is anything holding back countries such as Ghana, India etc., it is the sheer lack of planning as far as cities and the other components of infrastructure are concerned.



II. CONCLUSION

This means there are no substitutes for infrastructure development and there are no shortcuts for faster economic growth. It is only when these aspects are taken care of that the nation develop, there are lessons for Ghana and other African Countries that are trying to grow and leapfrog into the elite club of developed nations. If the president of a country think that putting money into the pocket of citizens will bring National Development, then it's a lie, Citizens can have a lot of money in their pocket but will never see National Development in the country unless the president invest in infrastructure. Therefore, developing a country is by investing in all elements of the infrastructure component, if not the country development would be slow and retarded and they would miss the bus again and lose out in the race for economic competitiveness. This is the hard truth and the bitter reality which should hopefully spur them to invest in their infrastructure. In view of this I will say any Government who refuse to invest into infrastructure development is a bad government. For instance Ghana is still making proud of Dr. Kwame Nkrumah on its massive investment in infrastructure, therefore his good for a President of a country to make more allocation of his national cake for infrastructure development.

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