Choosing China: Ghana’s $3 Billion Loan Decision

Study Questions:

1. Why is there a time pressure to complete the CDB deal?

2. What are the advantages and disadvantages of commodity-backed financing deals?

3. What political realities should be considered when discussing a long-term economic project?

4. Perform a sensitivity analysis using some “worst case scenario” numbers. At what point does the deal with CDB become less attractive? Compare with comparable World Bank offers.