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## NKRUMAH'S SOCIALISM: A REAPPRAISAL

by

Kwame A. Ninsin

*Introduction*

Studies of Ghanaian politics during the tenure of the Convention People's Party (CPP) government tend to focus primarily on the role of such variables as personality, charisma, ideology, and so on. Genoud and others, for example, see the economic policies of the CPP government in terms of economic nationalism, while Fitch and Oppenheimer's characterisation of them may best be summarised as petty bourgeois socialism or liberal reformism.<sup>1</sup> To Bretton, Nkrumah built a personalised political machine. And in the opinion of Apter, Nkrumah's charisma was the central integrative factor in Ghanaian politics. Though such approaches do contribute in some significant ways to our understanding of politics in Ghana, they nonetheless fail to grapple fully with the central stuff of politics; namely, political power.<sup>2</sup> The limitation of such studies is precisely that "power" is relegated to a secondary position. On the whole, there has been the tendency to see it more as the effect than the cause in politics.

The purpose of this paper is therefore to draw attention to the primacy of *political power* in determining policy options in Ghanaian politics. It will be argued that power considerations, that is, the need to conserve or consolidate power and increase its scope, was central to the CPP government's policies toward various social forces operating in the Ghanaian society. In other words, the CPP elite were determined to ensure their undisputed control of the state apparatus which, for a number of reasons was rightly perceived as crucial in any internal political conflict. Ancillary to the power thesis is the other submission that the CPP government was not socialist. In other words, they were concerned more with protecting and enhancing their power position than the building of a socialist society.

As Mott points out, "power is an integral part in the functioning of any human organisation",<sup>3</sup> thereby making it the central phenomenon of most human interactions and endeavours. It is admitted that very profound differences exist over the most acceptable definition of power. Yet, it would appear that any enquiry into its uses would have to take cognisance of the

following. First, power is not the mere possession of values<sup>4</sup> such as wealth, status, university degrees, an important organisational position, hereditary title, and so on. Such values are *power resources*, the possession of which has to be regarded as a *power potential* or *power position*. However, not all power resources are either relevant or critical in a political conflict situation. Therefore a second important consideration in this connection is the strategic nature of the resources one controls or possesses.<sup>5</sup> Third, if the mere possession of certain power resources does not confer power, then power becomes manifest only in a situation where an actor is able skilfully to utilise his or her resources to advantage. Power therefore has to be created by an actor in an action situation. It becomes live only if an actor is able to mobilise available resources - either by with-holding them from the use of others, or rewarding others - to compel obedience.

It must be stressed that the foregoing explication on power does not suggest a situation where one person or group of persons may have power while others do not. The fact of the matter is that there is, in all societies, an unequal distribution of power resources, especially the strategic ones. To ensure effective social control it is important that an actor or actors monopolise all or most of the available strategic power resources within the political system and its environment. This variable and the ability to mobilise available resources are constantly changing. It is this moving disequilibrium which is one of the causal factors of political conflict.

A fourth point to consider is that the exercise of power does not occur in a vacuum: it is only possible over fellow men. Power in this sense is then intrinsically political, and may be distinguished from other forms of power, especially that which is exercised over inanimate things.<sup>6</sup> This distinction emphasises the essentially relational nature of political power. If political power is relational, then some kind of exchange occurs between the parties involved in the process. Another ingredient in such a structure of relationship is therefore that of reciprocity which is of two main types: material and psychological or moral.

Finally, power may be considered either as an individual or group attribute, or an organisational property that members of the organisation exercise by virtue of their positions within the organisation. It must be emphasised that the CPP leaders could exercise power largely because of their control of the state apparatus.

*Socialism, the Bane of Indigenous Entrepreneurs?*

There have been few studies of the policies of the CPP



regime toward the Ghanaian business community.<sup>7</sup> Garlic, for instance, argues that the failure of the Ghanaian entrepreneur to grow into an industrialist has largely sociological roots. Even so he does not fail to add the fashionable epithet of the time, namely, that the government's socialist policies were partly responsible for that stunted growth. In the opinion of Dorm-Adzobu, the government's participation in the industrial development of the country was justified on both economic and ideological grounds. And for Hakam, the Ghanaian entrepreneur failed to become an industrialist largely because of unfair competition from established expatriate business interests.

One author who comes closer to the power thesis is perhaps Esseks. In his view the CPP government's policies toward the Ghanaian business community were designed to preempt the rise of a powerful indigenous business class which might "undermine his (Nkrumah's) preeminence in Ghanaian politics."<sup>8</sup> But even Esseks' principal concern is with the government's efforts to decolonise the Ghanaian economy.

One tacit assumption runs through all these positions. That is, the CPP government was socialist and pursued a socialist economic programme. It is the claim of the present writer that the ideological thesis is a spurious one: it is based more on official rhetoric than the record of the government. To sustain my stand, I intend first to examine briefly the facts of Ghanaian political history (1949-1965) within the context of Marxist-Leninist dogma. Then I will appraise the content of the CPP government's economic policies as well as their relations with the Ghanaian entrepreneurial class as revealed in their fiscal and budgetary policies.

#### *National Front Politics*

According to Marxist-Leninist theory, a state is poised for socialist transformation only after the victory of the proletarian revolution.<sup>9</sup> That is, it is only when the revolutionary party of the workers has succeeded in seizing the existing state apparatus that the power of the proletariat can be utilised to destroy the existing capitalist production relations, and replace them with the socialist. The political revolution that installs the dictatorship of the proletariat is therefore a necessary prerequisite for the socialist transformation of society.

Official claims notwithstanding, the CPP was neither a working class party nor a vanguard party for the workers of Ghana. It was nothing more than an amalgam of heterogeneous social forces whose sole unifying bond was the bounty promised by the prospect of independence. Nkrumah himself later admit-

ted this fact rather bluntly when he declared:

*The circumstances under which the CPP was formed resulted in it being a compromise organisation composed of some genuine revolutionaries but containing many of those who are interested in independence only so as to better themselves and to take the place of the previous colonial traders and businessmen.*<sup>10</sup>

The party itself grew from the youth faction of the United Gold Coast Convention, the Committee on Youth Association (CYO) - to mobilise the growing discontent of the moment. The CYO was itself a composite organisation embracing both functional and ethnic-based associations. The membership of its confederate units spanned a cross-section of the Ghanaian society; there were literates and illiterates; lawyers, journalists, traders and teachers; artisans, semi-industrial workers, farmers and the lumpenproletariat. The leadership was of a similar social and occupational mix. And politically, they constituted an even more bizarre collection. It included romantic socialists (comprising primarily a section of the intelligentsia and trade unionists), petty-bourgeois elements (of the commercial elite), traditionalists and political 'yo-yos'. All of them were united by a common enemy: the colonial state which had relegated them socially, economically and politically to a subordinate position in their own society. They wanted to be free so that they could rise to the preeminent social position which had been denied them by that system. Therefore, the party's success in the 1951 national election could not be said to represent a victory for the nascent proletarian forces of this country. It was simply a victory for the independence coalition. Even so, the fruits of that victory went to that faction of the petty-bourgeoisie\* through whose intellectual and organisational leadership the movement had succeeded. The masses

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\* The petty-bourgeoisie are members of the middle class which in other countries has produced the bourgeoisie - the owners of finance and industrial capital. They may be distinguished from the latter by the fact that they do not own capital of their own; nor are they owners of industrial production units. They are dependent primarily on the bourgeoisie of the more advanced industrial countries for capital and leadership in the industrial and commercial fields. They are intermediaries for this latter group. I am using the term petty-bourgeoisie, therefore, to describe the Ghanaian middle class which is active - in the role just defined.



were immediately after 1957 virtually disfranchised, as further elections became farcical. On the other hand, the petty-bourgeoisie continued to enjoy the power and wealth bestowed by independence. Subsequent political conflicts in the country were therefore internal fights within the petty-bourgeoisie (between the 'ins' and 'outs') over who should control the state apparatus in order to enjoy the fruits of power rather than a struggle between the pros and the cons of socialism.

At that stage of the country's material development, it appears that national front politics was inevitable. Industry was least developed and so there was no bourgeoisie and no proletariat proper to engage in the revolutionary dialectic that Marx had perceived and prophesied. The 1948 Census of Population Report\* offers some impressions about labour and industrial conditions in the country. It puts the labour force at 194,227. Out of this 31,800 were in manufacturing, and 9,768 in the building and construction industry. Apart from the central government service and the farming (cocoa) sectors, the first two constituted the major productive sectors of the economy. Yet a breakdown of these two sectors reveals a perverse state: manufacturing simply meant woodwork, kente weaving (textile production), auto repair work, food and beverage preparation (largely the production of local staples like kenkey, and soft drinks, akpeteshi), carpentry, masonry, and painting. In other words there were no industrial units and therefore no bourgeoisie, and no industrial workers.

There were ordinary workers and a growing middle class which was also very active in commerce and the professions. The middle class, the working class, and the farmers nursed a common grievance against the system that retarded their free development. Therefore when the UGCC\*\* (which was suspected of elitist tendencies and an inclination to win power for itself and the chiefs) appeared to be dragging its feet over the independence issue, one faction of the middle class broke away to organize the lower classes under its lead-

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\* The figures reported by that exercise were based on a sample of about one sixth of the total population.

\*\* The United Gold Coast Convention was founded in 1947 in reaction to the inadequacies of the 1946 Constitution which had reaffirmed the Guggisbergian policy of according primacy to representation of traditional rulers in the political institutions of the colony. It was led primarily by the upper middle class of timber and cocoa merchants and top lawyers.

ship to ASK for it, because independence held prospects of wealth and power for them.

It is conceivable for a national front coalition to wage a revolutionary struggle against their oppressors or exploiters as was the case in the USSR and the People's Republic of China.<sup>11</sup> But a revolutionary struggle was possible in those countries simply because they had revolutionary parties, with revolutionary ideologies, to offer leadership in their respective struggles against the established order. The contrary happened in Ghana. "The CPP was the party, not of social revolution, but of self-government."<sup>12</sup> It was therefore logical for the CPP to negotiate the transfer of power from a departing colonial oligarchy onto itself.<sup>13</sup> In the process, the party's leadership found it prudent to purge their ranks of the so-called militants within the party. Some of those purged, like Anthony Wood and Turkson-Ocran, happened to be trade unionists while they retained, and even elevated to higher positions in party and government petty-bourgeois politicians like Krobo Edusei, A.Y.K. Djin,<sup>14</sup> and Halm and Ayeh Kumi.

Tactical Action, the purge of party militants, and the support for men like Edusei and Djin were affirmations of the CPP's essentially petty-bourgeois character, and those moves were necessary to ensure that the political advantage which the governing petty-bourgeois faction has secured since 1951 would not slip by. After independence in 1957, they had to consolidate power against potential and real contenders both within and outside the Party. To this end the petty-bourgeois opposition was effectively checked and the Trade Union Congress and chiefs were brought under party control.<sup>15</sup> "But this entailed accommodation, not revolution";<sup>16</sup> because the interest of the principal contenders for power lay in preserving the neo-colonial political and economic structures. The dividing issue was control of the neocolonial state, and the CPP won it intact. As Nkrumah himself reminisced later in 1963,

*Two courses of action lay open to me and my party. We could boycott the existing colonial government machinery. Or we could co-operate with it, meanwhile strengthening the position of myself and my colleagues in the cabinet and so advance the date for full independence. (They decided to win the "existing colonial government machinery" in order to consolidate their position against their opponents).*



*In choosing the second, we did not forget, but tried to bury, past differences and sought co-operation with the existing machinery of government .... My keenest anxiety was to avoid any dislocation of government..... (author's emphasis).<sup>17</sup>*

That was tactical action! To this end the party's leadership astutely staged a public commitment to the most sacred of the principles of democracy, namely, the power of the people as expressed through the ballot box. But that too was for purely tactical reasons. For the party's leadership nursed a deep-seated distrust for the political maturity of the masses.<sup>18</sup> This phobia was further strengthened by the realisation that their principal opponents could mobilise the former to challenge their monopoly of power.<sup>19</sup> In fine, the CPP leadership outwitted its political opponents, who were members of the same class as theirs, in co-operation with certain strategic social forces. This neo-colonial political accommodation by the petty-bourgeois leadership of the CPP was amply demonstrated in their economic policies.

*Economic Nationalism: A Retreat From Socialism\**

In the light of the above, could the CPP government have pursued a socialist economic programme? Again, a reappraisal of the regime's economic policies since 1951 would provide the answer. But before that let me briefly review some aspects of the political economy of socialist construction.

The principal task of a governing revolutionary party is the elimination of the economic bases of the exploiting class. This is imperative for it would ensure the development of an autonomous national economy, and the free development of the hitherto exploited and encumbered working masses. It would require agrarian reforms to wipe the social slate clean of the last vestiges of feudalism because the private ownership of land prevents the free flow of capital into industry, and retards the free development of agriculture. In the Ghanaian setting it would imply the expropriation of chiefs, the growing class of absentee landlords, and rural capitalists. It would

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\* It is this author's view that there is only one socialism which is scientific (i.e. Marxian) socialism; all the others are either adumbrations or aberrations of it.



also mean the expropriation of mining, timber and banking interests, the import-export trade, the distribution and transportation services, and whatever industry exists. To complement all this, it is also imperative to organise *worker's control* of the production units of the economy. For "true nationalisation can only be achieved by a socialist state. Nationalisation of the means of production under socialism (enhances workers power only if it) is related to the direct participation of the workers in management." Even so, the proletariat would manage the economy "not as owners but as trustees of the property of society as a whole."<sup>20</sup> The CPP regime's economic policies during the 1951-65 period contained very few of these elements in the socialist strategy for social reconstruction.<sup>21</sup> It is this which reveals the true character of the 1951 coalition.

Essentially, the regime's economic policies took the form of co-existence with international capital through guarantees of highly liberal fiscal privileges. This was coupled with a policy of leaving industrialisation to the initiative of foreign private capital.<sup>22</sup> The Seven Year Development Plan (1963/64 - 1969/70) marked the apogee of this. During the launching of this programme in 1964, the President could enthusiastically welcome "foreign investment in the private sector of our industrial development."<sup>23</sup> But as far back as 1953, Nkrumah's (then the Prime Minister) statement on foreign investment not only gave full proof of his government's faith in international capital. It further assured potential foreign investors of full protection against nationalisation - a promise which was faithfully kept till the regime was overthrown in February 1966. And it was in furtherance of this that the Pioneer Industries Act (1959) which was later incorporated in the Capital Investment Act of 1963 was finally enacted. The Capital Investment Board was set up to administer the protection accorded foreign capital under that act. It was natural therefore for the CPP government to accord high priority to foreign private capital in the Seven Year Development Plan.

But the policy involved more than the granting of assurances of fiscal security to foreign capital. To maintain a high measure of economic credibility among the Western industrial nations, the CPP government faithfully followed the British colonial policy of investing the country's surpluses from cocoa in London securities. Moreover, the government would not set up a bank capable of effectively regulating the country's domestic and international currency flows. They maintained the local currency's affinity with the British pound, and continued to give the colonial banks operating in the country freedom to manipulate the country's foreign reserves in their favour. Similarly, the government followed such conser-

vative budgetary and investment policies as those of which the colonial administration has been accused.<sup>24</sup>

The net effect of these policies was the loss of vital surplus capital which could have been used to lay the basis for the industrial development of the country. At the same time, the Lewis strategy also failed to attract foreign capital as expected. But so long as those policies assured the petty-bourgeoisie of control over the state apparatus they were vigorously pursued even if it meant jeopardising the interest of some members of their own class.<sup>25</sup>

In the non-agricultural sector, therefore, the government left intact the various commercial, industrial and mining interests. Yet apart from being the dominant owners of capital, these interests also accounted for a sizeable percentage of the gross national product. In 1961, mining, manufacturing, and "other recorded private industries" accounted for 23.1% of Gross National Product. It is even more significant to note that between 1955 and 1961 manufacturing was one of the two fastest growing sectors of the economy, having increased by 267%,<sup>26</sup> and continued to enjoy very modest increases between 1960 and 1965.<sup>27</sup> Finally, the manufacturing sector, though still small, was dominated throughout this period by foreign private capital.<sup>28</sup> The following statistics clearly establish this fact:

TABLE 1

PATTERN OF OWNERSHIP OF MANUFACTURING BY SECTORS

	<u>1962</u>	<u>1964</u>	<u>1965</u>
State	11.8%	13.9%	17.2%
Joint	7.1%	7.3%	10.0%
Cooperative	0.1%	0.6%	0.3%
Private	<u>81.0%</u>	<u>78.2%</u>	<u>72.5%</u>
TOTAL	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Source: A.N. Hakam, "Impediments to the Growth of Indigenous Entrepreneurship in Ghana, 1946-1968," *The Economic Bulletin of Ghana* 2, 2 (1972), Table 4.



TABLE 2

PATTERN OF OWNERSHIP OF PRIVATE  
MANUFACTURING BY NATIONALITY

	<u>1962</u>	<u>1964</u>	<u>1965</u>
Ghanaian	20.8%	23.2%	26.6%
Non-Ghanaian	63.2%	62.7%	56.4%
Mixed	<u>7.0%</u>	<u>14.1%</u>	<u>17.0%</u>
TOTAL	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Source: Ibid.

TABLE 3

VALUES OF INVESTMENTS IN FIXED ASSETS  
IN 1966 BY NATIONALITY AND SECTOR

Private Indigenous	7.9%
Private Non-Ghanaian	50.2%
State	32.9%
Mixed	<u>9.0%</u>
TOTAL	<u>100.0%</u>

Source: Ibid.

The government's policy toward the mining industry is illustrative of the general orientation of public policy at the time which continued to sustain and encourage the private sector. Mining is among the heavily capitalised sectors of the economy, and a major foreign exchange earner. It also accounts for a disproportionately high fraction of the total skilled labour force in both the private and public sectors.<sup>29</sup> It was therefore in the interest of the national economy to nationalise the mining industry. But this was not done. The government felt obliged to *buy*, in 1961, five of the seven gold mines operating in the country in order only to save them from closing down their operations. For their closure would have aggravated the unemployment situation. And more significantly, these five gold mines were incurring increasing operating costs and happened to be the poorest in the country as

they together accounted for less than 50% of the total output of gold mines in the country.<sup>30</sup> By this default, the government denied itself of vital surplus capital which it could have invested locally to lay the basis for an autonomous industrial growth and stimulate local consumption.<sup>31</sup>

A similar retreat was evident in the agricultural sector. In 1955 agriculture (which includes cocoa, food production and distribution) contributed 50.4% of the GDP. By 1961, its share had increased to only 51.4%.<sup>32</sup> It was also the largest employer of labour even as late as 1970.<sup>33</sup> Yet this lead was maintained without the application of modern farming techniques partly because of the conservatism of the rural capitalist who is apt to invest more in real estate and spend lavishly on luxury goods than in the modernisation of his instruments of production,<sup>34</sup> and partly because of government's conservative agricultural policies. It is this neglect of agriculture that accounts for the progressive decline in food and cocoa production in recent times.

Furthermore, the government would not go beyond the enactment of the State Lands Act of 1962<sup>35</sup> to nationalise land in the country. Land nationalisation would have removed one of the most severe obstacles to the efficient utilisation of land for agricultural modernisation, which together with good farm management and proper political leadership would contribute to increased production of food and industrial raw materials. By defaulting on this, the CPP government could not generate adequate capital (beyond what they could get from the cocoa industry), food and industrial raw materials for an industrial take off. And because left to himself, the small capitalist farmer is reluctant to modernise his farm through new investments, the development of agriculture was here again hindered.<sup>36</sup>

#### *The Building of State Capitalism*

The preceding analysis would seem to contradict claims that the CPP government pursued socialist policies. Let us pursue the analysis even further. The low material development of the colony by 1951 made it imperative that the government initiate a social development programme that would emphasise the creation of an autonomous industrial base. This would call for the establishment of a capital goods industry, a machine tool sector, and agricultural modernisation.<sup>37</sup> The latter would not only produce abundant food and raw materials for human and industrial consumption. It would also free labour for use in the industrial sector and thereby enhance proletarian power. Yet it was not until 1962 that the CPP government recognised the need for industrialisation.<sup>38</sup> This explains the special emphasis on industrialisation and agricu



tural modernisation in the Seven Year Development Plan. In this blue-print, investment allocations to agriculture, mining and industrial development were raised considerably from 27% and 20% in the two preceding development plans, respectively, to 39%.<sup>39</sup> Specifically, this plan emphasised the following four priority areas in its overall industrial programme:

- i. the production of consumer items to reduce the country's dependence on foreign sources of supply, and to conserve foreign exchange;
- ii. the processing of local agricultural and mineral products;
- iii. metal and chemical technology; and
- iv. capital goods industries, electronics, machinery and electrical equipment industries.<sup>40</sup>

In the agricultural sector, the plan's goal was to initiate an agricultural revolution to create surplus capital and free labour for an industrial revolution.<sup>41</sup>

But three observations have to be made in connection with this emphasis. First, while it is probably true that the need for industrialisation was quite high in official thinking as far back as 1947 when the Industrial Development Corporation (IDC) was established, this was conceived as a gradual process requiring leadership from external capital. Nevertheless the idea remained in gestation until the 1960's.<sup>42</sup> A casual reading of the development plans that preceded the Seven Year Development Plan fully attests to this paradox. In the First Five Year Development Plan, 1951-57, industry and commerce received a rather low attention. They occupied the ninth place in the overall ranking of development commitments, and were allocated just 4.6% of the total expenditure for the period. The emphasis was on the provision of social services and industrial infrastructure. Similarly, industrialisation was de-emphasised in the Consolidation Plan, 1957-59. And not even the Second Five Year Development Plan, which seemingly reflected a change of emphasis, could be said to have pioneered new directions in socialist industrialisation. Second, true to the principles of socialist economics, the type of industrialisation and agricultural modernisation which was envisaged became primarily a state responsibility. But as Lange points out,<sup>43</sup> state capitalism is not necessarily socialism. A critical index of socialism is workers participation in the management of industrial units. Yet the CPP government was more concerned with asserting control over the country's labour force than

enhancing workers' power. This concern is the real motive behind the passage of the Industrial Relations Act of 1958,<sup>44</sup> and the extractive and regulatory role that the United Ghana Farmers' Cooperative Council (UGFCC) was made to play.

Nationalisation of certain sectors of the economy, and state participation in the economy in conjunction with private investors may thus be viewed simply as mechanisms for the consolidation of state capitalism rather than the socialisation of the means of production. State capitalism afforded the CPP leadership an excellent opportunity to create a 'new class' through the medium of the state. The state then became the creator of a new class of exploiters rather than the creature of one class for the domination of another. The record of the UGFCC is a remarkable example of a popular administrative ethic<sup>45</sup> that emphasised domination and exploitation of the majority rather than mass mobilisation for social development. With their monopoly of both political and economic power of the state, this new class could effectively subordinate their opponents to their rule; and only military action could dislodge them from power.

Third, despite the emphasis on industrialisation, and the capital goods sector in particular, the government did not depart appreciably from its traditional policy of co-existence of the state and the joint state/private sectors with the private sector. This policy constituted a blatant violation of the principles of socialist planning. For it integrated the public sector into the open market economy, and subordinated the former to the uncontrolled economic laws of the latter. Consequently, production was not for social wants as it was determined largely by the needs of private capital, which is profit. In a socialist society, on the other hand, the "organised society shapes in a conscious, purposive way the circumstances which determine"<sup>46</sup> the operation of such economic laws. Above all the drive to capture the commanding heights of the economy was meant to be gradual and peaceful. The government's economic policies were therefore those of surrender to the unplanned forces of the capitalist economy rather than a temporary accommodation with them.

In the light of all this, one cannot help but agree with Genoud<sup>47</sup> that the CPP government's ideology, if it had any at all, may best be described as economic nationalism rather than socialism; that is, a policy of economic decolonisation more than socialist construction. It was for this reason that centralised control of the "major means of production, distribution, and exchange" became necessary.



*Elite Power Versus Local Business Power*

This is the crux of the matter: if centralisation of power was the *sine qua non* of successful economic development of Ghana,<sup>48</sup> then all those who stood in the way of this pursuit must be checked. Ghanaian entrepreneurs became an easy target because they constituted a group that had the potential to build an independent power base to challenge the government's monopoly of power. And as I will sketch below, there was mounting evidence that this group, either through its representatives in parliament or within the CPP itself, was preparing for a major showdown with the government.

1960 was a decisive year. While prior to this date mention of the private sector included Ghanaian entrepreneurs, thereafter the parameters were narrowed to exclude them. Thus in the 1960 Republic Day Broadcast,<sup>49</sup> which outlined the government's economic priorities, the President assigned no role to private Ghanaian entrepreneurs. Although they were reinstated two year later,<sup>50</sup> they were assigned the last spot in the list of important agents of industrialisation. Furthermore, they were not only barred from buying private enterprises but they were also not allowed to enter into partnership with foreign private business concerns. The IDC which had been established to assist local business people with financial and technical aid was also dissolved in 1962. And by 1965 the government had found it necessary to rebuke the National Investment Bank for giving loans to private Ghanaian business people.<sup>51</sup> Thenceforth it was to concentrate more on financing the public sector.

In the cocoa trade, the government had taken similar measures to exclude aspiring Ghanaian entrepreneurs from participation. Taking a cue from the sporadic outbreak of cocoa farmers' agitation of the 1920's and 1930's as well as the pivotal role cocoa plays in the Ghanaian economy, the CPP government had taken swift measures to amend the Gold Coast Cocoa Marketing Board Ordinance of 1947, and further given itself legal powers to impose extra tax on cocoa farmers.<sup>52</sup> While the first gave them greater control over the Cocoa Marketing Board (CMB) and its accumulated funds, the second enabled them to extract more and more surplus direct from the farmers. These two measures constituted a direct attack on the economic base of farmers, and effectively neutralised their potential for political action. The establishment of the Cocoa Purchasing Company (CPC), and later the United Ghana Farmers' Cooperative Council (UGFCC) consummated the drive to cripple, not only farmers, but also those engaged in the internal marketing of cocoa.<sup>53</sup>

Also, by 1960 the CPP leadership had pushed Ghanaian timber merchants out of the timber trade. During the 1950's, pressures from the parliamentary spokesmen of the timber merchants had produced good results.<sup>54</sup> It had led to the establishment of the abortive Ghana Timber Marketing Corporation in July, 1957 and its successor the Ghana Timber Marketing Board sometime in 1960. Both of them were part of the efforts to monopolise the timber trade on behalf of Ghanaians. All this had changed by 1960, and government viewed with grave suspicion, the activities of Ghanaian entrepreneurs generally. Thereafter they flatly refused to offer the merchants any more aid,<sup>55</sup> while they actively encouraged expatriate firms to exploit the nation's forest resources.<sup>56</sup>

In the commercial sector too, a similar reaction was occurring. The government had partially nationalised the importation of a wide range of consumer items, and established the Ghana National Trading Corporation (GNTC) as the principal importer and distributor of those items. Strict import licencing controls had also been instituted to ensure the efficient utilisation of the country's dwindling foreign exchange reserves. The effect of these measures on Ghanaian businessmen was further to reduce them to a dependency of the petty-bourgeois state of the CPP.<sup>57</sup>

These anti-business policies of the regime could not have been inspired by socialist ideals for socialist ideology admits a temporary accommodation of the allies of the revolution, via the petty-bourgeoisie. In the Ghanaian situation, this class would be the local entrepreneurs whom the regime was persecuting. But it would be naive to assume that the regime's policies posed a fundamental contradiction, for there was none. By their definition of the urgent issues of politics, the business 'class', rather than international capital was the major threat. This was quite logical because the CPP was not a workers' party. It was a coalition of very disparate social forces, organised and led by the less wealthy fraction of the petty-bourgeoisie to fight for independence. And once in power, this fraction sought relentlessly to perpetuate itself in power at the expense of its opponents who would resist all efforts to suppress them.<sup>58</sup> Consequently, the policies of the CPP regime toward the country's entrepreneurs should be seen rightly in the context of the unfolding power struggle between the effective leadership of the party on the one hand, and their more business minded colleagues and opponents on the other. In other words, it was a struggle within a class, i.e. the petty-bourgeoisie.

If on the contrary, the party was committed to building a socialist society, it would have immediately and directly confronted international capital rather than flirt with it.



Official pronouncements on socialism were however mere slogans, and this is evidenced by the fact that the government conscientiously pursued a policy of promoting a dynamic sector for private capital in the internal economy. As indicated above, (Table 1), the private sector, excluding the cocoa industry, was by 1966 far larger than the public sector. This was possible because of official encouragement to private capital. For instance, in a statement on industrial promotion in Ghana which was issued during the life of the Second Five Year Development Plan,<sup>59</sup> the government had given primary responsibility for industrialisation to the private sector, i.e. both local and foreign private capital. But even more significantly, the government had declared in 1958 its determination to offer Ghanaian entrepreneurs "maximum encouragement" in order to offset competition from the established expatriate firms.<sup>60</sup> And as late as 1964, the government could describe the private sector as "this important sector of the economy."<sup>61</sup> If above all this the government would exclude Ghanaians from participating in it, then this could not be called socialism.

In sum, if power is relational and implies some form of exchange between the parties involved in the interaction, then it was politically prudent for the CPP leadership to enlarge the scope of the strategic power resources they controlled. In the case of the business entrepreneurs, it meant government monopoly of all existing channels for commercial and industrial activity, and the denial of capital or access to it. By tightly controlling credit and other commercial facilities the CPP leadership was able to destroy their opponents' means for independent political action. As shown in Table 2, the cumulative effect of government policy on the Ghanaian business community was virtual stagnation. The total values of their investments in fixed assets dwindled from its substantial level in 1957<sup>62</sup> to just 7.9% in 1966 as shown in Table 3. All this would seem to give credence to Ayeh Kumi's allegation that Nkrumah's antipathy toward Ghanaian business people was rooted in his concern that if the latter were encouraged to grow, they would become "a rival power to his and the party's...."<sup>63</sup>

This change in official policy toward the local entrepreneurial class was not accidental! It marked the end of an era during which the CPP elite had barely survived a deadly struggle with the United Party and was bracing itself for a second phase.<sup>64</sup> Just about this time the representatives of the business community within the ruling party were becoming increasingly restless, intractable and ambitious in their political and economic behaviour. Signs of simmering conflict were given by the President in a speech he delivered in 1961 at the foundation laying ceremony for the Kwame Nkrumah Ideological Institute at Winneba. He had deplored the invasion

of the party by petty-bourgeois elements and warned of the dangers in accommodating them. Thereafter the great schism - between the left and right of the party - could no longer be contained.

That conflict centered around the so-called ideological purists of the party, on the one hand, and their opponents on the other. The left,\* which was heavily represented in the party's intellectual wing, the National Association of Socialist Students Organisations (NASSO), and on its theoretical weekly, *The Spark*, was unalterably opposed to capitalist tendencies within the party, and zealously espoused a Marxist approach to the political and economic management of society. The business oriented elements were, on the other hand, in favour of a capitalist approach to politics and economics. The events of 1961 indicate that the left had gained the upper hand in getting the President to rebuke their opponents publicly, and purge six members of the "new rich", alias the "bureaucratic or administrative bourgeoisie" of the party. But I would argue that that group was attacked and some eliminated from the party, or reduced to impotence within it, not because of their ideological backwardness but for the threat they posed to the party leadership.<sup>65</sup>

Even so the Dawn Broadcast (April 18, 1961) was a clear admission of failure to resolve the conflict peacefully within the party. In that broadcast, the President had also spurned the acquisition of excessive property, and urged a greater commitment to the ideals of socialism. The left wing of the party seized upon the opportunity to assail the "new rich" within it, the opposition United Party, and their capitalist allies.<sup>66</sup> But the reports of the Abraham, Akainyah, and Ollenu Commissions totally impugn the credibility of the ideological argument. They suggest that, despite their ideological pronouncements, the party leadership faithfully encouraged those members of the petty-bourgeois class who were prepared to be compliant by giving them generous financial and commercial favours. Also, the reports of the Jiagge, Sowah and Manyo-Plange Commissions are replete with evidence that the party in fact retained several members of the so-called new rich within its ranks. I would therefore argue that the purges that followed the Dawn Broadcast were aimed partly at those mem-

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\* I am using the term *left* to refer to intellectual ideologues like Kofi Batsa, and pretenders like Tawia Adamafio; that is, all those groups and individuals of the CPP who either sincerely did or merely pretended to oppose so-called capitalist tendencies within the party and in the larger society.



bers of the petty-bourgeoisie who were becoming a political menace, and partly a political ritual to appease public conscience.

### Conclusion

The CPP government's Seven Year Development Plan, which was the closest thing to socialist planning, was just an adumbration. Whatever socialist goals it may have aspired to attain were compromised through the admission of the old policy of economic co-existence. The lack of socialist ideological guidance in policy-making was itself evident not only in the persistent toleration of foreign capital, but more significantly in the latter's continued dominion over the internal economy.

The neo-colonialist state is a shaky state, for it lacks a definitive class of its own, and so thrives on shifting coalitions. Unlike the capitalist state which materialised through the industry of its architects, the bourgeoisie, the state of independent Ghana is a colonial legacy inherited by an ambiguous class - the petty-bourgeoisie. The state therefore had to create its own 'class' of adherents. This was imperative in order to assure the state of a stable socio-economic base. As the reports of the commissions of enquiry cited above indicate, the class that came to be the foremost adherents of the state had been created almost out of nothing, and derived its livelihood from the state and party bureaucratic machine. They were also in the service sector. And as this faction of the petty-bourgeoisie sought to unite both political and economic power under its exclusive control, a struggle between them and those who had been excluded became inevitable. This was unavoidable. Benjamin Watkins Leigh explains

*power and property may be separated for a time...but divorced never. For so soon as the pang of separation is felt...property will purchase power, or power will take over property...<sup>67</sup>*

The latter occurred in Ghana.

Therefore, the CPP government's hostility toward local businessmen was motivated by the political need to eliminate all potential sources of opposition.<sup>68</sup> In the political arena, one actor's ability to compel obedience from another depends on two crucial variables. The first is the ability to monopolise effectively these resources. In their conflict with the class of indigenous entrepreneurs the CPP leadership sought, and succeeded, in doing both through a corpus of fiscal and budget-

ary policies. In that process ideology assumed a purely symbolic role<sup>69</sup> in order to obscure social reality.

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### Footnotes

1. Genoud, Roger. *Nationalism and Economic Development in Ghana* (New York: Frederick Praeger Publisher, 1969); Colin Legum, "Socialism in Ghana: A Political Interpretation," in William Friedland and Carl Rosberg Jr., eds., *African Socialism* (Stanford California: Stanford University Press, 1964); Bob Fitch and N. Oppenheimer, *Ghana: End of an Illusion* (New York: Monthly Review Press, 1966); Henry Bretton, *The Rise and Fall of Kwame Nkrumah* (Frederick Praeger, 1966); and David Apter, *Ghana in Transition* (New York: Atheneum, 1963).
2. There are few exceptions to this. Dennis Austin, *Politics in Ghana* (London: Oxford University Press, 1964); Maxwell Owusu, *Uses and Abuses of Political Power* (Chicago: University of Chicago Press, 1970); C.L.R. James, *Nkrumah and the Ghana Revolution* (London: Allison and Busby, 1977); and Richard Wright, *Black Power* (New York: Harper & Brothers, 1954). But with the possible exception of Austin who deals to a considerable extent with the post-independence era, and Owusu who argues that the pursuit of political power in Ghana, before and after independence, was motivated by the desire to enhance one's material and status opportunities, the rest focus their attention on the dynamics of the pre-independence period.
3. Mott, Paul, E., "Power, Authority and Influence," in Michael Aiken and Paul E. Mott, eds., *The Structure of Community Power* (New York: Random House, 1970): p. 6.
4. Simon, Herbert, "Notes on the Observation and Measurement of Power," *Journal of Politics* XV (November 1953): 500-516.
5. The concept of strategic resources is discussed by Mott, "Power, Authority and Influence".
6. Lasswell, Harold and Abraham Kaplan. *Power and Society* (New Haven: Yale University Press, 1969): p. 75.
7. Garlick, Peter. *African Traders and Economic Development in Ghana* (Oxford: Clarendon Press, 1971); C. Dorm Adzobu, "The State and Industrial Development in Ghana," *Ghana Social Science Journal* 1, 1 (1971); and A.N. Hakam, "Imped-



iments to the Growth of Indigenous Industrial Entrepreneurship in Ghana, 1946-1968," *Economic Bulletin of Ghana* 2, 2 (1972).

8. Esseks, John D., "Political Independence and Economic De-colonisation: the Case of Ghana under Nkrumah," *Western Political Quarterly* XXIV, 1 (March 1971). See also his "Government and Indigenous Private Enterprise in Ghana," *Journal of Modern African Studies* 9, 1 (1971) in which he attributes the failure of the Ghanaian entrepreneurs to become industrialists to their weak economic position via that of the state.
9. Lange, Oscar, "Basic Problems of Socialist Construction," in O. Lange, ed., *Problems of Political Economy of Socialism* (New Delhi: People's Publishing House, 1962): 31-56.
10. *Dark Days in Ghana* (New York: International Publishers, 1968): p. 71. It has also been confirmed through independent research that prospects for self-enrichment in an independent Ghana played a great part in mobilising people for the independent struggle. See Maxwell Owusu, *Uses and Abuses of Political Power*. Owusu, in effect, puts forward an economic interpretation of political participation in politics. That is political participation during the reign of the CPP was motivated by economic self-interest. I arrived at the same conclusion independently. See author's study, *Politics, Local Administration and Community Development in Ghana, 1951-1966: A Case Study of Community Power and its Impact on Socio-Economic Development at Cape Coast* (Unpublished Ph.D dissertation, Boston University, USA 1977).
11. In the USSR, Lenin remained a consistent advocate of an alliance of workers and peasants for 16 years. See his *Alliance of the Working Class and the Peasantry* (Moscow: Progress Publishers, 1959). On the eve of the Russian revolution he tactically admitted the army into this alliance. For his position on this see Lenin, *The April Thesis* (Moscow: Foreign Language Publishing House, n.d.). For an analysis of the influence of soldiers' representatives on the Soviets during the crucial months of 1917 see Askar Anewider, "The Political Ideology of the Leaders of the Petrograd Soviet in the Spring of 1917," in Richard Pipes, ed., *Revolutionary Russia: A Symposium* (Garden City, New York: Doubleday and Company, Inc., 1969). The position of the Chinese is summed up in the following statement by Mao Tse-Tung: "The leading force in our revolution is the industrial proletariat. Our closest friends are the entire semi-proletariat and the petty bourgeoisie." See his "Analysis of the Classes in Chinese Society", in

- Selected Works of Mao Tse-Tung* 1 (Peking: Foreign Language Press, 1964). But the facts of Chinese politics since Yen-an strongly affirm the important role of the Chinese peasantry in the Chinese revolution. See for example, Mark Selden, "The Yen-an Legacy: The Mass Line," in A. Doak Barnett, ed., *Chinese Communist Politics in Action* (Seattle and London: University of Washington Press, 1969) and William Hinton, *Fanshen* (New York: Random House, 1966) for a grassroot perspective on the active role of the peasantry in consummating the revolution.
12. Mohan, J., "Nkrumah and Nkrumahism," in Ralph Miliband and John Saville, eds., *The Socialist Register, 1967* (London: The Merlin Press, 1967): p. 199.
  13. This strategy which was basically one of retreat from the earlier phase of militant nationalist politics, and euphemistically called *Tactical Action*, was later acclaimed by the party leadership for being one of the 'revolutionary' strategies that won independence for the people of Ghana. On the contrary, it meant anything but co-operation with the colonial administration in order to ensure a peaceful transfer of power to a national elite that would protect the economic interests of the departing imperial power.
  14. Both A.Y.K. Djin and Krobo Edusie had had adverse findings made against them by the Commissions of Enquiry. See, respectively, *Report of the Commission of Enquiry into the Affairs of the Cocoa Purchasing Company Limited* (Accra, 1956): p. 41 and the *Report of the Commission of Enquiry into Mr. Braimah's Resignation and Allegations Arising Therefrom* (Accra, 1954): p. 32.
  15. Austin, *Politics in Ghana*, Chapter VIII for details of the measures which were taken.
  16. Mohan, "Nkrumah and Nkrumahism," p. 200.
  17. Nkrumah, Kwame. *Africa Must Unite* (London: Heinemann Educational Books, 1963): pp. 88-89.
  18. "Presumably, 'socialist consciousness' would drive away the party's petty bourgeois supporters, who were interested only in self-government....", Mohan, "Nkrumah and Nkrumahism," p. 198. That fear persisted well into the post-independence period. This answers the paradox in Nkrumah's Dawn Broadcast of 1961 in which he rebuked the "new ruling class of self-seekers and careerists"; warned the TUC against "unbridled militant trade unionism in our country..."; and further announced measures aimed at bring-



ing ancillary organs of the party firmly under party control. It is for the same reason that the opposition was suppressed.

19. During a power struggle between the CPP and the Opposition at Cape Coast (1954/56) which was precipitated by a decision of the Cape Coast Municipal Council to impose direct taxation on the people, the CPP found itself almost eclipsed because its opponents had effectively mobilised their grassroot support to confront it. In the event the party leadership effectively used the state apparatus, via the police and the legislature, to cripple their opponents. For a detailed analysis of that conflict, see the author's Ph.D dissertation, *Politics, Local Administration and Community Development in Ghana, 1951-1966*.
20. Lange, "Basic Problems".
21. For a detailed appraisal of the economic policies of CPP administration see Genoud, *Nationalism and Economic Development in Ghana*, and Andrej Krassowski, *Development and the Debt Trap* (London: The Overseas Development Institute, 1974).
22. The laissez-faire economics of Sir W. Authur Lewis, quite logically, reinforced the petty-bourgeois proclivities of the CPP leadership. See Lewis' *Report on Industrialisation and the Gold Coast* (Accra: Government Printer, 1953).
23. Speech by Osagyefo on launching the Seven Year Development Plan (March 11, 1964).
24. Contrast N.A. Cox-George, *Finance and Development, The Gold Coast (Ghana) Experience 1914-1950* (London: Dennis Dobson, 1973).
25. The representatives of the entrepreneurial class within the party complained bitterly against the neo-colonialist economic policies of the party they were supporting. Fitch and Oppenheimer, *Ghana: End of an Illusion*, Chapter 5 and Mohan, "Nkrumah and Nkrumahism", f.n. 40; also Esseks, *Economic Independence in a New African State, 1956-65* (Unpublished Ph.D dissertation, Harvard University, Cambridge, USA, 1967).
26. Szereszewski, Robert, "The Performance of the Economy," in Walter Birmingham, I. Newstadt and E.N. Omaboe, eds., *A Study of Contemporary Ghana* (Evanston: Northwestern University Press, 1966).

27. Ahmad, Naseem. *Deficit Financing and Capital Formation, The Ghanaian Experience, 1960-65* (Munich: Weltforum-Verlag, 1970): p. 88. Even though the share of the private sector experienced a progressive decline during this period (see *Table 1*) it nonetheless continued to be the largest producer of manufactured commodity. A USA Department of Commerce document, for example, put its share at about 68% as late as 1968. USA Department of Commerce, "Basic Data on the Economy of Ghana," in *Overseas Business Reports* (Washington, July 1968). Quoted by Jean M. Due, "Agricultural Development in the Ivory Coast and Ghana," *Journal of Modern African Studies* 7, 4 (1969): p. 641.
28. The growth rate for this period is put at about 4.4% per annum. See A.N. Hakam, "Impediments to the Growth of Indigenous Industrial Entrepreneurship in Ghana, 1946-1968."
29. Killick, Tonny, "Mining," in Birmingham et. al., *A Study of Contemporary Ghana*, p. 31.
30. *Ibid.*, pp. 251-259.
31. As part of the strategy for socialist construction, such sources of potential "social surplus" as foreign private industry or capital has to be socialised to enable the socialist state to finance its programme of building the bases for autonomous industrialisation. The acquisition of the capacity to produce the means for producing consumer goods is imperative for a successful industrial development. For a detailed discussion of the socialist strategy for disengaging the neo-colonialist economy from the capitalist market, see Clive Y. Thomas, *Dependence and Transformation* (New York: Monthly Review Press, 1974), Part II.
32. Szereszewski, "The Performance of the Economy."
33. *Ghana: 1970 Census Report II* (Accra: Census Office, 1972): p. xxvii. The exact figure was 57.2% of the total labour force employed in all branches of industry. (The report defines agriculture to include forestry, hunting, and fishing). The figure for 1960 was 61.8%.
34. Hill, Polly, "Some Characteristics of Indigenous West African Economic Entrepreneurs," *The Economic Bulletin of Ghana* 1 (1962).
35. State Lands Act, 1962 (Act 125). This act vested in the President the legal right to acquire land, by executive



instrument, for public works or purposes without any inhibitions.

36. Contrary to socialist practice, the rural capitalist farmer was regarded as the backbone of Ghana's economy. Therefore, it became an official policy not to antagonise him through the socialisation of this vital sector of the economy. Instead he was to be allowed to perpetuate himself and his mode of production. See Marvin P. Miracle and Ann Siedman, "Agricultural Co-operatives and Quasi-co-operatives in Ghana, 1951-1965," (Unpublished article, Land Tenure Center, University of Wisconsin, Madison, USA, 1968), f.n. 120.
37. Thomas, *Dependence and Transformation*.
38. Speech by Osagyefo on launching the Seven Year Development Plan (March 11, 1964).
39. Krassowski, *Development and the Debt Trap*, p. 63. See also the whole of Chapter 4 for a comprehensive discussion of the regime's development priorities.
40. *Seven Year Development Plan, 1963/64 - 69/70* (Office of the Planning Commission, Accra, 1964): p. 93.
41. *Ibid.*, Chapter 4.
42. The major cause for the late translation of this idea into policy was the influence of W. Arthur Lewis. See his *Report on Industrialisation in the Gold Coast* (Accra: Government Printing Department, 1953). In this document, Arthur Lewis urged the government to play a very marginal role in the industrialisation of the country. That is apart from pioneering in certain areas like providing public utilities, and engaging in certain critically unavoidable industrial activities, the government was to consider industrialisation as the responsibility of foreign private capital.
43. Lange, "Basic Problems," pp. 42-45.
44. I would argue that the proliferation of integral wings of the party, and attempts during the same period to spread the party's presence to all parts of the country should be understood as a major aspect of the drive to accumulate power. I have argued this point at length elsewhere. See author's doctoral dissertation, *Politics, Local Administration and Community Development in Ghana, 1951-1966*, pp. 172-75.

45. The reports of the commissions appointed to enquire into the assets of the CPP elite provide us with unimpeachable evidence about the new class which the state created during the regime of the CPP. See *Report of the Jiagge Commission Appointed...to Enquire into the Assets of Certain Specified Persons* (Accra: Ministry of Information, 1968); *Report of the Sowah Commission Appointed to Enquire into the Assets of Certain Specified Persons* (Accra: Ministry of Information, 1968); and the *Report of the Manyo-Plange (Assets) Commission Appointed...to Enquire into the Assets of Certain Specified Persons* (Accra: Ministry of Information, 1969). For information about the character and activities of this class as they penetrated the major arteries of the social system see the *Report of the Commission of Enquiry into Trade Malpractices in Ghana* (Accra: Office of the President, 1965). Hereafter it is referred to as the Abraham Commission Report (Chairman: W.E. Abraham). *Report of the Commission Appointed to Enquire into the Affairs of the Ghana Timber Board and the Ghana Timber Co-operative Union* (Accra: Ministry of Information, 1968). Hereafter it is referred to as the Blay Commission Report (Chairman: R.S. Blay). *Report of the Committee of Enquiry into the Local Purchasing of Cocoa* (Accra: Ministry of Information, 1966). Hereafter it is referred to as the de Graft Johnson Committee Report (Chairman: J.C. de Graft Johnson). For a specific case study of the rise of this new class, see Bjorn Beckman, *Organising the Farmers* (Uppsala: the Scandinavian Institute of African Studies, 1976), especially Chapters V and VI.
46. Lange, "Basic Problems," p. 5; but the whole of Chapter I is illuminating for the distinction it draws between socialist and capitalist economics.
47. Genoud, *Nationalism and Economic<sup>7</sup> Development in Ghana*. Economic nationalism, during this period, should be understood as the progressive drive by the state to assert greater control of the economy through direct ownership and joint state-private ownership, rather than a movement aimed at encouraging Ghanaians to take over the economy from expatriate interests.
48. The need for centralisation of power during the period of socialist planning was emphasised by President Nkrumah in 1961. See Osagyefo Dr. Kwame Nkrumah, *Address to CPP Study Group* (Accra: Government Printer, 1961).
49. *Broadcast by Osagyefo Dr. Kwame Nkrumah, President of the Republic of Ghana* (Accra: Government Printer, 1960).



50. See Speech by Osagyefo Dr. Kwame Nkrumah, President of the Republic of Ghana at the laying of the Foundation Stone of the City Hotel, Kumasi (Accra: Government Printer, 1962).
51. See Republic of Ghana: The Budget, 1965.
52. The Gold Coast Cocoa Marketing Board (Amendment) Ordinance, 1951 and the Cocoa Duty and Development Funds Ordinance 1951.
53. See the *Report of Commission of Enquiry into the Affairs of the Cocoa Purchasing Company Limited; The de Graft Johnson Committee Report; and Beckman, Organising the Farmers*, Chapter IV.
54. Apart from the establishment of the Ghana Timber Marketing Corporation, the government also voted substantial sums of money to aid them. In addition, government spokesmen continually affirmed the government's determination to support Ghanaian timber merchants in their bid to supplant expatriate firms. See Ghana: *National Assembly Debates* 8 (1957): pp. 449 and 501-502; and 9 (1958): p. 307.
55. The government had quietly shelved the *Report of the Commission of Enquiry into Concessions, 1958* which had among other things urged the government to give more aid to Ghanaian Timber Merchants. See also Esseks, *Economic Independence in a New African State*; for the reaction of the timber merchants, see *National Assembly Debates* 23 (1961): p. 610.
56. Esseks, *Ibid.*, p. 105.
57. For evidence of the power of the CPP leaders - the "bureaucratic or administrative bourgeoisie" - see the following: *Report of the Commission on Enquiry into...the Issue of Import Licences* (Chairman: A.A. Akainyah), (Accra: Ministry of Information, 1964); *The Abraham Commission Report*; the *Report of the Commission of Enquiry into Irregularities and Malpractices in the Grant of Import Licences* (Chairman: N.A. Ollennu), (Accra: Ministry of Information, 1967); and *The Blay Commission Report*.
58. The warning that the petty-bourgeois opposition was ready to resist the CPP's designs to destroy them politically was tersely stated by Alhaji Yakubu (Talon Na), then member of the parliamentary Opposition during the debate on The Emergency Powers Bill, 1958: "Where force or might is used to suppress a movement or an idea that movement

- or idea finds a vent underground. That is more serious and more dangerous than allowing it to show itself on the surface." *National Assembly Debates* 8 (1957-58): p. 250.
59. *Industrial Promotion in Ghana* (Accra: Ministry of Trade and Industries, n.d.).
  60. *Government Policy on the Promotion of Ghanaian Business Enterprises* (Accra: Ghana Information Services, 1958).
  61. *Progress Report on the Implementation of Industrial Projects in the Public and Joint Public-Private Sectors Being Handled by the Ministry of Industries* (Accra: Ministry of Industries, 1964), Introduction.
  62. Hakam, "Impediments to the Growth of Indigenous Industrial Entrepreneurship in Ghana, 1946-1968," Table 2.
  63. Kumi, Ayi. *The Rebirth of Ghana* (Accra: Ministry of Information, n.d.).
  64. In his Republic Day broadcast of July 1, 1960, the President declared: "(The political revolution) ended with the passing of yesterday. Today, we have entered upon a new life and a new revolution: the national revolution for economic and social reconstruction." For a descriptive definition of the structure of the conflict, see Austin, *Politics in Ghana*, Chapters V-VII.
  65. For glimpses of the structure of that conflict, see the following: Julius Sago, "The Anatomy of Counter Revolution," *The Spark*, August 2, 1963; "The Politics of the Treason Trial," *The Spark*, December 11, 1963; J. Sago, "Counter Revolutionaries Declare War," *The Spark*, January 3, 1964; J. Sago, "The Mechanics of Counter Revolution," *The Spark*, November 20, 1964; J. Sago, "In Search of a New Economic Policy," *The Spark*, September 17, 1965; and Ghana: *Parliamentary Debates: Official Report*, First Series, 34, (October 15, 1963 - February 21, 1964) (Accra: Government Printer, 1964): pp. 310-414. It has to be emphasised that the position of the left-wing of the party, as enunciated by J. Sago in his articles, is that the conflict was purely ideological. That is, it was between the socialists and the capitalists. Yet, in a lengthy editorial in their mouthpiece, *The Spark* (March 5, 1965) entitled, "Towards Ideological Unity Within the Party," it was revealed rather poignantly, that the party had never been a class party, that the party had rejected the class approach to politics and economics. Consequently, the contradictions in the Ghanaian society were those between the positive (progressive) forces and the negative



(reactionary) forces. It is patently impossible to sustain a Marxist position without admitting the notion of the class struggle in politics and economics. Undoubtedly the CPP leadership was caught in a mire of ideological fussiness as the editorial of *The Spark* itself admitted. It was logical therefore for the leadership to retreat from a class war even after the Dawn Broadcast.

66. The attacks, euphemistically called The Rectification Campaign in a poor imitation of the Chinese, were led by the Party organ, *Evening News*. See its April, 1961 issues, for example. Its September 30, 1961 issue launched a virulent attack on the "leading capitalist" of the new rich, K.A. Gbedemah. This and subsequent issues, which defined the "bourgeois counter-revolutionary" group to include the new rich (both within and outside the party), the Opposition United Party elements, and their capitalist allies overseas, and further launched a veritable witch-hunt for them, should enable us to see beyond the thin ideological veil.
67. Quoted from Issa G. Shivji, *Class Struggles in Tanzania* (Dar es Salaam: Tanzania Publishing House, 1975): p. 66.
68. Similar measures had been implemented to eliminate the organised political opposition. They included the following laws which were passed between 1957 and 1958: The Deportation Act, The Emergency Powers Act, and The Preventive Detention Act.
69. Ideology assumes a purely symbolic role in societies where the ruling elite perceives a system of stable power relationships between them and the counter-elite, especially after the former had succeeded in effectively consolidating power. The result is a kind of patron-client relationship between the elite and the masses. See author's doctoral dissertation, *Politics, Local Administration, and Community Development in Ghana, 1951-1966*, Chapter 4, for a detailed discussion of this process in politics.

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