

**SPEECH DELIVERED BY FLT-LT JERRY JOHN RAWLINGS,
CHAIRMAN OF THE PROVISIONAL NATIONAL DEFENCE
COUNCIL (PNDC).**



Your Excellencies, Invited Guests, Fellow Countrymen,

I wish to thank the Chief Executive of the Volta River Authority for his address of welcome and for the assurance which he has given regarding the contribution of the VRA towards our present efforts at national recovery.

The Government of the PNDC also formally welcomes the representatives of the various Governments and Agencies who lent money to finance this project, and indeed we welcome all the other countries who are represented here today at this ceremony. Please extend our fraternal greetings to the Government and people of your countries.

The PNDC is committed to the achievement of certain basic objectives for the people of this country. Our task as a government is principally to extend and give meaning to Democracy for the mass of our people. For the so called democracy which has existed in this country until the revolutionary process began has been a restricted one. At the level political power, in a country where over 60% of the population cannot read, or write in English, only those who were literate in English could go to Parliament. Further, the high fees charged as registration for political parties made them a preserve of the rich. At the level of the economy, democracy meant plenty for the rich and a freedom to starve for the broad majority, and a lack of sensitivity to the plight of the poor dominated all our major institutions. It is only this, which explains a situation in which cocoa farmers were not paid for years.

We recognize that the battle for democracy, which involves a revolutionary transformation of the social and economic structures in the country, involves dedicated and difficult work, discipline, and sacrifice. The people of this country have begun to wage this battle, and we hope that we can count on friendly nations and institutions for respect, understanding and solidarity.

The PNDC and the people of Ghana recognize the primary importance of energy, both for industrial development and for domestic use. We are determined to pursue a vigorous energy policy. The development of the hydro-electric potential of the country is a major part of that policy. We are all fully aware of the effect of the drastic increases in the price of crude oil, not only on our economy, but on those of other developing countries. The importation of crude oil consumes about 40% of our export earnings. We cannot continue to sustain this heavy burden.

In order to contain the rising import bills, we are vigorously pursuing the search for oil-fields both inland and offshore. We will also intensify our campaign for national fuel conservation.

However, we recognize the need to generate electricity from hydro-power as basic in our circumstances. And we shall pursue such a policy. This is particularly necessary because for us it is intolerable that 70% of our population, located in the rural areas, should go without the benefits of electricity. We think it should be possible to develop mini-hydro schemes on many of the nation's rivers. This would give greater access to electricity, and water supply for consumption and irrigation to the mass of our people, at relatively low cost. This is a matter that we intend to look at more closely and develop. We are committed to appraising the remaining hydro-potential of the country, with a view to harnessing this potential to satisfy our new, revolution and democratic goals.

We also intend to replace the inefficient and diesel generating plants through which electricity is provided for some urban areas with hydro-electricity power.

With the commissioning of the Kpong Project, our total hydro-power capacity is now 1060 megawatts. This development is of benefit, not only to our people, but also to our sister countries of West Africa. Already Ghana sells power to Togo and Benin. Soon Ghana and the Ivory Coast will be in a position to support each other in times of need. The VRA and their counterparts in Nigeria are engaged in consultations to study possibilities for a link up of the Nigeria power system with Ghana's through Benin and Togo. We will support every effort for Ghana and her neighbours to work together to extract for mutual use, maximum benefits from their investments in energy resources and to schedule these investments rationally.

We have to look back at this stage in our history and pay tribute to the foresight of Dr. Kwame Nkrumah, first President of this country and his team, who pushed through the Akosombo project. It is staggering to contemplate what would have been our situation now if we had to rely principally on oil for the generation of electricity.

For sometime now, there has been an active public debate raging over Valco's use of the nation's electricity at rates, which are among the lowest in the world. Energy consumption is usually a fair indicator of the level of industrialization in a country. This is because modern industry consumes a high level of energy. In our case, the level of industrialization and development has not matched the original dreams of the planners of Akosombo project. The fact that Valco consumes about 65% of the power from the Akosombo dam has meant there has not been sufficient power left for other industrial consumers of large quantities of energy, a factor which has increased the need to construct Kpong.

The people of Ghana have also been concerned about the rates that Valco pays for its power. The Volta River Authority has taken the position that the price paid for power must take into account how much it costs to produce that power, and also contain a small margin to generate enough funds to improve and expand the system of energy production. Valco has not been willing to accept the price increase that VRA has proposed on this basis. The PNDC Government supports VRA's position on this issue.

Recently, Valco announced its intention to reduce its plant capacity here and lay off substantial number of workers. The Government has been negotiating with Valco for the use of the capacity that would otherwise have been shut down. We hope that these negotiations will be conducted with seriousness, urgency, without hostility and with a genuine concern to reach agreement. Further, we would welcome a public assurance from Valco that while these negotiations are going on at least, they will not shut down any capacity or lay off any workers as they had originally planned. We also hope that next time they have any such plans they give us much longer notice than they have done in the case.

We wish to assure Valco and all other investors that we are not hostile to Valco or to the foreign investment. But we are determined to ensure that the investment proves beneficial and fair to all parties.

I would at this stage like to thank all those who have contributed to the successful completion of the Kpong Project. This dam is important, not only because it will provide an abundant and reliable source of water for power, but it also provides a good opportunity for development of irrigated agriculture of the lower Volta. The facilities of the lake will be useful for the development of a fishing industry. These are particularly valuable to us because of our emphasis on encouraging agricultural production.

This project has, from its inception, been characterized by a lot of international interest resulting in extensive international participation and co-operation. The financing of the foreign exchange element of the project was made possible through the valuable and mostly soft loans granted by the Arab Bank for African Economic Development, the Canadian Government, the European Development Fund, the European Investment Bank, Kuwait Fund, the OPEC Special Fund, the Saudi Fund for Development and the World Bank. We thank all of them for their great contribution to the realization of the Kpong Project. We trust that they will continue to work with us for our mutual benefit.

We also thank all the consultants and contractors who have worked on the Project, and congratulated the thousands of workers who have expended their labour in the construction of this dam.

Beneficial as this project is in terms of the general interest, we must not forget that it has had its costs in human beings. People have died, some have lost their limbs, many have lost their homes and have had to be resettled. I wish that this project should be dedicated first and foremost to those of them who are alive and to the memory of those who have died.

And accordingly a new plaque should be made dedicated to all those who have given their lives and their land in the construction of the Kpong Hydro-electric Project.

LONG LIVE GHANA!
LONG LIVE THE REVOLUTION!!