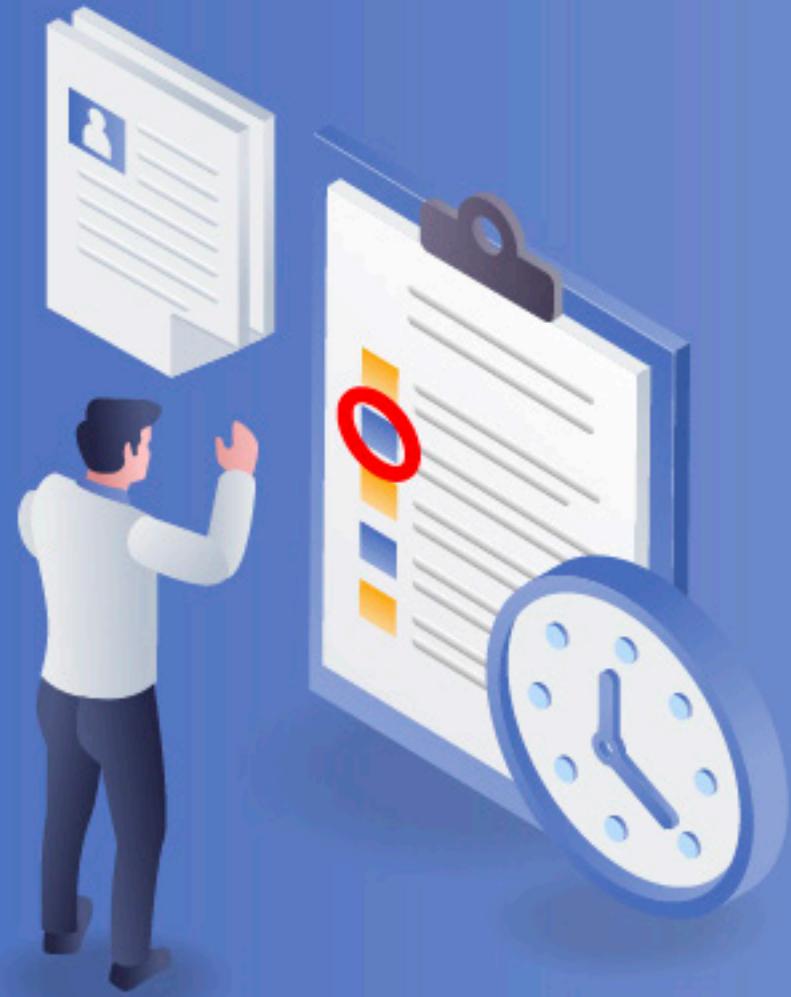




# Journal of Policy and Planning (JPP)

ISSN: 3066-4543 (ONLINE)

VOLUME 3 ISSUE 1 (2026)



PUBLISHED BY  
E-PALLI PUBLISHERS, DELAWARE, USA

## Okada Business and Socio-Economic Development of the Gomoa Districts in the Central Region, Ghana

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### Article Information

**Received:** February 21, 2025

**Accepted:** March 29, 2025

**Published:** February 1, 2026

### Keywords

*Employment, Income, Okada Business, Road Network, Transport, Socio-Economic Development*

### ABSTRACT

Central Region is among the sixteen administrative regions of Ghana with Gomoa being part of the former. Gomoa has three districts; West, East and Central and majority of the population are farmers mainly crop growers and few individuals engaging service provisions. This paper assesses the contribution of the Okada business to the socio-economic development in the Gomoa Districts. The research adopted cluster sampling techniques due to nature of the study area. Purposive sampling was employed as the research new the location of the motor riders as well as other dealers and customers. Regression analysis was done to check the main reasons the youth engage in the business. The findings of this preliminary research indicate that there are many reasons why the youth engage in the okada business and these reasons include employment creation, income generation, provision of social service and contribution to raising standard of living among the rural communities in Ghana.

### INTRODUCTION

Economic growth and development of every economy around the world has always been dependent on seamless movement of goods and services with and economy (Nistor, 2014). This becomes achievable if there is the right kind of fast, reliable and affordable means of transporting these services from the point supply to the demand point. Countries must develop the increasing capacity of the transport infrastructure including all the traditional ones such as air, land, road, water, pipelines and others.

The availability of these modes should be accessible and affordable. Transportation is not only a private activity but also commercial activity that derives benefit from operational attributes such as costs, capacity, efficiency, reliability and speed (Rodrigue, 2017).

As population growth occurs different methods of evacuating both human and non-human also come into the fore using the transport mode available.

The modern transportation systems are evolving very fast within a complex set of relationships between transport supply as well as operational capacity of the road network and transport demand as well as the mobility requirements of an economy (Bardi & Novack, 2006; Rodrigue, 2017). Because of the way in which contemporary cities and towns are planned and operated, there is usually a physical distinction between home and work, forcing people to move to work, to study and to have pleasure and leisure, and also to move temporarily for other activities. Commerce requires the transport of people to conduct

business (Bardi *et al.*, 2006).

As stated earlier, water, road, air, pipelines are the traditional modal systems which have been used since time immemorial. In the road system many objects are used mainly cars in both intercity and intracity for the purposes of carrying goods from one destination to another.

Governments, and individuals have recognized the role transportation plays in Ghana in terms of economic growth and as a result has enacted an Act to regulate its activities (Agyemang *et al.*, 2006; Rodrigue, 2017). According to the Road Fund Act 1997 (Act 536), a reliable and affordable road transport system plays a key role in the socioeconomic development of Ghana. Road transportation forms an important part of the social safety net, facilitates the distribution of wealth through trade and employment opportunities in both urban and rural communities (Road Fund Act 536, 1997). This means national target for economic growth also relies on transportation.

Using motorbike in Ghana has recently gained popularity due it is ability to respond to emergencies and this is becoming very common in both the cities and the underserved communities where road network is very poor especially during rainfall. It is important therefore to offer the ultimate attention to this new transport system of Okada.

### LITERATURE REVIEW

In the view of Kumar (2011), the origin and growth

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of motorcycle taxis in most African countries can be attributed to the inadequacy of road transport services (taxis, troskies, coaches, ride hailing services), either directly provided by the state or individuals, and the deregulation of the market leading to the growth of informal operators.

Also, most African countries including Ghana, many people including security chief, emergency response teams experience high traffic situations most especially during rush hours in the morning or evening. To this end many options are used by individuals such motor taxi popularly called Okada. This service started in northern Nigeria about five decades ago and spread to other parts of Africa including Ghana.

The preponderance (ubiquity) of motorcycle-taxi services in Africa is clearly manifested in the proliferation of local names to describe them. They include okada (Ghana), Okada or alalok (Nigeria), kabu-kabu (Niger), boda-boda (Uganda and Kenya), zemidjan (Benin), oleyia (Togo), and bendskin (Cameroon).

In Nigeria's most populous city, Lagos, there are over 200,000 okada operators, providing direct employment to over 500,000 people, and such a large numerical strength gives them enormous political power.

Furthermore, Agyemang Frimpong *et al.* (2020), a country like India and other developing economies, had used the Motorcycle taxis in operation since 1979. Their activities became legalized from 1981 when the Goa Government started giving them permits to operate

In Ghana, tricycle cargo, the type of motor bikes specifically designed for carrying goods (popularly called aboboyaa), the type for carrying passengers popularly known as "yellow yellow" or pragya these are the types of motor bike with three tires (tricycles), as well the traditional two-tires are the commonly seen motorcycles that ply on our streets serving different people and purposes.

The motorcycle for ages has been for personal, and sometimes official use (Agyemang Frimpong *et al.*, 2020). The government of Ghana through its agencies like Driver Vehicle Licensing Authority herein called (DVLA) and the Ghana Police Service (GPS) are the institutions which have been mandated by laws and regulations to ensure proper registration and the safest use of motorcycles operation in Ghana, whiles the Motor Transport and Traffic Department (MTTD) a division under Ghana Polices Service has been tasked to check the road worthiness of all motorbikes type.

The economy of Ghana grows approximately between four and eight percent annually based on Gross Domestic Product GDP figures. However, the growth is not accompanied by the increase in transport services especially in the rural areas where the transport network is very poor.

Drivers who ply the roads in the rural communities most often complain of their cars developing faults after using such roads due to their poor nature in terms most especially raining season. A journey which would have been covered using thirty minutes can be covered shorter

using motorbike. The driver charge huge transport fares and sometimes, refuse to trip passengers to their destinations especially during raining season where most of the roads are unmotorable. Consequently, the bad road network delays journey as short distances take a long time to cover.

In curbing the above challenges in the rural Gomoa districts, the youth have resorted to the use of commercial motors taxi business called Okada. The youth have created an alternative livelihood entity for themselves in the area of employment, income generation, provision of many services, contributing to the reduction of rural-urban migration of the youth as well as sustaining the rural economies in Ghana.

The Okada business has reduced drastically, the traffic congestion that have characterized the cities during rush hours and peak times in the cities. The research agrees with Levy and Wong (2010) who made a good argument in favour of the services provided by the youth across Africa using the commercial motor business popularly called Okada.

Despites all these contributions to the socioeconomic development of Ghana's rural Ghana by the Okada services, little literature exist on Okada transport service. The little that exist does not exhaust all the role the business plays as they all point to the negative aspect of the business such as accident leading to amputation of both riders and passengers, snatching of phones, hit and run of innocent people among other negative conceptions.

This research article looked at the positive contribution Okada services makes to the economy especially the three district of Gomoa. No research has been done in the central region of Ghana with regards to the services provided by Okada business leaving a huge primary literature gap.

In Ghana, the commonest brands on the market for both private and commercial purposes include royal, haojue, apsonic and boxer. Depending on the purpose and purchasing power of the users one may afford any of these.

### Schematic Representation of Okada Services in the Gomoa districts, Ghana

Okada as transport modal option, contribute immensely to the socio-economic development especially in the recent times, augment existing transport system. The riders contribute their quota to national development through the provision of passenger transport services. They carry mostly human from one point to the other these services include, teachers, bankers, health workers, school children and farmer in case of places where vehicular is not very regular. The services providers ply almost all types of roads except where there is a big river course.

Some usually have their motorbikes turned into cargo where they carry goods from the farm to the nearby market centres. Originally, the tricycle was designed for this important services. In the absence of the above and depending on the kind of load, and the urgency, motorbikes can be used to carry heavy loads.

### Independent variable



**Figure 1:** Used variables

Source: Authors' Construct 2025

In the cities, some of the moto riders provide ride hailing services where they pick food from restaurants to their client. They attend to these services in the both cities and in the rural areas include filling of gas cylinders upon request by their clients.

The benefits of the okada business has brought huge relief to the general public as well as the general economy. It is relatively affordable as compared to the vehicular transport due its maneuverability, convenience, employment and accessible.

However, the business is never smooth considering the challenges that envelope the operation including safety, where many riders refuse to ride with helmet on, over speed without recourse to traffic regulations.

Regulating the business has actually been bane on road transport actors, because the demand has increased exponentially.

### MATERIALS AND METHODS

The study used both primary and secondary data sources. With the primary sources, instrument such questionnaires having both closed and open ended questions was used to solicit information from the respondent; Okada riders. Interview was conducted with the Drivers Vehicle and Licensing Authority. In all, fifteen officials from the above department were interviewed.

Those who patronize the services of the business and the motors dealers, including mechanics and electricians in the study areas were also involved in the primary data collection process using focus group discussion. The study used simple random sampling for the selection of the DVLA official. With the purposive sampling we had those who patronize the business in mind as well the motor mechanics and these individuals were contacted as when the researchers met them.

The research used both secondary are primary sources. With the primary data, the researcher compiled from the questionnaires which contained twenty questions and were administered to the okada riders. The focus group discussion was also part of primary data collection for the

mechanics and electricians as well the deals since they are found at one place.

Driving Vehicle Licensing Authority at Winneba since the that is closest registration centre provided us useful secondary information. At the same time, the office provided some useful information.

The sample size was determined using the Cochran formula because majority of the motorbikes are not properly registered and documented.

### Sample Size

Sample Size was determined using the formula below  

$$n_0 = Z^2 p q / e^2$$

Which is valid where  $n_0$  is the sample size,  $Z^2$  is the abscissa of the normal curve that cuts off an area  $\alpha$  at the tails (1 -  $\alpha$  equals the desired confidence level is 95%),  $e$  is the desired level of precision,  $p$  is the estimated proportion of an attribute that is present in the population, and  $q$  is 1- $p$ . Using the above formula, a total of eighty respondents were involved in the study.

### Model Specification

$$OKD_t = (E_t, Y_t, SP_t, PS_t)$$

Where  $OKD_t$  is Okada business services is the input, which contributes to the services which includes Employment ( $E_t$ ), Income ( $Y_t$ ) and main contribution to Social protection ( $SP_t$ ).and Provision of Services ( $PS_t$ ).

### Data Analysis

The data was analyzed using SPSS. The inferential statistics was employed to measure the reasons why people engage in Okada business and how that contribute to the socio-economic development in the study area.

### RESULTS AND DISCUSSION

In order to better understand the research, regression was used to test the contribution of the services rendered by the commercial motor operators towards the retention of the youth in the study area. Again, to understand that if okada business indeed associates with socio-economic development in the central region of Ghana.

**Table 1:** Regression Analysis

| Reasons    | Employment            | Income                 | Social Services       | Living Standard        |
|------------|-----------------------|------------------------|-----------------------|------------------------|
| Regression | $y = 30 + 0.66x_{22}$ | $y = 28 + 0.279x_{19}$ | $y = 25 + 0.25x_{12}$ | $y = 20 + 0.263x_{19}$ |

The regression table above represent as follows;

$$y = a + bx_1 + bx_2 + bx_3$$

Where,

Y is the Okada business and x represents the benefits, a and b are constants and can be any variable.

The equation suggests that there many reasons people most especially the youth go into the business.

From the table, employment comes first based on the response of the respondents and this has the equation as  $y = 30 + 0.66x_{22}$  which means that out of the 40 respondents 30 people said they are in the business because the business provides them means of creating employment though there are other avenues for employment.

This affirms the research published by Mohammed Adjei Sowah.

According to (Agyemang Frimpong *et al.*, 2021) people engage in the businesses of Okada for income purposes and this clearly capture in table above.

The second rationale for the youth in the business is for the purposes of generating income.

$y = 28 + 0.279x_{19}$  measures the effectiveness of the business towards income generation for the youth in the Gomoa districts of the central region of Ghana.

Another critical benefit presented to the youth in Ghana as well as the larger community is the provision of social services to the communities represented by

$$y = 25 + 0.25x_{12}$$

Twenty-five of the respondents were of the view that Okada has contributed to the provision of social services including attending to emergencies but not limited to health, education and bringing to economy on track in the rural areas most especially during rainfall when most of the roads become unmotorable in the study areas.

## Discussions

From the research it was found out that the Okada business has come to stay in Ghana and especially in the rural areas to augment the existing transport system in the Gomoa districts. When it comes to commuting people from one place to the other especially in the rural areas where most of the roads are not in good shape, most especially during the major raining season okada services becomes the ultimate option.

The services are quick and creates convenience for everyone. In terms of fares, it is moderate if compared to the traditional car transport mode.

Another important aspect of the service is the ability of the commercial motor operators to responds to emergencies in the places where the ambulance or taxi services are limited.

The Okada business is booming in Ghana particularly owing to its high patronage particularly in the Gomoa districts, definitely attributed to the lucrative nature of business stemming from high demand for it.

Bad road nature in the underserved communities couple with maneuverability of this modal system has underpinned its stay in the research communities.

## CONCLUSION

Okada business does not only provide important services in the lives of the people by filling the void created by the existing transport mode but also creates jobs. in Gomoa districts. Over the years, governments have done their parts by creating some opportunities for the youth in this country but not much has been achieved.

As a contributory factor, our educational system has been the source of the menace where young people especially students are given only theoretical training of chewing and pouring; a system which does not allow the youth to develop entrepreneurial skills.

To the young individual in underserved communities, Okada businesses present a good opportunity for employment. This has contributed to self-reliance among the young individuals in Ghana. The services must be embraced by everyone.

## Recommendations

It is clear that the Motor Taxi Law should be promulgated to protect the lives of Ghanaians youth who engage in the business. Proper regulation of the services can be one of the best ventures that can help control the traffic situation in cities and also help in the carting of goods and service from the point of supply to the demand centres. To reduce unemployment situation in rural or peri-urban set ups, as well reducing the pressure in the cities caused by the exodus of youth from the rural areas the Okada business must be given priority the system deserves.

The Okada operators must also be encouraged to join associations so that it will be easier to give them training from time to time and to help them secure loans to run their businesses. The general public especially women must be educated to wear crash-helmet anytime they patronize the okada.

Government must subside the prices of the common motorbike brands like royal, boxer, haojue, so as to be more affordable to the youth.

Prices of petroleum products and the spare parts in the rural areas must be reduced since that will also reduce the cost of service delivery in the Gomoa enclave.

Regular training must organized for the riders to enable them drive with care in order to save lives in the communities in which they operate. In relation to the above is the need to simplify the licensing processes for the youth.

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