# BUSINESS BRIEFING ON DIVERSITY & INCLUSION IN GHANA

**Open For Business, 2023**

Summary

As a coalition of global companies – including those with operations and employees in Ghana – we believe it is imperative to draw attention to the economic and business case for diversity and inclusion in Ghana. In particular, discrimination against LGBTQI+ people has a detrimental effect on employees and runs counter to the interests of businesses and economic growth in Ghana. The evidence globally shows that policies designed to exclude minorities such as the LGBTQI+ community have a negative impact – not only on people, but on business performance as well as national economic competitiveness.

Context

We are a coalition of businesses from the technology, industrials, airline, financial services, healthcare, consumer products, entertainment and consulting sectors. This briefing is intended to inform deliberations on the *Promotion of Proper Human Sexual Rights and Ghanaian Family Values (Bill)* which the Parliament of Ghana has granted a second reading. The Bill severely limits the human rights of lesbian, gay, bisexual, transgender, queer, intersex or non-binary (LGBTQI+) persons and allies and calls for the imprisonment of anyone advocating for those rights. The Bill will also impinge on the free speech rights of every Ghanaian and business operating in Ghana, not just the LGBTQI+ community.

The Bill claims, “Such interference is justified as reasonably necessary for … the economic well-being of the country” (p4-5)[[1]](#footnote-1). On the contrary, the Bill is detrimental to the economic well-being of Ghana and is a significant concern for global businesses operating or planning to invest in the country.

Business commitment to diversity and inclusion

The provisions of the ‘Family Values Bill’ run counter to the interests of business operating in Ghana, according to the evidence and experience of the Open For Business coalition. Businesses are committed to diversity and inclusion because it strengthens their performance: success depends upon the welfare and morale of all employees, without distinction. There is strong evidence that companies with a culture of workplace inclusion create more engaged and productive employees - and as a result are more innovative, more competitive, and have improved financial performance.

Open For Business is concerned about the impact of the Bill, if passed into law, on doing business in Ghana. It will become a crime to provide support and information to employees, colleagues, suppliers, investors, and customers who might be from sexual or gender minorities. This contradicts global standards of best practice for running a productive, innovative and successful business. Further, it may compel companies to report LGBTQI+ individuals to the authorities and will restrict the way business engages with the LGBTQI+ community. This will be unacceptable to businesses in our coalition, who are bound by international standards of corporate responsibility, as well as human rights laws of the countries in which they are headquartered. It also infringes on basic freedoms and rights enshrined in the Ghanian constitution and law[[2]](#footnote-2) and international documents ratified by Ghana[[3]](#footnote-3), which are a necessary basis for a country that is a good place to do business.

Economic implications of the Bill

Over the past two decades, Ghana built an enviable reputation as an attractive destination for global business and investment. The country has made significant strides towards being a business-friendly democracy: it has a multi-party system and an independent judiciary, and consistently ranks in the top three countries in Africa for freedom of speech and press freedom[[4]](#footnote-4). This enhanced Ghana’s global competitiveness.

However, in recent years Ghana has experienced a full-blown economic crisis, requiring an International Monetary Fund credit bailout. High inflation and interest rates are hampering private consumption and investment.

At this time, Ghana needs to prioritise national policies that foster a prospering economy. However, the Bill threatens to undermine Ghana’s attractiveness as a place to do business. It may make it harder to implement the country’s economic policy which prioritises diversification and attracting Foreign Direct Investment (FDI). It may also imperil international funding to Ghana, as occurred in Uganda, when the Ugandan government enacted the Anti-Homosexuality Act in May 2023, leading the World Bank to halt their public funding to the country.[[5]](#footnote-5) The Open For Business coalition would like to draw attention to the strong economic case against the Bill:

* **LGBTQI+ inclusive economies are more competitive.** Ghana’s ability to perform competitively in the global economy will be key to stability and growth. However, according to the most recent Global Competitiveness Index (GCI), the country currently ranks 111 out of 141 countries. Evidence shows that there is a strong correlation between competitiveness and LGBTQI+ inclusion[[6]](#footnote-6).
* **LGBTQI+ inclusion is associated with higher levels of Foreign Direct Investment.** Ghana is undertaking an ambitious reform program to improve the climate for international investors. However, evidence shows that emerging markets which are less open and inclusive attract less FDI. Globally, countries that do not criminalize consensual same-sex relations attract 4.5 times more foreign investment on average than countries that do criminalize this community[[7]](#footnote-7).
* **LGBTQI+ inclusive cities have stronger ‘innovation ecosystems’.** Evidence suggests that LGBTQI+ inclusive cities have more robust economic growth, resulting from higher levels of entrepreneurialism, greater concentrations of talent and skills, and clusters of high-value industries[[8]](#footnote-8). For Ghana’s major cities, particularly Accra and Kumasi, discrimination against LGBTQI+ communities may act as a brake on diversification and growth.
* **LGBTQI+ discrimination is associated with ‘brain drain’.** Evidence shows that countries which are not open and inclusive are more likely to lose their most talented citizens[[9]](#footnote-9) (not only LGBTQI+ individuals who may feel it is necessary to emigrate). This is a problem for Ghana’s economy, which already has a very high rate of brain drain – ranking 37th out of 177 countries[[10]](#footnote-10). It isn’t just health sector workers that are leaving: for example, research shows that Ghana also losing young tech professionals[[11]](#footnote-11).
* **LGBTQI+ criminalisation diminishes tourism.** Ghana has a lot to offer tourists, and this represents a significant economic opportunity. Ghana has a reputation as one of the world’s friendliest countries, however this would be damaged if the Bill is passed. Evidence shows that many travellers are deterred by anti-LGBTQI+ laws: More than half (51%) of U.S. and U.K. travellers would be UNLIKELY to go on holiday to a country that has anti-homosexuality laws, according to Open For Business research[[12]](#footnote-12). Open For Business data in the Caribbean found the laws criminalise LGBTQI+ people have a significant cost on tourism, and countries which are now repealing these laws are benefiting from a “decriminalisation dividend” [[13]](#footnote-13). This indicated that the bill would have significant impacts on the prospects for Ghana’s tourism industry.
* **LGBTQI+ inclusive countries provide citizens with a better standard of living.** An analysis of GDP per capita data shows strong correlations with LGBTQI+ rights. A regression analysis of the data demonstrates that a 10% gain in LGBTQI+ rights correlates with a USD 3,693 gain in GDP per capita[[14]](#footnote-14). For Ghana, LGBTQI+ inclusion can be part of a successful economic development strategy, which may lift more people out of poverty.

Finally, analysis by Open For Business has estimated the cost of LGBTQI+ discrimination in a number of countries. For example, in Kenya LGBTQI+ discrimination costs the economy up to USD 1.3 billion annually[[15]](#footnote-15); in the English-speaking Caribbean, the cost is up to USD 4.2 billion annually.[[16]](#footnote-16) A 2015 World Bank study found that LGBTQI+ discrimination cost the Indian economy 1.7% of its GDP.[[17]](#footnote-17) India has since decriminalised same-sex activity, citing the economic case against discrimination as one of many reasons.

This evidence suggests that the Bill will create more economic harm than good. In addition, evidence shows that discrimination against LGBTQI+ people will diminish their ability to participate fully and equally in economic life, both in the formal and informal economy. LGBTIQ+ Ghanaian’s already disproportionately face socio-economic challenges as compared to other Ghanaians, resulting in poor health and education outcomes and negatively affecting productivity. The Bill also goes against the ‘leave no one behind’ promise of the Sustainable Development Goals (SDGs).[[18]](#footnote-18)

**Conclusion**

Companies operating in Ghana have a shared interest in the country’s economic development and prosperity. However, the ‘Family Values Bill’, if passed into law, would undermine the confidence of international investors and corporations doing business in Ghana. Chapter 6 (Article 35) of Ghana’s Constitution states:

“The State shall take all necessary action to ensure that the national economy is managed in such a manner as to maximize the rate of economic development and to secure the maximum welfare, freedom and happiness of *every person in Ghana*” [italics added][[19]](#footnote-19).

Politicians in many countries have allowed divisive debates about cultural values to distract from this important purpose. Given the economic challenges currently facing Ghana and rising levels of poverty, the Open For Business coalition urges Ghanaians to prioritize policies that foster a thriving national economy.

Diversity and inclusion are core principles of our coalition partners in the conduct of their businesses. Enacting the Bill under discussion would hamper the ability of companies to create workplaces that are diverse and inclusive – in line with stated company policies and the recognized business case. For our companies, this is not a question of politics, but of sound business judgment.

ABOUT OPEN FOR BUSINESS

[Open For Business](https://open-for-business.org/) is a coalition of leading global companies dedicated to LGBTQ+ inclusion. Open For Business builds the business and economic case for LGBTQ+ inclusion in challenging countries. We believe that inclusive, diverse societies are better for business and better for economic growth.

Our coalition partners are listed below.

Open For Business Coalition Partners:

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| --- | --- | --- |
| **ABB**  **Accenture**  **American Express**  **AT&T**  **BD**  **Boston Consulting Group**  **Brunswick Group**  **C&A**  **Deloitte**  **Deutsche Bank**  **DLA Piper**  **Dow**  **EY** | **Google**  **GSK**  **HSBC**  **IBM**  **IKEA**  **Inditex**  **JP Morgan Chase**  **KPMG**  **LEGO**  **LinkedIn**  **Linklaters**  **L'Oreal**  **MasterCard** | **McKinsey & Company**  **Meta**  **Microsoft**  **Pinsent Masons**  **PwC**  **RELX Group**  **Sidley Austin**  **Standard Chartered**  **Unilever**  **Virgin Group**  **Wabtec Corp** |

1. *Promotion of Proper Human Sexual Rights and Ghanaian Family Values (Bill)*, 2021, <https://cdn.modernghana.com/files/722202192224-0h830n4ayt-lgbt-bill.pdf> [↑](#footnote-ref-1)
2. See Chapter 5 on Fundamental Human Rights & Freedoms, especially Article 15 (Respect for Human Dignity) and Article 17 (Equality and Freedom from Discrimination) <https://www.constituteproject.org/constitution/Ghana_1996.pdf> [↑](#footnote-ref-2)
3. See the African (Banjul) Charter on Human and People's Rights and Universal Declaration of Human Rights [↑](#footnote-ref-3)
4. The World Bank in Ghana, <https://www.worldbank.org/en/country/ghana/overview#1> [↑](#footnote-ref-4)
5. World Bank Group Statement on Uganda, <https://www.worldbank.org/en/news/statement/2023/08/08/world-bank-group-statement-on-uganda> [↑](#footnote-ref-5)
6. Open For Business, *The Economic Case for LGBTQ+ Inclusion in Kenya*, 2019, <https://open-for-business.org/kenya-economic-case> [↑](#footnote-ref-6)
7. Open For Business, *The Economic Case for LGBTQ+ Inclusion in Uzbekistan*, 2021, <https://open-for-business.org/the-economic-case-for-lgbt-inclusion-in-uzbekistan> [↑](#footnote-ref-7)
8. Open For Business, *Strengthening the Economic Case*, 2018, <https://drive.google.com/file/d/1g7Al1vaxXCZDL27M6TLo3Q6L1iW1A0ii/view> [↑](#footnote-ref-8)
9. Open For Business, *Strengthening the Economic Case*, 2018, <https://drive.google.com/file/d/1g7Al1vaxXCZDL27M6TLo3Q6L1iW1A0ii/view> [↑](#footnote-ref-9)
10. theGlobalEconomy.com, *Human flight and brain drain*, <https://www.theglobaleconomy.com/rankings/human_flight_brain_drain_index/> [↑](#footnote-ref-10)
11. Brain drain in Ghana's tech industry, <https://www.dandc.eu/en/article/ghanas-it-companies-are-competing-best-minds-both-local-and-global-labour-market> [↑](#footnote-ref-11)
12. Open for Business, *The Economic and Business Case for LGBT+ Inclusion*, 2015, <https://drive.google.com/file/d/1o3cy98lk02yXOlrZMGqzETpxBlPyhvsu/view> [↑](#footnote-ref-12)
13. Open For Business, *The Economic Case for LGBT+ Inclusion in the Caribbean*, 2021, [https://static1.squarespace.com/static/5bba53a8ab1a62771504d1dd/t/60db84d5290fbc1c10a48d12/1624999133012/The+Economic+Cas e+for+LGBT%2B+Inclusion+in+the+Caribbean.pdf](https://static1.squarespace.com/static/5bba53a8ab1a62771504d1dd/t/60db84d5290fbc1c10a48d12/1624999133012/The+Economic+Cas%20e+for+LGBT%2B+Inclusion+in+the+Caribbean.pdf%20) [↑](#footnote-ref-13)
14. Open For Business, *The Economic Case for LGBT+ Inclusion in Central and Eastern Europe (CEE)*, 2021, [https://static1.squarespace.com/static/5bba53a8ab1a62771504d1dd/t/60a17c1668856f2a6aad0bd2/1621195800968/The+Economic+Case+for +LGBT%2B+Inclusion+in+CEE+-+Final.pdf](https://static1.squarespace.com/static/5bba53a8ab1a62771504d1dd/t/60a17c1668856f2a6aad0bd2/1621195800968/The+Economic+Case+for%20+LGBT%2B+Inclusion+in+CEE+-+Final.pdf) [↑](#footnote-ref-14)
15. Open For Business, *The Economic Case for LGBTQ+ Inclusion in Kenya*, 2019, <https://open-for-business.org/kenya-economic-case> [↑](#footnote-ref-15)
16. Open For Business, *The Economic Case for LGBT+ Inclusion in the Caribbean*, 2021, [https://static1.squarespace.com/static/5bba53a8ab1a62771504d1dd/t/60db84d5290fbc1c10a48d12/1624999133012/The+Economic+Cas e+for+LGBT%2B+Inclusion+in+the+Caribbean.pdf](https://static1.squarespace.com/static/5bba53a8ab1a62771504d1dd/t/60db84d5290fbc1c10a48d12/1624999133012/The+Economic+Cas%20e+for+LGBT%2B+Inclusion+in+the+Caribbean.pdf%20) [↑](#footnote-ref-16)
17. M.V. Lee Badgett, *The Economic Cost of Stigma and the Exclusion of LGBT People: A Case Study of India*, World Bank Group Working Paper, no. 94040, The World Bank Group, 2014, <https://documents1.worldbank.org/curated/en/527261468035379692/pdf/940400WP0Box380usion0of0LGBT0People.pdf> [↑](#footnote-ref-17)
18. [↑](#footnote-ref-18)
19. Ghana's Constitution of 1992 with Amendments through 1996, <https://www.constituteproject.org/constitution/Ghana_1996.pdf> [↑](#footnote-ref-19)