Peasants, Settlers and Weavers in Africa

Submitted for the PhD examination in economic history, 2006.

‘Structural and Institutional Change in a “Peasant” and a “Settler” Economy of Africa: Ghana and Zimbabwe, 1890-2000’

Department of Economic History,
London School of Economics & Political Science.

Copyright © 2007 D.A. Amanor-Wilks

All rights reserved. Except for the quotation of short passages for the purpose of review and debate, no part of this publication may be reproduced or transmitted in any form or by any means without permission.

Cover photos: Maize farmers in Zimbabwe © IFAD
Rhodesian settlers in the 1890s, courtesy of National Archives of Zimbabwe
Young Weaver in Bonwire, Asante © The author

Cover Design by Eibhlín Ni Chléirigh
Abstract

The thesis compares long-run economic change in a ‘peasant’ and a ‘settler’ economy of Africa. It seeks determinants of the more successful transition from primary to secondary industry in the ‘settler’ economy, Zimbabwe, relative to the ‘peasant’ economy, Ghana. These countries provide a natural ‘laboratory’ for viewing divergent growth trends in two former British colonies. The thesis argues that to explain why both countries did not develop more over the course of the twentieth century, we need to understand the relationship between endogenous and exogenous variables. The study draws a link between the distinct patterns of land ownership in the peasant and settler economies and the pattern of small-scale manufacturing. Where land remained in African hands, important indigenous institutions survived the impact of colonialism, including those designed to ensure the propagation of long-standing weaving traditions. Where land was alienated to European settlers, indigenous institutions were constrained. Yet no such distinction exists when it comes to factory production for bulk markets. In both countries industrialisation is predicated on conscious state intervention. In both countries, exposure to competition under economic liberalisation sees a collapse of large-scale firms. The thesis goes inside the textile sector in each country to look at the determinants of this pattern of economic growth and decline. It works through a number of variables that might explain African underdevelopment. The thesis considers geography, climate and population, culture and institutions, the role of the state in economic development and the role of individual entrepreneurs and statesmen. It argues that while each of these factors may enhance our understanding of African underdevelopment, the interplay of variables is so complex and the obstacles to competitive manufacturing so daunting that only enlightened intervention by a developmental state can bring about industrialisation in Africa.
To my mother, Grace Amanor-Wilks, who educated me
and my father, Ivor Wilks, who helped me to discover the historian inside me.

And for my daughters, Qondisile and Zandile Moyo, who made me keep my duty as
an obedient parent, even though I’ve had a lot of work to do.
# Table of Contents

Acknowledgements ............................................................................................................... 10

CHAPTER ONE .................................................................................................................. 13

1 Introduction .................................................................................................................... 13

1.1 Preamble .................................................................................................................. 13

1.2 Why Isn’t Africa Developed? ................................................................................... 16

1.2.1 The development of African capitalism ................................................................. 17

1.2.2 Nurturing capitalism in Africa ............................................................................. 18

1.2.3 The state and industrialisation ............................................................................. 19

1.3 Methodology .......................................................................................................... 24

1.3.1 The ‘peasant-settler’ dichotomy in Africa ............................................................. 24

1.3.2 Approach to research questions ......................................................................... 27

1.3.3 Two paths to African development? The case studies ....................................... 29

1.3.4 Definitions ......................................................................................................... 30

1.4 Primary Sources .................................................................................................... 31

1.5 Secondary Sources ............................................................................................... 33

1.6 Outline of the Thesis .............................................................................................. 36

CHAPTER TWO ................................................................................................................. 38

2 Economic Thought that governed the 20th Century and Controversies about African
Underdevelopment ........................................................................................................... 38

2.1 Capitalist Development: Markets or States? ......................................................... 38

2.1.1 Adam Smith to Karl Marx .................................................................................. 40

2.1.2 From interventionism to modernisation theory ................................................... 44

2.1.3 The Washington Consensus ............................................................................. 49

2.1.4 Which model of industrial development? ......................................................... 53

2.2 Is Peasant Farming Efficient? ................................................................................. 56

2.3 Causes of Underdevelopment - Exogenous or Endogenous? ............................. 57

2.3.1 The impact of dependency theory ...................................................................... 57

2.3.2 Geography and climate ...................................................................................... 60

2.3.3 Culture and corruption ...................................................................................... 63

2.3.4 Population ......................................................................................................... 66

2.4 Synthesising the Two Views of African Underdevelopment ............................. 70

2.4.1 A synthesis view ............................................................................................... 70

2.4.2 Theoretical tools for achieving a synthesis view ................................................. 72

2.5 Conclusion ............................................................................................................. 76
CHAPTER THREE

3 The Land Question in Historical Perspective ................................................................. 78
  3.1 The Limits of the ‘White Man’s Grave’ Thesis ................................................................. 82
  3.2 Land, Labour and Capital ............................................................................................... 84
  3.3 Asante and Matebeleland at the Turn of the Century .................................................... 92
  3.4 The Role of the Chartered Company ............................................................................. 95
  3.5 Land Alienation and Tenure: The West African Lands Committee and the Morris Carter
     Commission ....................................................................................................................... 101
  3.6 Land and Race Ideology ............................................................................................... 106
  3.7 Conclusion ..................................................................................................................... 111

CHAPTER FOUR

4 A Question of Property Rights .......................................................................................... 112
  4.1 The Case for Private vs Communal Tenure ..................................................................... 114
  4.2 Conflict and the Problem of ‘Tradition’ ......................................................................... 119
  4.3 Property Rights and the Rule of Law ............................................................................. 123
  4.4 Is Peasant Farming ‘Efficient’? ..................................................................................... 133

CHAPTER FIVE

5 Peasants, Culture and Economic Development ............................................................... 135
  5.1 The Problem of ‘Embeddedness’ .................................................................................. 135
  5.2 Moral Economy or Rational Peasant? .......................................................................... 142
  5.3 Capital Accumulation and the ‘Moral Economy’ of Peasants in Zimbabwe ..................... 146
  5.4 Peasant Rationality and the Ghanaian Cocoa Farmer ..................................................... 154
  5.5 Conclusion ..................................................................................................................... 162

CHAPTER SIX

6 Behind the Metrics of Supply Response, Culture or Institutions? ................................. 164
  6.1 Mosley and the Problem of Measurement ...................................................................... 166
  6.2 Methodology ................................................................................................................. 169
  6.3 Metrics of Supply Response: Cocoa and Maize ............................................................. 171
  6.4 Ploughs and Trees ........................................................................................................ 176
  6.5 Conclusion ..................................................................................................................... 184

CHAPTER SEVEN

7 Ideology, Conflict and Change in the Marketing of Cocoa and Maize ............................ 187
  7.1 Blaming the Marketing Boards ..................................................................................... 188
  7.2 History of the Marketing Boards .................................................................................. 191
  7.3 The Beginnings of Commercial Production .................................................................. 193
  7.4 The Depression Years and Beyond ............................................................................. 195
CHAPTER EIGHT

8 Two Paths to African Industrialisation ................................................................. 231
  8.1 The Early History of Large-Scale Manufacturing ................................................. 234
  8.2 Self-Government .................................................................................................. 238
  8.3 The Move towards Protectionism ......................................................................... 241
  8.4 The Independence Effect ..................................................................................... 243
  8.4.1 UDI and the impact of sanctions in Rhodesia, 1965-1979 ............................. 243
  8.4.2 Ghana: the ‘overdeveloped’ state? ................................................................. 247
  8.4.3 Applying modernisation theory to Nkrumah’s big push ............................... 251
  8.4.4 Ideology as a motivator for industrialisation .................................................. 257
  8.4.5 Zimbabwean indigenisation and redistribution .............................................. 262
  8.5 Conclusion ........................................................................................................... 264

CHAPTER NINE

9 Industrialisation with ‘Borrowed’ Technology: A Tale of Two Firms ....................... 266
  9.1 The Structural Adjustment Context ................................................................. 267
  9.2 History of the Two Firms .................................................................................. 273
  9.3 Big Plant, More Labour ..................................................................................... 279
  9.4 The Protectionist Route ..................................................................................... 283
  9.5 Effects of Competition ...................................................................................... 285
  9.6 Labour Unrest ................................................................................................... 288
  9.7 Towards the ‘Developmental’ State ..................................................................... 290
    9.7.1 The problem of linkages ......................................................................... 293
    9.7.2 Lessons from East Asia ........................................................................... 294
  9.8 How Small is Beautiful? ................................................................................... 298

CHAPTER TEN

10 The Kente Weavers of Asante: A Non-Settler Model of Industrial Development ....... 302
  10.1 The Survey ...................................................................................................... 305
10.1.1 Gender, age and education ................................................................. 307
10.2 Apprenticeships, Skills Transfer and Technological Diffusion ............. 310
  10.2.1 Asante weaving techniques ............................................................... 310
  10.2.2 Rules of apprenticeship ...................................................................... 312
  10.2.3 Diffusion of weaving skills ................................................................. 314
  10.2.4 The purpose of European guilds ....................................................... 318
10.3 The Economics of Kente Production ....................................................... 320
  10.3.1 Specialisation and the division of labour ........................................... 321
  10.3.2 Hours of work and productivity ......................................................... 324
  10.3.3 Capital investment, savings and entrepreneurship ............................ 328
  10.3.4 Value and pricing ............................................................................ 342
10.4 From Niche Market to Bulk Market? Lessons from Afar ....................... 347
  10.4.1 The problem of broadlooms .............................................................. 347
  10.4.2 The lessons of Harris Tweed ............................................................. 351
  10.4.3 The problem of competition ............................................................. 354
10.5 Conclusions ............................................................................................ 355

CHAPTER ELEVEN .......................................................................................... 361
11 Conclusion ................................................................................................. 361
  11.1 Summary of Research ........................................................................... 362
  11.2 Specific Findings and Overall Conclusions .......................................... 365
  11.3 The Un-Final Word .............................................................................. 373

Appendix 1: Hospital Returns (Gold Coast) .................................................. 377
Appendix 2: West African Lands Committee Evidence .................................. 379
Appendix 3: Statistical Tables ....................................................................... 383
Appendix 4: Background to Southern Rhodesian Textile Agreement .......... 394
Appendix 5: Government’s Attitude to the Employment of Communists ...... 397
Appendix 6: List of Bonwire Weavers Survey Respondents .......................... 399
Table of Figures

Figure 1: View of African underdevelopment in an exogenous model .......................................................... 59
Figure 2: Rhodesian settlers in Bulawayo test the potential of zebras during the 1890s ................................................ 62
Figure 3: View of African underdevelopment in an endogenous growth model .............................................. 66
Figure 4: Synthesis view of African underdevelopment .................................................................................. 72
Figure 5: Cocoa and Maize Output, 1900-2000 (5-year averages) ................................................................. 172
Figure 6: Maize output, Communal and Commercial, 1914-1997 (5 year averages) ........................................ 173
Figure 7: Zimbabwe Maize Output, Communal and Commercial, 1914-1997 .................................................. 173
Figure 8: Ploughs in Use and Crop Area, 1929-1941 ...................................................................................... 177
Figure 9: Ploughs and Crop Acreage, 1905-1951 ............................................................................................. 177
Figure 10: Ploughs and Prices, 1931-1951 ................................................................................................. 179
Figure 11: Cocoa Exports and Values, 1900-1938 ......................................................................................... 180
Figure 12: Estimated Tree Stock and Real Prices, 1948-1973 ........................................................................ 180
Figure 13: Estimated Tree Stock and Real Producer Prices, 1948-1973 .................................................. 181
Figure 14: Cocoa Output and Real Prices, 1948-1982 .................................................................................... 183
Figure 15: Peasant Maize Output and Prices, 1980-1996 ................................................................. 183
Figure 16: African Maize Deliveries, 1955-1961 ......................................................................................... 201
Figure 17: Cocoa Output and Producer Prices, 1948-1982 ....................................................................... 214

List of Tables

Table 1: Population of European Settlers in British Territories, 1936 ........................................................... 24
Table 2: Classes of Maize and Quality of Sacks, 1943 .................................................................................. 178
Table 3: Maize Producer Prices, 1967/68 Marketing Year ........................................................................ 178
Table 4: Value of European Crops and Livestock, £m ................................................................................. 223
Table 5: Gross Value of African Crops and Livestock, £m ........................................................................ 224
Table 6: Changes in GTP Shareholding Structure, 1964-2002 ................................................................. 275
Acknowledgements

I wish to thank my supervisors: Gareth Austin, for embracing my thesis idea; and Colin Lewis, for interrogating a number of my drafts and final drafts. John Sender gave me valuable advice at a critical time during the evolution of this thesis. In addition, I thank Jean Allman for her encouraging comments on the earliest conceptualisation of this project.

I am grateful to all the staff at the LSE economic history department who contributed to my intellectual development during MSc course work and in PhD workshops, in particular Nick Crafts, Kent Deng, Larry (SR) Epstein, Philip Epstein, Peter Howlett, Janet Hunter, Paul Johnson, Mary Morgan, Patrick O’Brien, Max Schulze and Patrick Wallis.

I also thank John Walker for boosting my confidence in the area of quantitative analysis and my colleagues Roger Feldman, Arshi Khan and Nat Ishino for their support.

A special trait that archivists all seem to share is great courtesy together with a willingness to go the last mile to unbury a hidden document. I thank the directors and staff of all the national archives visited. In Ghana I thank Judith Botchway, William Ashalley, Tony Akusah and Bright Botwe in Accra; and Emmanuel Amadu, Mahama Zakari, Helen Alobah and Balchisu Rufai in Tamale. In Zimbabwe, I thank Malvern Ndokera, William Tekede, Elisha Kore, Violet Matangira, Cathrine Moyo in Harare; and Sihle Mabhena in Bulawayo. I thank the Directors of the National Archives in Ghana and Zimbabwe, Cletus Azangweo and Ivan Murambiwa, respectively, for their strong support.

In addition, I thank Helen Kimble for helping to make my trips to Oxford so pleasurable.

I am deeply grateful to Ernest Aryeetey and Chris Gordon for commenting on my weavers questionnaire in their capacities as Director of the Institute of Statistical,
Social and Economic Research and Dean of International Programmes, respectively, at the University of Ghana, Legon, and for much-appreciated institutional support. I further thank Amoah Baah-Nuakoh for his helpful suggestions while Head of Economics.

Sam Moyo and Gyekye Tanoh commented on early drafts of my land chapter and challenged my thinking on various issues. I am particularly indebted to the former for identifying research assistants in Harare to begin gathering data while I was working on my MSc dissertation in London. A similar debt is owed to Kojo Sebastian Amanor-Wilks, who further commented on an early draft of the weavers chapter.

I am grateful to the following for assisting the research in various ways: Sibongile Moyo, Austin Kasiemeru and Makosini Moyo in Harare; Kafui Ayimey and Tontie Kanton in Accra; Carlos Razak-Alhassan and Mashud Razak-Alhassan in Tamale; and Nana Yaa Ampofu-Twumasi and Wendy Taylor in Kumase. I thank Mavis Akpanglo, Frank Kojo Osman and Nathan Aidoo for facilitating my stay in Kumase.

For their love and support and for help with locating sources, sorting out computer glitches, ordering books and commenting on various aspects of my work, some members of my family have not yet been mentioned. They are: Kemdi Amadiume (1979-2005), the two David Amanor-Wilkses, Grace Amanor-Wilks, Peggy Amanor-Wilks, Ian Cook, Nancy Lawler-Wilks, Sheila Marti, Gifty Mate-Kole, Neneyo Mate-Kole, Victor Mate-Kole, Mavis Moyo, Samantha Moyo and Ivor Wilks. My three mothers were additionally supportive in terms of child-care.

For their moral support and goodness, and for always being ready to debate issues with me, I thank Tajudeen Abdulraheem, Wendy Addae, Juliet Amissah, John Assie, Eibhlín Ni Chléirigh, Sarah Daniels, Wangui wa Goro, Yao Graham, Jill Lusk, David Johnson, Vanessa Lewis, Amina Mama, Takyiwaa Manuh, Patricia McFadden, Simomo Mubi (1956-2006), Tri Tat, Ahmed Rajab, Carina Ray, Patrick Smith and Clare Tauben.
Finally, I thank Paul Quartey for an unlikely wager that lifted this thesis out of its depression and sent it hurtling towards completion.

As it is not my wish to embarrass those who have freely offered me advice, none of the people mentioned above should be held accountable for the more unreasonable views expressed here. If I have not taken on board all of the suggestions made to me, it is because the project grew beyond what could be contained in one thesis. I hope some parts of it may develop an independent life of their own.

I am indebted to the Economic and Social Research Council for financing three years of this research.

Before going any further, I wish to pay a tribute to the remarkable Polly Hill (1914-2005), whom I remember as one of the more spirited adult figures from my childhood in Ghana, and later as someone who knew what was important. During two family trips to her home on stilts in Huntingdon, she took us to visit the children’s mystery writer, Lucy Boston, and to a Chinese restaurant where she taught us how to use chopsticks. The discovery of Hill’s work in adult life has provided a never-ending source of inspiration, wonder and, because of her vigorous writing style, tremendous merriment.

15 February 2006
CHAPTER ONE

1 Introduction

1.1 Preamble

The idea for this comparative study arose from my personal and professional interaction with three countries. I was born in Ghana nine months after the British flag came down in the Gold Coast, making it the first sub-Saharan African country to be decolonised.\footnote{Liberia became an independent state in 1847, but was never a colony.} Eight years later and a few months after Kwame Nkrumah was toppled in one of Africa’s first coups d’état, my family moved to the peaceful English county of Warwickshire. Years later, while an undergraduate reading French and German at London University’s Westfield College, I visited Ghana again. The country was ripe for ‘revolution’ and I was struck by the politicisation of society and the widespread awareness of global issues. The friends I had left behind were now also in university, but in contrast to my rather sterile college experience they were caught up in the throes of campus politics of a type that had helped to bring down a succession of military governments. Over the next few years I visited Ghana frequently, enrolled at the University of Ghana for a year, and witnessed the unfolding political drama as the country appeared to embrace socialist forms of political organisation and then did a quick turnaround, becoming one of the first in Africa to weather the storm of IMF/World Bank-backed structural adjustment. The political turmoil contrasted with my childhood memories of the peaceful and prospering country that had emerged from the colonial era as the model colony that seemingly had everything going for it.

Soon after completing an interdisciplinary Africa studies MA with a special focus on Ghana’s political economy at SOAS, I began working as East Africa editor and subsequently Francophone Africa editor at Africa Economic Digest magazine in London. Two years later, I was hired to run the Africa operations of the Rome-based news agency, Inter-Press Service, out of Harare. My journey to Zimbabwe started a fascination with the differences between Africa’s former settler and non-settler colonies and a desire to study these differences in a systematic way. This fascination
grew when I married a Zimbabwean and was introduced to a new set of institutions. My arrival in Harare coincided with the introduction of an IMF/World Bank-funded structural adjustment programme and I was struck by the parallels between Ghana and Zimbabwe regarding the political turmoil that the introduction of these measures wrought. But in contrast with Ghana, the political fall-out over structural adjustment was to prove nothing compared to the massive upheavals over land reform that were to develop over the next years. For my arrival in Harare also coincided with the expiry of the ten-year moratorium on land reform agreed under the Lancaster House Constitution that heralded Zimbabwean independence in April 1980.

As I was preparing to begin course work for my PhD in 2000, the London-based weekly The Economist ran a cover story titled ‘Hopeless Africa’. The main story began by contrasting Sierra Leone at the end of the colonial period with the war-torn country that is today associated by journalists with rag-tag boy soldiers and conflict diamonds. The edition was keenly debated in an electronic discussion forum being run at the time by the UN’s Addis Ababa-based Economic Commission for Africa, in which I was participating as a panellist, and produced a storm of protest among African intellectuals and political activists. The concept ‘hopeless Africa’ has continued to be debated in various media. During 2005, dubbed the ‘Year of Africa’ the UK’s Independent newspaper ran a debate on whether Europe or Africa was to blame for Africa’s declining fortunes. Such debates touch on the biggest question in economic history, why isn’t the whole world developed? This thesis approaches the question from the contrasting perspectives of a settler and a non-settler or ‘peasant’ economy in Africa. Southern Rhodesia (the settler colony that became independent Zimbabwe) and the Gold Coast (the peasant colony that became Ghana) provide a natural ‘laboratory’ for viewing two paths to African development. Did Europe ‘underdevelop’ Africa, as argued by Walter Rodney? Or is the problem that Europe did not colonise Africa enough? This is a view that is being brought into vogue by

---

historians such as Niall Ferguson, who argues that even with its blemishes, British imperialism provided the least bloody path to ‘modernity’.  

This work is then a tale of two African countries, and an attempt to comprehend the historical relationship between them and their colonial ruler, Britain, as well as to give an intellectual meaning to my nomadic wanderings between all three. It is hoped that by putting forward for examination two countries that appear so distinct and attempting to separate what is strikingly different from what is equally strikingly similar, it might be possible to make a few observations about Africa’s growth prospects.

---

1.2 Why Isn’t Africa Developed?

The thesis looks at three key controversies in the literature on economic development as they relate to Africa. The main controversy is whether Africa’s development should be left to market forces, or whether the state should substitute for the market. The origins of this controversy lie in conflicting interpretations of the work of the classical economists from Adam Smith to Karl Marx. The continuing slow growth in the African economy makes it pertinent to review this controversy. After twenty to thirty years of economic liberalisation programmes backed by the World Bank and the International Monetary Fund (IMF), Africa continues to lag behind other continents. Is this due to problems of implementation, or is it because typical ‘structural adjustment’ packages, while they may do well in inducing financial rectitude and budgetary discipline, do little to address the underlying structure of African economies? And why are agricultural countries always poorer than industrial ones?

The second controversy concerns the future of peasant farming. Is it ‘efficient’ or does large-scale capitalist farming hold better promise for Africa? This question touches on a big debate in economic history about the relationship between culture and the economy. The idea that economic behaviour is embedded in culture and that ‘economic man’ has a particular culture that maximises economic growth is known as the problem of ‘embeddedness’. Are there observable rules of human behaviour in Africa that might explain African underdevelopment? The embeddedness controversy has been given its own chapter in this thesis.

The third controversy explored in this thesis is whether African underdevelopment has been caused primarily by internal (‘endogenous’) African factors, or by external (‘exogenous’) ones. This is the starting point for the debate about ‘hopeless’ Africa. What has been the impact of European institutions on structural change in Africa and what has been the impact of African ones? Underdeveloped countries are defined by

7 See W.O. Jones. (1960) 'Economic Man in Africa'. Food Research Institute Studies. 1. 107-34.
the United Nations as those that ‘lag behind the leading economies’. The term is also associated with a particular school of dependency theorists, who see ‘underdevelopment’ as the product of capitalistic Western policies, contrary to the optimistic view of modernisation theorists. Thus Andre Gunder Frank’s concept, the ‘development of underdevelopment’ denotes the incorporation in a subordinate role of poor countries into the capitalist world economy.

In order better to understand the historical roles that markets and states have played in African development and underdevelopment during the period under review, the thesis examines factors affecting African capital accumulation in key economic sectors. How is the pattern of capital accumulation in the peasant sector reflected in the industrial sector? The thesis explores processes of differentiation and ‘proletarianisation’. It particularly seeks evidence on the link between institutional change and structural change, that is, from a primarily agricultural economy to an industrial one.

### 1.2.1 The development of African capitalism

Africa’s incorporation into the world economy was accelerated by the start of colonisation in the late 19th century. However, British colonial policy bore an ideological commitment to development on the basis of comparative advantage, and export activity in the early decades of the 20th century was largely confined to the extraction of mineral and primary agricultural products. Some opportunities for expanding manufacturing activity were created during the great depression of the 1930s, as increased competition in the world economy provided the stimulus for colonial governments to seek economic diversification. At the same time, growing

---

10 ‘Proletarianisation’ denotes the process of transformation from self-employed peasant or craftsman/woman to waged employee.
competition between firms led some to establish subsidiaries in the colonies, while in the settler economies European entrepreneurs sought ever-greater economic autonomy. Substantial industrial expansion occurred only after World War II, and in the ‘peasant economies’, the rapid growth of large-scale industries was only possible after independence, through the efforts of the state.

1.2.2 Nurturing capitalism in Africa

In African research, some economic historians have sought to distinguish between different types of state intervention and entrepreneurial development. Iliffe thought three models of industrial development could be distinguished in Africa: ‘socialist’, ‘parasitic capitalism’ and ‘nurture capitalism’. Among the conditions distinguishing late capitalism from early capitalism, he highlighted the high costs of establishing enterprises with borrowed technology (that is, imported technology), the higher labour costs associated with greater rights awareness, and the specialist knowledge for breaking into highly competitive markets.

One of the consequences of late development in Africa noted by Iliffe was that manufacturing was usually initiated by foreign firms. Complex factory production processes have, moreover, increased the demands on management. During the 1970s, most initial capital for local enterprise was from private savings rather than from the banks. African entrepreneurs usually operated in areas where the capital requirements were reasonably low and the technology relatively simple. Alternative investment opportunities existed in urban property, where quick returns made investment attractive, though less productive than manufacturing. Iliffe argues that this alternative outlet for capital encouraged rentier activity and checked the development of African capitalism.

---

15 Ibid. p.65.
16 Ibid. pp.68-71.
Sender and Smith have been more upbeat than most in their assessment of African economic development over the twentieth century, and have made forceful arguments for more, not less, state intervention. They argue that modern manufacturing has been viable in backward areas only where state intervention successfully promoted import substitution industrialisation, and where a wide range of subsidies and protective measures supported capital accumulation. In Africa, the kind of far-reaching state intervention required for industrialisation was not feasible under colonialism. Thus manufacturing became viable only after independence within the political context of the nation-state and the impetus for African industrialisation created by nationalist aspirations. This was as true of the settler colony as the peasant colony. In Southern Rhodesia, the illegal Unilateral Declaration of Independence (UDI) in 1965 led to both an upsurge of Rhodesian nationalism and of industrial activity. Similarly, the early post-colonial period saw a rapid expansion in industrial output all over tropical Africa. In many countries, the state intervened to expand the provision of credit, reverse colonial discrimination and provide privileged access for Africans to avenues of accumulation, as well as influence the pattern of both foreign and direct state production, and provide transport, energy, irrigation and social infrastructure. It also engaged in nationalisation and direct state production.

1.2.3 The state and industrialisation

Industrialisation policies from the late 1950s in Africa were modelled on Western European development. This is true even in countries such as Nkrumah’s Ghana that have been labelled ‘socialist’. Some think that an altogether different pattern of small-scale industrial development may be more befitting the continent’s factor endowments, enabling countries to conserve scarce capital, which is used to ‘borrow’ technology from abroad. For instance, Lynn Krieger Mytelka argues that the industrialisation strategy adopted by African governments has, in reality, been one of

17 Sender and Smith Development. pp.67-72.
18 Iliffe Emergence. p.129.
19 It was during his years in exile in Conakry, Sierra Leone, that Nkrumah developed his socialist ideology and expressed regret that he did not introduce socialism in Ghana. See K. Nkrumah (1973). The Conakry Years.
import reproduction, rather than import substitution. While the former entails the imitation and replacement of an existing range of imported manufactures, genuine import substitution would require the design of products that take into account the range and availability of local inputs, in addition to the level of capitalisation and technological competence of domestic producers and the purchasing power of domestic consumers. The starting point for technological mastery, she suggests, is a process of ‘learning by rehabilitating’ existing industries.20

This line of argument provides a welcome relief from the polarisation of positions on the relative effectiveness of import substitution as compared with export-oriented industrialisation. The new economic orthodoxy stresses the disastrous effect that the former can have on growth, due to its tendency to make capital goods more expensive while encouraging inefficiencies. A redefinition of ‘import substitution’ might lead one to a reassessment of the location-specific environment in which African manufacturers must be able operate. The fact that in all African countries, industrialisation as a post-independence state policy was patterned on a European model emphasising large capital projects and the mass production of standardised goods has, arguably, made it difficult to achieve competitiveness.

Mass-produced manufactures require markets, which, as Rimmer rightly says, are provided by rising income.21 The case for economic diversification through forced industrialisation rests on the belief that the financial losses from protective tariffs and subsidisation to establish infant industries are offset by the externalities generated. New industries upgrade skills and disseminate technical knowledge, creating new investment opportunities. The inefficiencies generated by import substitution will disappear as experience is gained and economies of scale achieved. Though representing a departure from current comparative advantage, new comparative advantage can be gained over time. But Rimmer sees infant industries as ‘pools of privilege, not springs of progress.’ According to him: ‘[D]iversification has often been contrived in West Africa with scant regard for economic gain or loss, or on the

---

basis of unrealistically high evaluations of externalities.'22 Rather than a nurturer of capitalism, he sees the state as prone to rent-seeking.

From the comparative literature on East Asian and Latin American development comes a very different view of the state. This literature has given us the concept of the ‘developmental’ state. This is distinct from the democratic state, which the current orthodoxy sets as a condition for development assistance. Various studies of the developmental state point to state autonomy as a key factor in differences between East Asian and Latin American industrialisation. Jenkins, for instance, says that the state in Latin America enjoyed less autonomy than in East Asia and that economic decision-making was less centralised.23 Weiss and Hobson say that strong, autonomous states are vital for industrial transformation.24 Gereffi points out that industrial development came about in the context of authoritarian and often military regimes that violently repressed dissident groups.25

But though the developmental state may not be democratic, what distinguishes it is the quality of its intervention.26 For its key characteristic is that it actively and effectively intervenes in the economy to bring about structural change.27 Chenery’s indicator of the type of sustained industrial growth necessary for structural change is that manufacturing should contribute 12% of GDP.28 By 1973, manufacturing’s share of GDP exceeded the Chenery threshold in 18 tropical African countries. Hawkins cites this as evidence that the initial phase of import substitution was successful. However, as falling commodity prices and rising oil prices depleted foreign exchange reserves and industries found it difficult to replace imported inputs,

---

22 Ibid. p.233.
deindustrialisation occurred in several countries and the number of those above the threshold fell to six by 1980, though it rose to 12 in 1987.\textsuperscript{29}

Hirschman’s strategy for achieving economic development was to target key industries whose strong ‘linkages’ to other parts of the economy could stimulate a favourable dynamic.\textsuperscript{30} In Africa, cotton seems to be a crop with considerable potential to fulfil this role. Cotton has been an effective agent of structural change in Zimbabwe, but not in Ghana. This is anomalous given West Africa’s centuries-old weaving traditions and the fact that the savannah climate of northern Ghana is well suited to cotton cultivation. Given, too, the central role of cotton in the history of Britain’s industrial revolution, this begs the question whether domestic raw cotton production is necessary for industrial growth. Can the private sector in Africa create the forward and backward linkages necessary for sustainable growth without the active engagement of the state?

The assumption in African research of a dysfunctional state has tended to preclude any move to nurture the developmental state itself. Mkandawire explains this in terms of ‘an analytical tradition that insists on the impossibility of developmental states in Africa and a prescriptive literature that presupposes their existence.’ This has created, he says paraphrasing Gramsci, ‘the pessimism of the diagnosis and the optimism of the prescription.’\textsuperscript{31}

In this vein, Olukoshi challenges the intellectual premises of the IMF/World Bank governance reform project. He says the very framing of the governance debate rules out any possibility of laying an enduring basis for a system of democratic governance in Africa or of creating a framework for non-repressive economic reforms. According to Olukoshi:

> What Africa needs is not so much ‘good’ governance defined in narrow technocratic, functionalist terms that are meant to further the goals of an adjustment model that is as controversial as it is contested but a system

\textsuperscript{30} A.O. Hirschman (1958). \textit{The Strategy of Economic Development}.
of democratic governance in which political actors have the space to freely and openly debate, negotiate and design an economic reform package that is integral to the construction of a new social contract on the basis of which Africa might be ushered into the 21st century.32

Olukoshi appears therefore to be advocating a developmental state that is negotiated rather than imposed and that gains its strength from its legitimacy rather than its autonomy. This in effect challenges Africa to go one better than the rest of the world, given that economic development has not, historically, been democratically-determined. Against this background, the thesis seeks specific evidence on the effects of, and effectiveness of, government intervention in and withdrawal from the economy over the course of the twentieth century in Africa.

1.3 Methodology

1.3.1 The ‘peasant-settler’ dichotomy in Africa

In African economic historiography, a major distinction has been drawn between the former ‘peasant’ and ‘settler’ colonies. These are singled out in the literature as the two major types of colonial economy found in Africa. The ‘peasant economy’ (or ‘peasant export economy’) is defined as one in which land was left in the hands of indigenous producers, who dominated both food and export commodity production. The ‘settler economy’ is defined as one where land was expropriated to European immigrants, who competed directly with peasants in domestic food production, while dominating export markets. The two types of colonial economy are considered to have differed in terms of income distribution and welfare of indigenous people, levels of labour coercion, industrial development and inflows of foreign capital.

Table 1 shows the population of settlers in British colonies at 1936. As can be seen, Southern Rhodesia attracted the highest number of settlers after South Africa, followed by South West Africa and Kenya. Comparative data on the growth of Southern Rhodesia’s African and European populations can be found in Appendix 3.

Table 1: Population of European Settlers in British Territories, 1936

<table>
<thead>
<tr>
<th>Country</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>2,000,000</td>
</tr>
<tr>
<td>Southern Rhodesia (Zimbabwe)</td>
<td>56,000</td>
</tr>
<tr>
<td>South West Africa (Namibia)</td>
<td>31,000</td>
</tr>
<tr>
<td>Kenya</td>
<td>18,000</td>
</tr>
<tr>
<td>Northern Rhodesia (Zambia)</td>
<td>10,000</td>
</tr>
<tr>
<td>Tanganyika (mainland Tanzania)</td>
<td>10,000</td>
</tr>
<tr>
<td>Nyasaland (Malawi)</td>
<td>2,000</td>
</tr>
</tbody>
</table>

Settler economies are associated with greater inequality of income and business opportunities, both within and outside agriculture, than in peasant economies. This came about as the wholesale alienation of land in the former skewed the distribution of resources in favour of a small European minority. In order to ensure its designated economic function as a labour reserve for European enterprise, the African population was denied land, markets, equitable prices, and access to education and training. In farming areas, the most common form of credit involved the advance of overpriced goods by farm employers to their labourers, who entered a permanent cycle of indebtedness. This gave employers a form of leverage over their employees, which together with other employment policies, helped to stabilise the workforce. In peasant economies, by contrast, the continuation during the colonial period of customary forms of accumulation, credit and sharecropping resulted in the more equitable distribution of income and opportunities. These differences are reflected in a gini-coefficient of 0.57 for Zimbabwe, making it the fifth most unequal society in the world in 1996, compared to 0.35 for Ghana.

The economics literature published by the World Bank and other international agencies tends to overlook the distinction between ‘settler’ and ‘peasant’ economies, treating Sub-Saharan Africa as a unit. This is in contrast to the economic historiography, where one finds a tendency among some specialists to regard the two

as incommensurable. The difference raises a research question, which the proposed study aims to answer: How important is the historical distinction between former ‘peasant’ and ‘settler’ colonies for explaining post-colonial and contemporary patterns of economic performance, development, poverty and exclusion within Africa?

Much of the historiography seems to have been written on the assumption that settler and peasant economies are too contrasting, qualitatively, to be informative points of mutual reference. This is a long-standing idea, going back to Hancock,41 and found with varying qualifications in the various theoretical traditions. Iliffe, for instance, demonstrated a strong contrast between West Africa with its long-established capitalistic sector and the emergence of entrepreneurs from artisanship and trade, and eastern and southern Africa, where entrepreneurs arose mainly through the process of ‘straddling’ Western education and modern sector employment.42 Kilby, on the other hand, believes the differences between these regions are fewer than the similarities, given that industrial projects were usually influenced by economic nationalism.43 This meant that nationalist pride and political factors often overrode the economic logic. Nevertheless, nationalism has played its part in creating the impetus for industrialisation, as will be seen in later chapters.

Historians of ‘peasant’ economies have used other peasant economies as their main points of reference; and the converse applies to settler economies. When comparisons are drawn from outside the same category of colony, the usual comparisons are outside Africa altogether. Rare exceptions to this trend are found in Wilks’s observation of structural similarities between Asante and Matebeleland at

the time of colonisation and Bates’s short essay on divergent outcomes in the growth of commercial agriculture in colonial Kenya and Ghana.

By contrast, the labour history of Zimbabwe draws mainly on comparisons with South Africa (or with Britain and the United States), rather than with the labour historiography of West Africa. Van Onselen’s *Chibaro* typifies this approach, while Freund’s book on Nigerian tin mining offers a rare exception of a South Africanist studying West Africa. Mosley and Ranger have offered systematic comparisons of aspects of the histories of settler economies. Systematic comparative studies of the histories of peasant economies have been lacking and no-one has yet done a full-length comparative study of a settler and a peasant colony. In particular, it is only by systematic comparison that one can identify what is truly different, and perhaps also identify what is the same. In principle, such a comparison could tell us much about the variables affecting poverty and economic performance within Africa.

1.3.2 Approach to research questions

The thesis contains three routes into the controversies outlined in 1.2 above. The first is via the agricultural sector, where the agrarian implications of the peasant-settler dichotomy are explored. The second is via the emergence of large-scale industry to the strikingly similar problems facing large-scale textile manufacturers in both types of economy towards the end of the twentieth century. The third route takes us into the small-scale industrial sector, where the focus is on a non-settler model of textile production. Assuming a link between ideology and industrialisation, the thesis

---

devotes a chapter to outlining the concepts and theories that have influenced development action in the case study countries.

The study seeks, ultimately, to explain variations in the structure and output of large and small industrialists. It relates the patterns to differentiation in the long-run production of cocoa and maize in the two countries. These were the two most important crops grown by African smallholders over the course of the twentieth century. In both countries, a relatively small proportion of smallholders produce regularly for the market. What is the role of the state in promoting dynamic capitalist production in the two countries? And what are the prospects for indigenous producers to develop without state support? Within this framework, how can the relative success of the textile industries in the two economies be explained and understood, given that textiles are commonly among the first items that a developing economy will seek to export?

In relation to small-scale African-owned business, what are the prospects for small-scale enterprises to become dynamic and grow? In any developed economy, there occurs a shift in labour from the small-scale sector to the large-scale and from agriculture to manufacturing sectors. With this shift comes a change in character from the ‘self-exploitation’ posited by Chayanov for the peasant economy to various patterns of labour coercion. Given this problem, what are the advantages of the small-scale sector? What, moreover, is the link between patterns of land ownership and capital accumulation among small-scale entrepreneurs, both in rural production and in the manufacturing sector? If there is little prospect for small-scale producers to become dynamic accumulators, how smooth is the trajectory from small-scale production to large-scale production patterns in the two countries?

---

1.3.3 Two paths to African development? The case studies

An effective comparison cannot incorporate every aspect of economic performance. Nor can it cover all settler and peasant economies in Africa. It is necessary, as Ranger points out, to avoid free-floating comparisons not located in historical contexts in which the bases for comparison are carefully specified. Gold Coast/Ghana and Southern Rhodesia/Zimbabwe are good countries to compare for several reasons. First, these countries are not so big and internally diverse as to make external comparison too complicated, nor too small to permit comparisons across the range of relevant economic sectors, in particular manufacturing as well as agriculture. Both are from within the former British Empire. This was the largest empire in Africa, but more importantly, a comparison of ex-British colonies makes it possible to choose comparators that have much in common, making it possible to isolate differences more easily.

Each of the two countries on the face of it appears to be a case where one would expect rapid economic growth. Ghana emerged from colonial rule as the world’s leading producer of cocoa, a crop integrated into the Gold Coast economy by indigenous farmers. By the middle of the 20th century, Ghana was nominally richer than South Korea. Zimbabwe emerged from the Unilateral Declaration of Independence (UDI) period (1965 to 1979) with a vibrant agricultural sector and one of the most diversified economies in Africa. Why did Ghana’s economy not take off as expected and why has Zimbabwe also experienced declining growth?

The perspective of this study is long-range, grouping the major trends of the twentieth century into three main phases: the colonial period; the early post-colonial period; and the period since structural adjustment. For most African countries, the colonial period spanned a period from around the turn of the century to the early 1960s. The work begins in 1890 to reflect the start of continuous Ghanaian cocoa output, in addition to the extension of colonial control over the inland two-thirds of what is now Ghana. The year 1890 also stands out as that in which the British South Africa Company sent its ‘pioneer column’ of settlers and soldiers northwards to

---

50 Ranger Peasant. See introduction.
establish effective control over Southern Rhodesia. In economic terms the colonial period in British colonies, until about 1939, was characterised by an expansion in trade and ideological commitment to *laissez-faire* policies. The late colonial and early post-colonial periods saw a major shift to state-led economic development policy, as market mechanisms of resource allocation were replaced with administrative means. This gave way from the early 1980s to the period of ‘structural adjustment’, characterised by a return to market-led development policy.

### 1.3.4 Definitions

There is some controversy over whether the term ‘peasant’ should be applied to Ghana’s cocoa farmers.\(^51\) Throughout this thesis, the definition of ‘peasant’ is part-in and part-out of the market, with or without hired labour.

The expression ‘proto-industrial’ is used interchangeably with ‘pre-industrial’ in this thesis to mean the pre-factory, extra-subsistence production of processed goods. While revisionists of English economic history may eschew the term ‘pre-industrial’, preferring to emphasise gradualism and continuity in long-run industrial development, this thesis has found it useful to mark the break between pre- and post-factory production. Since factories mark the start of the Industrial Revolution in England, the term is further used to mean pre-Industrial Revolution. Although there are considerable grounds for viewing the industrial revolution in terms of a gradual process of incremental change, one cannot totally escape thinking of the period in ‘before and after’ terms, as conceded by leading revisionists, Crafts and Harley.\(^52\)

The point is well made by Hobsbawm, that: *before* the Industrial Revolution, or in


countries not yet transformed by it, Henry Ford would not have been an economic pioneer, but a crank, inviting bankruptcy.'53

The thesis avoids the use of the ‘modern’ versus ‘traditional’ dichotomy54 characteristic of modernisation theory, which will be discussed in the next chapter. These terms are deliberately left out of this thesis to avoid giving the impression that ‘modern’ is necessarily better than ‘traditional’, and to help emphasise instead the concept of ‘whatever works’. In place of ‘modern industry’, I talk of factory production or production for bulk markets or mass markets. I talk of mass market industrialisation as the process by which an economy shifts from the production of predominantly unprocessed agricultural goods to that of industrial wares.

1.4 Primary Sources

The main focus of primary research has been on archives in Harare and Bulawayo in Zimbabwe, Accra and Tamale in Ghana, and in the UK at Rhodes House Library and the Public Records Office, as well as the records of the British Cotton Growing Association at the University of Nottingham. Additional sources included government statistical offices, notably the Central Statistical Office in Harare and the National Bureau of Statistics in Accra, other official sources such as the ministries of agriculture, industry and trade in each country, and parastatal bodies such as the Cocoa Board in Ghana and the Grain Marketing Board and Cotton Marketing Board in Zimbabwe. University sources included the Institute of Statistical, Social and Economic Research at Legon, and the Department of Land Management in Harare. Further information was sought from trade associations including growers and manufacturers associations in both countries. In addition, the thesis examined company reports from textile firms in the two countries and drew on interviews with company executives and key informants.

The search for statistics threw up further peasant-settler differences related to the collection of data. In the peasant export economy, colonial data on cocoa output and pricing were relatively easy to gather and differences between data sets did not create large problems. In the settler colony archives, by contrast, there were large disparities in the collection of colonial data on European and African agriculture. The data on European production after 1912 are considered good; those on African production are thought to bear less relationship to reality. The most important data set on peasant production, that compiled by the Secretary of Native Affairs, was discontinued during the 1960s after the methods of collection were found to be unscientific, as native commissioners responsible for estimating figures failed to take proper samples. Part of this has to do with the politicisation of data collection, which resulted in the underestimation of African population and production. This necessarily casts doubts on all the colonial data on peasant production. In the period since independence, these problems appear to be reversed, with Zimbabwe producing good statistics while new and revised figures produced by the Cocoa Board in Ghana appear to carry significant discrepancies. To make up for these deficiencies, the thesis has attempted to balance quantitative data with qualitative sources.

Oral evidence was collected to verify findings, particularly on issues about which the literature is divided, for instance on Nkrumah’s attitude towards peasant farming and the private sector, and to illuminate questions on which there were gaps in the available information, such as on the nature of communal labour exchanges. Interviews were conducted with past office holders and current representatives of government ministries, trade associations, including growers and manufacturers associations, and individual industrialists and growers.

The most systematic method of collecting oral evidence was through a survey of weavers in Asante. The use of the questionnaire format allowed me to test various and conflicting concepts and theories from the literature on economic development in an organised fashion. Before carrying out the survey in Asante, the questionnaire was developed on the basis of a few test interviews in Accra. Based on these results, I devised two questionnaires, one for employer/entrepreneurs and one for employees. However, the assumptions did not quite match the conditions in Bonwire, the survey town. Once there, I found the status of employer and employee less differentiated
than in Accra. After conducting a few interviews it became apparent that it would be more effective to merge the two questionnaires. In order to do this, I have had to sacrifice a few of my totals, (most crucially any conclusive evidence on the number of apprentices in Bonwire). This was because the questionnaire intended for employer/entrepreneurs contained more detailed questions than those for employees, while the latter did not take sufficient account of the blurring of social boundaries outside the city. The loss on the quantitative side was however compensated for by an enhanced qualitative appreciation of the processes of social differentiation in semi-rural communities.

1.5 Secondary Sources

The literatures on the two countries have provided an essential starting-point for this comparative project. Both historiographies incorporate much work on the state in the colonial and post-colonial economies: the influence or lack of influence of small farmers on government policy, the causes and effects of post-colonial ‘state-led’ development policies, and of the subsequent switch to ‘structural adjustment’.

In the case of West Africa, Polly Hill’s iconoclastic approach opened up a new field of enquiry for economic historians. She observed that the rapid development of the Ghanaian cocoa industry by dynamic indigenous migrant farmers with strong capitalistic instincts occurred with no prompting from the colonial government, with little early contact with expatriate enterprise and therefore with complete reliance on indigenous forms of social and economic organisation,\(^{55}\) though the expansion of trade that accompanied colonialism must have helped to quicken the pace. Her iconoclasm is at its best in *Development Economics on Trial: The Anthropological Case for a Prosecution*,\(^{56}\) a classic text in which Hill took to task many of the influential economists of her day.

\(^{55}\) Hill *Migrant*.
\(^{56}\) Hill *Development*. 
Hill’s conversion from economist to anthropologist put her in the company of a group of largely Oxbridge Africanists, who were attracted to the Gold Coast in the last years of the Empire, a time when political radicalism was almost the definition of ‘Africanist’. This group, led by Thomas Hodgkin, included historians such as, John Fage, Roland Oliver and Ivor Wilks, political scientists such as Dennis Austin, David Kimble and Helen Kimble, an economist, and anthropologists such as Daryll Forde, Jack Goody, Esther Goody and later Keith Hart. They emerged at a time when the Hobbesian myth of a brutish, pre-European Africa was being challenged by a young African elite. Following the tradition established in the 1920s and 1930s by Rattray, Meyer Fortes and Margaret Field, the pioneers in the Gold Coast, this group generated a large quantity of field notes.

This work was complemented in the 1970s with important historical studies by Kay and Hopkins. But by the 1980s, economic historians were turning away from a concern with the impact of Empire on African histories to emphasise the internal dynamics of African economies. Rimmer was a strong advocate for a new right-wing agenda that blamed corruption, economic nationalism and Nkrumah’s ‘socialism’ for Ghana’s economic decline in the 1970s. Newer studies focus on issues, notably domestic slavery, that earlier generations of economic historians had shied away from. Such studies have made an important contribution to the understanding of African institutions though there is a danger, if they overlook the structural determinants of underdevelopment, that they can reinforce the picture of ‘hopeless Africa’ and feed a culture of Afro-pessimism. In this regard, Rimmer, a one-time World Bank economist, was reproached by Killick for failing to observe that Nkrumah had merely put into action the mainstream development theories of the 1950s and 1960s. Rimmer’s exaggerated focus on Nkrumah’s corruption and ‘self-aggrandisement’ and his excessive labelling of Nkrumah’s policies as ‘socialist’ meant that an opportunity was lost to explore not just the relationship between

57 I am deeply grateful to Murray Last for generously sharing his insights into this period.
59 Kay, Ed. Political.
markets and states in development, but also the relationship between ideology and industrialisation, which had concerned the development economists of the 1950s and 1960s. Such shifts in development thinking are the focus of the next chapter.

A similar shift in concerns can be found in the literature on the settler economy, though the swing of ideas is less marked. The radicalism that characterised the early Zimbabwean historiography has been rather more enduring as peasant studies continued to define themselves in relation to Arrighi’s ‘labour supplies’ thesis. Arrighi argued that primary accumulation was assisted by politico-economic mechanisms (taxation, labour coercion, land alienation), which overrode the market allocation of factor endowments, primarily land and labour, setting into motion a process of ‘proletarianisation’ and resulting in the destruction of traditional agriculture. Arrighi’s work was complemented by Palmer’s studies of Rhodesian land policies and a case study by Weinrich on peasant agriculture, while Palmer and Parsons drew attention to themes of poverty and social exclusion.

However, two studies in 1983 took radically different approaches. While a case study of white farmers by Hodder-Williams continued the tradition established by Arrighi, Mosley’s rational choice approach sought to establish an economic logic for the actions of Rhodesian settlers. Although Zimbabwe had attracted few expatriate scholars during the UDI period, after independence in 1980 attention turned from East Africa. In separate comparative studies of Kenya and Southern Rhodesia, both Mosley and Ranger argued that ‘proletarianisation’ lacked the inevitable determinism implied by Arrighi, Mosley arguing from the perspective of peasant ‘rationality’ and Ranger in terms of peasant ‘consciousness’. Mosley employed quantitative evidence to support his assertion that Arrighi’s theory of peasant regression overstated the decline of African agriculture. Later work by

---

65 Palmer Aspects of Rhodesian Land Policy 1830-1836.
67 Palmer and Parsons, Eds. The Roots of Rural Poverty in Central and Southern Africa.
69 Mosley Settler.
70 Ranger Peasant.
Phimister on the differentiated aspects of peasant economic behaviour was more in keeping with Arrighi’s outlook than with Mosley. Bates’s comparison of settler agriculture in Kenya with cocoa production in Ghana was also in the Arrighi tradition.

Though Arrighi’s thesis has remained influential and agrarian studies have continued to dominate the Zimbabwean economic historiography, the advent of structural adjustment programmes from the early 1990s has given rise to new concerns, including their impact on industrialisation. With the political and human rights crisis induced by the land invasions from 2000 taking centre stage, shifting attention to a postmodernist critique of the state, the literature is yet to resolve adequately the question whether peasant agriculture is efficient.

1.6 Outline of the Thesis

The next chapter discusses the shifts in development thinking that occurred during the period under review and provides a conceptual framework for this thesis. It is followed by four agrarian chapters that put the land question in comparative historical perspective. The ‘land question’, as defined in this thesis, has to do with the relationship between land policies and the character and scope of secondary industry.

Chapter three looks at the emergence of distinct land policies in Southern Rhodesia and the Gold Coast, while chapter four focuses on property rights. Chapter five reviews the ‘embeddedness’ controversy while chapter six considers quantitative approaches to measuring peasant rationality and the relationship between culture and

---


economy. The chapter focuses on the two most important crops that were grown by peasants in the two countries over the twentieth century: cocoa and maize. The discussion continues into chapter seven, which looks at institutional changes in marketing arrangements in the peasant and settler economies, and the relationship between ideology, conflict and institutional change.

From this point on, the focus of the thesis shifts to manufacturing. Chapter eight moves the story to the emergence of large-scale manufacturing, drawing on oral evidence and legislative assembly debates to complement secondary sources. Departing from this approach, chapter nine goes inside the textile sector to look at the problems of large-sale textile manufacturers since economic liberalisation. Chapter ten constitutes a case study of the kente weaving industry in Ghana, which explores socio-economic linkages between agricultural and factory production. Chapter eleven concludes the thesis. While the balance of chapters is agriculture-heavy, this rather faithfully reflects the structure of African economies.
CHAPTER TWO

2 Economic Thought that governed the 20th Century and Controversies about African Underdevelopment

Behind the concept of ‘hopeless Africa’ lies the question why Africa has not more fully developed its productive forces, or why the development of capitalism has not been greater. Polly Hill’s work on cocoa farmers in the Gold Coast/Ghana suggested that there was little wrong with African enterprise. Indigenous migrant cocoa farmers had good, strong, capitalistic instincts and it was development economists that should instead be put on trial. 75 This chapter provides a conceptual framework for viewing the problems of African ‘underdevelopment’ from the perspective of a ‘peasant’ and ‘settler’ economy.

The chapter explores three controversies in economic history. The main controversy is whether industrialisation in late developing countries should be directed by the state, or left to markets. The chapter outlines the shifts in economic thinking about this question. Within this debate, the chapter considers the optimum pattern of industrial development for late developing countries. Should it be large-scale or small-scale? The second controversy, whether peasant farming is efficient, is critical to the peasant-settler dichotomy that forms the methodological foundation of this thesis. In relation to the third controversy, whether African underdevelopment can best be explained by exogenous or endogenous models, the chapter proposes a synthesis view.

2.1 Capitalist Development: Markets or States?

Should development, in effect capitalist development, be the result of laissez-faire economics or should the state direct it? By the end of the twentieth century, the main body of opinion favoured freeing markets. Yet this was by no means the case for the greater part of the twentieth century and it is must be recalled that Adam Smith’s

75 Hill Development.
cause of free trade and his railing against the ‘evil effects of the monopoly of the colony trade’ were considered a radical and subversive departure from pre-nineteenth century mercantilist traditions.

Hla Myint’s mid-twentieth century employment of the classical ‘vent-for surplus’ approach fostered by Smith concluded that colonialism’s success as a ‘vent’ for surplus factors of production was much clearer in the peasant export colonies than in the settler colonies, where European enterprises had extracted all surplus resources from tribal economies. But, writing on a peasant export economy (colonial Ghana), Robert Szerszewskei disputed Myint’s emphasis on the ‘traditionality’ of export crops generating growth, but spoilt his argument when he said that by activating labour resources, which were then converted to income, cocoa was the ‘ideal solution for an economy restricted by supplies of effort’ Szerszewskei omitted to explain why labour was ‘underutilised’ and failed to capture the energy of the migrant cocoa farmers, which Polly Hill did not neglect to point out. She emphasised the capitalistic development of a new sector by enterprising Africans relying on African forms of organisation, and independently of colonial state intervention. The next section reviews the development of free trade philosophy in the context of capitalist development.

---

80 Ibid. p.77.
2.1.1 Adam Smith to Karl Marx

Both Adam Smith and Karl Marx envisaged a world in which every member of the human family would enjoy wealth and happiness. But perhaps Marx understood the better of the two that the quest for universal prosperity would involve human society in a series of monumental power struggles, and that conflict rather than harmony would spark historical change. However, the main problem that he left to be tackled by those who tried to implement his ideas in underdeveloped economies was how to motivate economic endeavour by means other than profit.

By contrast, Adam Smith, the father of liberal economics, saw the ‘propensity to truck, barter and exchange one thing for another’\(^82\) as critical to human behaviour. This propensity gave rise to the division of labour, which allowed spectacular increases in productivity.\(^83\) If the doors to trade were opened everywhere, prosperity would rise for all and the motive would hardly matter. Universalism and the ‘invisible hand’\(^84\) would ensure that self-interested behaviour brought good to all.

At the end of the nineteenth century, then, Britain’s outlook had been shaped by the ideas of Adam Smith\(^85\) and the political economists that followed him with such concepts as ‘comparative advantage’, associated with David Ricardo.\(^86\) The classical theory of international trade developed by Smith, and named ‘vent-for-surplus’ by John Stuart Mill, recognised two benefits to underdeveloped countries from the 19th century expansion of trade. First, it carried out the surplus part of the produce of their land and labour, for which demand was lacking. Secondly, it brought back in exchange goods for which there was a demand. As a consequence, trade gave value to the surplus, improved the division of labour and specialisation, leading to innovations and higher productivity, which increased the wealth of societies.\(^87\) To this theory, Mill added the concept of new wants introduced by trade\(^88\).

\(^{82}\) Smith *Wealth of Nations*. p.16.
\(^{83}\) Ibid. Book 1, Chp 1, 2. The Division of Labour and its Advantages.
\(^{84}\) Ibid. p.35.
\(^{85}\) Smith was himself influenced by François Quesnay and the French school of Physiocrats.
\(^{86}\) D. Ricardo (1861). *Principles of Political Economy and Taxation*.
\(^{87}\) Smith *Wealth of Nations*.
English political economy was one of three main influences from which Marx derived his theory of revolution. The other two were German philosophy and the French Revolution of 1848. By turning Hegel’s idealism on its head, Marx came to his philosophy of dialectical materialism. In 1848, inspired by the unimaginable proportions of the French Revolution, Marx and Engels published their *Manifesto of the Communist Party.*

Central to classical economics was the labour theory of value developed by Smith and subsequently Ricardo, which led Marx to his theory of surplus value (‘exploitation’). Labour, posited Smith, is the ‘real measure of the exchangeable value of all commodities.’

Value depended on the ‘relative quantity of labour’ necessary for production, not the absolute cost of labour, Ricardo countered. Value was the difference between the cost of the ‘socially necessary’ labour and the additional profit to be gained by exploiting labour, said Marx. Such exploitation led to ‘alienation’ (of labourers from the product of their labour) and would invite conflict.

Neo-classical economists remember Smith as an apologist for self-interested behaviour, rather than for his concern with sympathy, virtue and justice. This stems from one of his most remembered quotes:

> It is not from the benevolence of the butcher, the brewer or the baker that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity, but to their self-love.

Yet in the *Theory of Moral Sentiments,* Smith repeatedly places social needs above self-love, for instance where he says:

---

89 For a brilliant account of the French Revolution, see E. Hobsbawm (1962). *The Age of Revolution 1789-1848.*
90 Smith *Wealth of Nations.* Ch. 8: Wages.
91 D. Ricardo (1817). *Principles of Political Economy and Taxation.* p.1. An argument that the views of Smith and Ricardo were not contradictory can be found in ‘The Opinions of the Late Mr Ricardo and of Adam Smith on Some of the Leading Doctrines of Political Economy, Stated and Compared’. *Pamphleteer,* vol. 23, 46, 1824: 517-526. London. British Library 3557W.
93 Smith *Wealth of Nations.* p.17.
[W]e dare not, as self-love might suggest to us, prefer the interest of one to that of many...by doing so, we render ourselves the proper object of contempt and indignation.94

Or when he says:

And hence it is, that to feel much for others and little for ourselves, that to restrain our selfish, and to indulge our benevolent affections, constitutes the perfection of human nature; and can alone produce among mankind that harmony of sentiments and passions in which consists their whole grace and propriety.95

In several of his observations, Smith appears to anticipate Marx’s theory of exploitation, for instance when he says:

No society can surely be flourishing and happy of which the far greater part of the members are poor and miserable. It is but equity, besides, that they who feed, cloath, and lodge the whole body of the people, should have such a share of the product of their own labour as to be themselves tolerably well fed, cloathed, and lodged.96

He also appears to anticipate Marx’s materialism when he says:

Oatmeal indeed supplies the common people in Scotland with the greatest and the best part of their food, which is in general much inferior to that of their neighbours of the same rank in England. This difference, however in the mode of their subsistence is not the cause, but the effect of the difference in their wages; though, by a strange misapprehension, I have frequently heard it represented as the cause. It is not because one man keeps a coach while his neighbour walks-a-foot, that the one is rich and the other poor; but because the one is rich he keeps a coach, and because the other is poor he walks-a-foot.97

Marx went on to challenge the Hegelian belief that ideas (‘Mind’) determine the material world.98 He demonstrated that our very thinking is conditioned by our

95 Ibid. p.30.
96 Smith Wealth of Nations. p.96.
97 Ibid. p.92-3.
98 Marx and Nicolaus Grundrisse. p.33.
material base, which gives rise to our ideas. According to Marx’s theory of historical materialism, economic development could be understood in terms of a succession of ‘modes of production’. Each ‘mode’ (slavery, feudalism, capitalism) was based on ‘forces of production’ (natural resources, technology, labour power) and ‘relations of production’ (relationship between owners of means of production and workforce). The struggle between these elements results in the transition from one mode of production to the next. Based on the conflict between competing class interests, the capitalist order would be overthrown by a socialist one, which would eventually mature into stateless communism, Marx predicted. Today when the rolling back of the state is associated with neo-liberal rather than socialist democracy, it is often forgotten that his definition of communism included the ‘withering away of the state’. But Marx expected socialism to emerge first in the world’s most advanced capitalist economies.

In his reference to the significance of the steam-mill in the development of industrial capitalism, Marx also emphasised the role of technological development in the movement from one stage of history to another. Marxists differ over whether historical movement was caused primarily by ‘class struggle’, as argued by Robert Brenner, or technological change (movement in the ‘forces of production’), as argued by other scholars.99

Later, Max Weber was to reinstate the Hegelian Idea with his concept of the spirit of capitalism imbued in a ‘protestant ethic’.100 Though Weber’s concept took a knock when a rival East Asian ethic announced itself from the middle of the twentieth century, there is no denying that there is truth in both arguments, suggesting a dynamic relationship between economy and society, or mind and matter. The argument is at the heart of the embeddedness debate, reviewed elsewhere in this thesis.

Under the influence of Smithian and not Marxian economics, Great Britain at the end of the nineteenth century unilaterally adopted a free trade policy for itself and its


colonies. Equal commercial opportunity to traders of all nations would neutralise international jealousies over the perception of imperial monopoly or privilege. At the same time, colonial subjects would not have to pay the price of economic subservience to a single European power. Open competition among traders would ensure a fair market price to colonial producers for their exports and to colonial consumers for their imports. This ‘harmonisation of interests’ between a just government and impartial commerce would enable Britain to rule by consent, not just armed power. But *laissez-faire*, Britain’s free trade policy that was adopted by the rest of Europe, was a relatively short project that lasted only until the inter-war period.\(^\text{101}\)

2.1.2 From interventionism to modernisation theory

*Influence of the 1930s Depression and World War II*

The first major shift in economic thought, away from *laissez-faire* occurred during the Great Depression of the 1930s. The belief in free enterprise and comparative advantage had held sway for as long as Adam Smith’s prediction of a widening economic field held true and Great Britain, the workshop of the world, could support its world clientele by drawing on the resources of the world. But the shock of the 1930s fall in demand brought a return to nationalism, protectionism, increased military competition among European powers and the first shift in development thinking away from the ideology that had come to govern colonial trade.\(^\text{102}\)

During the inter-war period (1918-1939), liberal economics fell into disfavour. Faith in the invisible hand gave way to a belief in the virtues of planning. Though Britain closed its door on free trade, it continued to keep it open to its colonies. But even with the best intention to honour its trusteeship commitments, Britain could not absorb all exports from its colonies, nor prevent conflicts with foreign nations angered by its new tariffs. During the 1940s, primary product producers saw a

\(^{101}\) Hancock *Survey*. pp.306-7.

\(^{102}\) Ibid.
collapse in prices due to a combination of autarkic policies, market saturation, the substitution of synthetics for raw materials, weakening demand, and competition for power among European nations. There seemed little prospect for retrieving the ‘economic harmonies’ of the nineteenth century or restoring the open-door policy given this crisis of overproduction and stagnant markets.¹⁰³

In the post-war period, the influence of Keynesian economics reinforced the trend to replace the allocative efficiency of markets with a greater role for the state. The experience of the Second World War and the 1930s Great Depression had shaken the belief in market forces that had until then underpinned Western ideology. In the post-war period, Keynesian economics demonstrated persuasively that the state could and should correct market imperfections.

‘Progress’ and the Modernisation School

By the 1950s and 1960s, the policy-making environment was shot through with the tenets of modernisation theory. Here, the key idea was ‘progress’, from a traditional ‘backward’ state to a ‘modern’ Western model. Human society was assumed to be moving in a linear direction. This was a proposition that modernisation theorists held in common with Marxist political economists. There was thus a shared assumption that economic development depended on a movement away from agriculture and towards industrialisation, based on the mass production of standardised goods. The central reference point was England’s Industrial Revolution. The uniform prescription of modernisers for developing countries has been summed up as ‘borrow, import, imitate, and rationalise’.¹⁰⁴

Three sets of ideas can be considered as particularly influential during the 1950s and 1960s. First, W. Arthur Lewis saw economic development in terms of a dualistic model, in which a ‘modern’ industrialised sector could accumulate capital by

¹⁰³ Ibid. pp.313-5.
drawing on ‘unlimited supplies of labour’ in the ‘traditional’ agricultural sector.\textsuperscript{105} Lewis’s dualist model was designed to account for large areas of the world where the neo-classical assumption of scarce resources produced a poor fit. In Asia most especially, he posited that the classical assumption of economic development with unlimited supplies of labour at subsistence wages could still be predicted.

Less rehearsed are Lewis’s views on the lowering of labour costs. Savings were low in undeveloped economies because profits from a small ‘capitalist’ sector (defined by Lewis as the part of the economy that uses reproducible capital)\textsuperscript{106} were low in relation to national income, Lewis posited. As this sector expanded, an increasing proportion of national income would be reinvested. Wages in the capitalist sector would only rise above the subsistence level (plus a margin) when the labour surplus was exhausted through capitalist expansion. This would occur as capitalist accumulation overtook population growth, but mass immigration of unskilled labour would help to keep wages near the subsistence level of the poorest countries. The export of capital from high-wage developed countries would reduce capital formation at home and so check the further rise of wages there. Lewis believed that this trend would be resisted in the industrialised countries, however it could be offset if capital export either reduced the prices of goods imported by workers in rich countries, or raised the cost of wages in competing countries. Price reduction was a more likely scenario since the importation of foreign capital in countries with labour surplus would only raise wages if the use of capital resulted in increased productivity in the subsistence sector. Since foreign capital imports were targeted at improving efficiency in the export sector, tropical food production remained ‘inefficient’, according to Lewis. As a result of this, wages remained low throughout the economy of the developing country and the foreign consumer could therefore benefit from the cheap cost of tropical commercial produce. The implications of Lewis’s model for African economic development will be considered in later chapters.

Two other influential modernisation theorists were WW Rostow and Alexander Gerschenkron. Rostow posited a uniform progression of countries through five

\textsuperscript{105} W.A. Lewis. (1954) 'Economic Development with Unlimited Supplies of Labour’. \textit{The Manchester School} 20. May. 139-91.

\textsuperscript{106} Ibid.p.407.
‘stages’ of growth, in which economic ‘take-off’ depended, he suggested, on a doubling of investment to something like 10%. In keeping with Lewis’s dualistic view, Rostow emphasised the break with a stagnant agricultural sector in which there was a definite ceiling on production. Geschenkron’s theory of ‘relative backwardness’, a direct response to Rostow, showed that in Europe’s ‘late developing’ countries, the state had ‘substituted’ for the ‘missing prerequisites’ of development. In the first industrial revolution, these prerequisites had been created spontaneously through the investments of individual capitalists. In later industrialisations, for instance Germany, France, Italy and Austria, the banks had stepped in. Very late developers, such as Russia or Denmark, faced different conditions, and the state had had to step in.

This was not dissimilar to Lewis’s view of public ownership as a means of ‘pioneering’ industrial development. Whereas Gerschenkron’s main reference was to the Russian state, Lewis had emphasised the case of Japan, where the government between 1870 and 1900 pioneered one industry after another, handing factories over to private entrepreneurs once they had become viable. It was this approach that Lewis came to recommend in Africa.

Interestingly, both Rostow and Gerschenkron used Marx as a jump-off point for their modernisation theories. By subtitling his book a ‘Non-Communist Manifesto’, Rostow was explicitly offering an alternative vision to the Marxist one. Gerschenkron’s theory of ‘late development’ begins with a re-evaluation of a Marxian generalisation, that: ‘The industrially more developed country presents to the less developed country a picture of the latter’s future.’ Although Gerschenkron was concerned with European development, various aspects of his theory can be tested in an African context. Gerschenkron thought that the later economic development occurred, the more discontinuous it was likely to be. According to his concept of ‘relative backwardness’, the more backward an economy on the eve of its industrialisation, the more likely was industrialisation to: (i) start discontinuously as

---

109 Ibid. p.16.
a sudden ‘great spurt’; (ii) acquire big plant; (iii) favour producer goods over consumer goods; and (iv) place pressure on consumption levels. In addition, the more backward an economy, (v) the greater the role for special institutions to increase the supply of capital, and (vi) the less likely was agriculture to provide growing industries with the market advantages of rising productivity of agricultural labour.¹¹²

And Gerschenkron threw in one important proviso. In conditions of relative backwardness, the promise of greater profits was insufficient to drive industrialisation, an idea broached albeit less elegantly by Rostow. The risk-taking entrepreneur had to be cultivated by an ideology that promoted human progress as the Zeitgeist, the spirit of the age.¹¹³ For this reason, Gerschenkron pointed out that socialist ideology had gripped the imagination of Russian entrepreneurs years before the 1917 Bolshevik Revolution.

But the theorist of the 1950s and 1960s who perhaps best escaped the modernisation tag was Albert Otto Hirschman, whose concept of ‘linkages’¹¹⁴ or the ‘linkage effect’ has been internalised in development parlance. Hirschman believed the best strategy for a poor, developing economy was to concentrate its resources on a particular sector offering the greatest potential to create backward and forward linkages with other economic sectors. This strategy of ‘unbalanced growth’ was a departure from the Harrod-Domar growth model, which emphasised capital-output ratios and the availability of capital. According to Hirschman: development depends not so much on finding optimal combinations for given resources and factors of production as on calling forth and enlisting for development purposes resources and abilities that are hidden, scattered, or badly utilised’.¹¹⁵ These ideas provide an approach to development that still seems fresh and creative.

Such theoretical developments occurred during the period of sub-Saharan Africa’s rapid decolonisation, beginning with Ghana’s independence in 1957. For Africa’s

¹¹³ Ibid. p.24.
¹¹⁴ Hirschman Strategy. ch.6.
¹¹⁵ Ibid. p.5.
leaders, it was time to put modernisation theory, in particular Rostow’s ‘take-off’, into practice. During the 1960s, industrial development was rapid and impressive. But as the oil shocks of the early and late 1970s put brakes on this development, the 1970s came to be known as the ‘lost decade’ all over the developing world. It is against this background that we see a shift back to free-market theories in the 1980s.

2.1.3 The Washington Consensus

The current orthodoxy in development thinking emphasises the efficacy of market reforms over state-led development. Since the 1980s African development has been linked to ‘structural adjustment’ programmes, financed by concessionary lending from the International Monetary Fund (IMF) and the World Bank. They act in concert with bilateral donors within a framework known as the ‘Washington Consensus’. The term ‘Washington Consensus’ was coined by John Williamson in 1990 to describe the ‘lowest common denominator of policy advice being addressed by the Washington-based institutions to Latin American countries.’ A very similar package of policy prescriptions has been received in Africa since the early 1980s.

The main thrust of structural adjustment programmes is to introduce financial discipline and strengthen export orientation. Typically each country’s programme is hailed as homegrown though all appear to share the same list of policy objectives, including:

- Fiscal and budgetary discipline
- Tax reform
- Interest rate and exchange rate liberalisation
- Trade liberalisation
- Openness to foreign direct investment
- Privatisation
- Deregulation
- Secure property rights

Dani Rodrik points out that the ‘disappointing growth’ and ‘increasing economic insecurity’ that followed implementation of the Washington Consensus policies of the 1980s and 1990s resulted in an ‘augmented Washington Consensus’ that now includes:117

- Legal/political reform
- Regulatory institutions
- Anti-corruption
- Flexible labour markets
- WTO agreements
- Financial codes and standards
- Social safety nets
- Poverty reduction

It can be seen from this list that notwithstanding moves to privatise areas such as health care, the failure of market-friendly policies to significantly improve Africa’s outlook is inviting new thinking on the optimum partnership between markets and states.

*Getting the Prices ‘Wrong’*

The current ripples in development thinking arise from a struggle between those who want the state to remain out of development and those who argue that it must be brought back in. From the 1980s, the emphasis was on ‘getting prices right’.118 However, no sooner had the state been thrown out of development then there emerged arguments to reverse this.

Revisionist accounts by Amsden119 and Wade120 drew attention to the active role of the state in South Korea and Taiwan in reshaping comparative advantage in line with clearly defined industrial priorities. This role was overlooked in the orthodox World Bank account. Nevertheless, both positions shared the assumption that the causes of growth lay in the adoption of export-led trade policies that replaced the 1950s

119 Amsden *Asia’s Next Giant*.
120 Wade *Governing*.
strategy of import substitution, and they moved towards convergence. However, Rodrik went one step further. He argued that the relative profitability of exports during the 1960s in South Korea and Taiwan was too insignificant to account for the tremendous export boom that followed and that exports were, moreover, too small initially to have a significant effect on aggregate economic performance. He concluded that the cause of export-orientation was an investment boom and, moreover, one to which the ‘right’ sort of government intervention had made a decisive contribution. The new East Asia research presents a paradox for African research. State intervention is hailed as the key to success in East Asia and to ‘failure’ elsewhere in the Third World, including sub-Saharan Africa generally. This may be seen as the paradox of ‘investment without growth’.

Building on Gerschenkron’s work, Amsden defined ‘late development’ as development with borrowed technology. Where Gerschenkron had argued that industrial labour was not abundant but very scarce in the backward country and urged a more complete understanding than was implied in the cheap labour model, Amsden said that the comparative advantage to be gained from low wages was in any case insufficient to overcome the penalties of late industrialisation. Where Gerschenkron provided the justification for state intervention, Amsden sought to explain variations in the quality of intervention. Finally, where Gerschenkron thought that latecomers in European late development could ‘leapfrog’ leaders through the acquisition of technological advantage, Amsden qualified this by arguing that with the changed rules of international competition in the 20th century, late industrialisation only works if the prerequisites are not completely lacking.

While the ‘catch-up’ of Europe’s late industrialisers was determined by high rates of productivity growth, the laws of industrialisation without original technology do not reward backwardness or permit technology transfer alone to close very large

productivity gaps. 124 ‘Under these circumstances, and *a fortiori* in industries requiring greater skills and capital investments, governments have to intervene and deliberately distort prices to stimulate investment and trade. Otherwise industrialisation won’t germinate,’ Amsden contended. 125 She thus remains close to Gerschenkron in her acceptance of the role of the state in initiating development (‘getting prices wrong’) without waiting for the necessary conditions to develop.

But the prospect of bringing the state back in is problematic. While, in principle, the state is thought capable of undertaking the role anticipated by Gerschenkron, many economists see the state as generally inefficient and prone to rent-seeking and corruption. In South Korea and Taiwan, the state’s effectiveness in coordinating policies that led to growth was aided by the prior existence of a number of ‘initial’ conditions that increased the private return to capital. These included an extremely well-educated labour force relative to physical capital stock and an exceptional degree of equality in income and wealth. The geo-political significance of these countries as a frontline against ‘communist’ China during the Cold War put them in a special position to amass the very favourable initial conditions that helped spur their rapid industrialisation. Without equally propitious conditions, it is thought unlikely that state-led development in other developing countries will favour economic development, thus economists have tended to look for market solutions. Some have argued that the failure of structural adjustment programmes is one of implementation. Among them, Francis Teal’s study of Ghana argued that structural adjustment policies had only partially succeeded because they had only partially been applied. 126 He characterised the poor performance of Ghanaian manufacturing as ‘government induced market failure’. 127

As against these views, some of the new arguments for statist solutions include the view that when responsibility is taken away from the state and deposited in

---

125 Ibid. p.53.
127 Ibid.
Washington or anywhere else, the underemployed state in a developing economy may turn its attention to rent-seeking.\textsuperscript{128}

To the extent that cheap labour can be seen as an advantage of relative backwardness, Amsden is gloomy about the prospects of the poorest countries. Her general proposition is that Gerschenkron’s optimism about ‘late development’ only applies to countries that are not especially lacking in the prerequisites of spontaneous industrialisation. Her argument suggests that the obstacles to industrialisation south of the Sahara are huge and perhaps even insurmountable. Given such pessimism, the next controversy to be considered is whether Africa should in the first instance seek competitiveness in the bulk manufacture of goods for mass markets.

\subsection{2.1.4 Which model of industrial development?}

While the assumption of this thesis is that Africans desire to increase their income and grow rich and that industrial development is intrinsically desirable, there is a considerable body of opinion (some derived from the environmental lobby, some from Weber’s ‘uniqueness of Western Civilisation’ theory)\textsuperscript{129} that views large-scale industrialisation as a wrong priority. With the advent of structural adjustment at the beginning of the 1980s, development policy too began to move away from modernisation theory and towards policies that emphasised the value of small, indigenous models.

Alongside this movement, the revisionist literature on Britain’s Industrial Revolution challenged the assumption of modernisation theorists that industrialisation spread from Western Europe to the rest of the world along a single, unilinear growth path. The revisionist historiography emphasises the recurrence of economic growth and proto-industrialisation in different parts of the world during different epochs. Chandavarkar suggested that rather than one path to industrialisation emanating from

\begin{footnotes}
\end{footnotes}
Britain’s Industrial Revolution: ‘Vast expanses of the globe are seemingly littered with cases of arrested development or examples of frustrated bourgeois revolutions.’ Chandavarkar noted. India has experienced industrial growth since the mid-19th century, albeit at a modest rate, but has not reached full industrialisation, Chandavarkar noted.

Influential studies by Jones, Sugihara and Pomeranz challenged the view of Europe as the originator of global economic growth, but are nonetheless compatible with the idea that sustained growth (Rostow’s discontinuity) only occurred with the Industrial Revolution, since growth before that was of a ‘recurring’ kind. Eric Jones demonstrated the effect of Tokugawa Japan’s adoption of new methods and technical advances. Japan’s modernisation, though accelerated for political reasons, was possible only because of the development there over the previous two hundred years. Sugihara drew attention to East Asia’s ‘industrious’ revolution path, developed independently of Britain’s Industrial Revolution, which historians date from around the 1770s or 1780s, continuing into the 1830s. Without claiming that a spontaneous industrial revolution could have occurred in Asia, Jones showed that East Asian growth, though labour-centred, did incorporate some technical changes that enabled it both to overcome Malthusian traps and avoid the bottlenecks implicit in the Lewis model. From a similar perspective, Hopkins argued that pre-colonial West Africa was characterised by much market activity and the dynamic allocation of resources, rather than the purely subsistence economy.

Importantly, the revisionist literature on Europe demonstrated that the Industrial Revolution was not the ‘big bang’ implied in orthodox accounts, but rather a story of gradual changes over a long period. New statistics show a much slower growth of industrial output and domestic savings than previously understood. Crafts and Harley

---

134 Hopkins *Economic*. 
showed that revolutionary changes in industrial technology were not widespread and productivity improvements contributed only modestly to the growth of GDP.\textsuperscript{135}

Extrapolating from such studies, must we conclude that African industrialisation cannot and should not be hurried? There are strong arguments for the value of playing to comparative advantage, derived from Adam Smith. Yet these rarely address the question why agricultural countries are invariably poorer than industrial ones. Tellingly, Adam Smith thought that because the nature of work varied with the seasons, agriculture did not allow so many subdivisions of labour as manufacturing. He believed this explained why improved productivity in agriculture could not keep pace with improvements in manufacturing.\textsuperscript{136} This suggests that countries that remain agricultural will forever lag behind manufacturing nations. Yet whichever side of the argument one chooses, there is a further question that needs to be decided. How efficient is peasant farming?

\textsuperscript{135} Crafts and Harley. 'Output Growth and the British Industrial Revolution: A Restatement of the Crafts-Harley View'.
\textsuperscript{136} Smith \textit{Wealth of Nations}.Book 1, ch 1, 2 The Division of Labour and its Advantages.
2.2 Is Peasant Farming Efficient?

The second controversy, and the one running through the next five chapters of this thesis, is whether agricultural development should be left in the hands of peasants, the main food producers in Africa, or whether large-scale capitalist farming is more efficient. It is an apposite question given the crisis that engulfed Zimbabwe following the invasions of commercial farmlands from 2000.

Until the 1960s, peasant agriculture everywhere was seen as backward and destined to disappear. This idea may perhaps be traced to Marx, who believed that the development of capitalism would see the disappearance of the peasantry as a class, because the individualised nature of production meant peasants lacked the social organisation to defend their class interests.\textsuperscript{137}

In the post modernisation theory era, economists tend to see peasants as both efficient and rational, a position strengthened by the imaginative McClosky’s econometric demonstration of the rational behaviour of the medieval English peasant.\textsuperscript{138} Theories of peasant rationality can be traced back to the work of Theodore Schultz in the 1960s and will be explored alongside the empirical investigation of this question in later chapters.


2.3 Causes of Underdevelopment - Exogenous or Endogenous?

The third controversy with which this thesis is concerned is whether African underdevelopment should be attributed to exogenous or endogenous reasons. A starting point is to consider the kind of sweeping statement reiterated in Teal’s conclusion that: ‘Policies of intervention, which resemble in all their essentials the policies that have failed in Ghana for the last thirty years, continue to fail.’\footnote{F. Teal (1995). 'Does 'Getting Prices Right' Work? Micro Evidence from Ghana'. \textit{WPS/95-19}. Centre for the Study of African Economies, Oxford University.} To what extent is underdevelopment influenced by exogenous, or external, factors, and to what extent is it internally-generated, or endogenous?

In keeping with the Washington Consensus, much of the recent academic research on Africa has centred on endogenous factors such as entrepreneurship, corruption and shortcomings in state policy, while de-emphasising exogenous factors, such as geography, or the colonial legacy, or the declining terms of trade. This is in contrast to the literature of the 1970s that held up a negative view of colonialism, challenging the more robust view of vent-for-surplus theories. This section explores these conflicting trends.

2.3.1 The impact of dependency theory

As a swingeing critique of both colonialism and the international capitalist system, dependency theory focused almost exclusively on exogenous factors in underdevelopment. It claimed that the industrialisation of the West had simultaneously retarded the development of the ‘rest’, a view that enjoyed ascendancy until the 1980s. It came about as a result of the unimpressive performance of developing economies during the 1970s, given that their policies were often in line with the tenets of modernisation theory. Because of their departure
from Marx’s view of capitalism as dynamic, dependency theorists tend to be labelled as ‘neo-Marxists’.

The origins of dependency theory are usually traced to the structuralist ideas advanced in a 1950 study by Raúl Prebisch, the then head of the UN Economic Commission for Latin America. Prebisch argued that colonialism’s effects had not been beneficial because the new international trade reoriented socio-economic structures in the developing world towards the developed world. The emphasis on exports had created economies that were badly developed. Bad structures perpetuated dependence on richer countries. Prebisch argued that trade protectionism and import substitution strategies were necessary to create self-sustaining economies. The spread of these ideas to Africa and Asia created a momentum for the view that the expansion of the 1960s had resulted in ‘growth without development’.

Dependency theorists constructed a world of exogenous variables and sweeping meta-narratives to explain why this was so. The concerns of dependency theorists, captured in Figure 1, are focused on a perceived unfairness in the global trading system resulting from the history of exploitation during slavery and colonialism, bestowing a legacy of unequal terms of trade and impeding the processes of capital accumulation and industrialisation. Geography and climate are exogenous variables that are not germane to dependency theory and are discussed separately below.

Andre Gunder Frank, a leading dependency theorist, coined the term the ‘development of underdevelopment’ to describe the historical product of economic, political, social and cultural relations between a capitalist core and the undeveloped periphery. According to Gunder Frank, and contrary to modernisation theory’s faith in capitalist stages, the metropolitan countries at the centre of the global capitalist system had ‘underdeveloped’ the satellite states making up the periphery. Later as the new wave of newly industrialising countries (NICs) emerged in Latin

---

141 This concept was emphasised by dependency theorists to capture the futility of neo-classical economic models that emphasise quantitative GNP/GDP growth without due attention to qualitative social development. Such critiques led to the development by UNDP in the early 1990s of a Human Development Index to complement GNP growth tables generated by the World Bank in its annual World Development Report.
143 Monthly Review, September 1966, p.1
America and South-East Asia, Peter Evans coined the term ‘dependent development’ to describe their partial success,\textsuperscript{144} while Immanuel Wallerstein’s world systems theory introduced the notion of a new layer of countries that occupies a buffer zone between the centre and periphery in a three-tiered world economy.\textsuperscript{145}

In African research, Samir Amin added the concept ‘unequal development’.\textsuperscript{146} In other works such as Walter Rodney’s \textit{How Europe Underdeveloped Africa}, dependency theory came out as angry and scathing, the suppressed and repressed view from the South, spitting out bile and setting the scene for Africans to demand reparations for four centuries of transatlantic slavery and more than a half century of colonial imposition.

\textbf{Figure 1: View of African underdevelopment in an exogenous model}

\begin{figure}
\centering
\includegraphics{figure1.png}
\end{figure}

Under the onslaught of dependency theory, mainstream Africanists during the 1980s retreated to a world of endogenous variables; some advised their students not to read dependency theory. Studies such as Rodney’s lacked subtlety, yet influenced a generation. Other works such as Arrighi’s ‘Labour supplies in historical perspective’ were more nuanced and remained a classic among studies of the settler state. Part of

\textsuperscript{144} Peter B. Evans (1979). \textit{Dependent Development: The Alliance of Multinational, State and Local Capital in Brazil}.
\textsuperscript{145} I. Wallerstein (1979). \textit{The Capitalist World Economy}.
Arrighi’s enduring relevance has to do with his treatment of the settler state as an endogenous, rather than exogenous variable, as shown in Figure 3. By contrast, land policies are shown as exogenous because they were determined by the colonial government in the peasant export economies.

The reaction to dependency theory coincided with a third shift in the early 1980s, towards the adoption of market-oriented ‘structural adjustment’ policies. The 1970s had been the ‘lost decade’ in economic development and development policy shifted back to support for market solutions. With the decline of dependency theory’s influence, colonial studies faded to the background as the frontier of Africanist research moved to issues of entrepreneurship and culture, overpopulation, corruption and the kleptocratic state. Mainstream economists turned their backs on grand meta-narratives and big theory; some experimented with game theory. In place of unilinearity, economic historians began to emphasise other concepts, retaining from the modernisationists Hirschman’s concept of ‘linkages’.147

### 2.3.2 Geography and climate

Deterministic polices are out of vogue with mainstream economic historians, be they Marxist historical determinism or geographic determinism. However, two recent research contributions have brought a reassessment of the geography variable. The first, by Jeffrey Sachs, an advocate of the ‘big push’ approach,148 suggests that because Africa lacks the geographical attributes to give it a truly competitive edge in agriculture, it should instead seek comparative advantage in manufacturing.149 This argument departs from the orthodoxy established during the 1980s that Africa should seek development in line with its current comparative advantage, namely through the

---

147 Hirschman *Strategy*. ch.6.
export of primary commodities, notably agricultural and mining products. This exogenous view of development can be weighed in on the side of interventionism.

The second research contribution, by Jared Diamond, suggests three geographical reasons why Africa lags behind other continents. First, that it has been home historically to a limited number of plants that could be developed into food crops. Second, that Africa has an abundance of large and exotic wildlife, but has historically lacked domesticable animals. And third that Africa’s north-south axis, like that of the Americas, requires traversing zones with great variations in climate, habitat, rainfall, day length and diseases of crops and livestock. This does not permit the same movement of crops and animals domesticated in different parts of the continent as on Eurasia’s east-west axis. This combination of factors explains why Africa with a land mass half the size of Eurasia’s has a total population of less than 700 m compared to 4 billion for Eurasia. Diamond argues that the paucity of domesticable native animal and plant species delayed food production in Africa, and that its north-south axis retarded the spread of food production and inventions, making the continent vulnerable to European incursions.

Buttressing Diamond’s argument, Figure 4 shows an attempt by some of Zimbabwe’s early settlers to harness zebras to a carriage. This piece of evidence is inserted into this theoretical framework to suggest reasons for a materialist enquiry into the causes of underdevelopment. This research has found little other evidence of attempts to domesticate Southern Africa’s exotic mammals, beyond the farming of ostriches, crocodiles and other game for the food and leather industries. In recent years elephants have been tamed for purposes of tourism, but tamed animals have not been domesticated in the sense that they are bred in captivity and genetically modified to become useful to humans.

---

150 J. Diamond (1997). *Guns, Germs and Steel: A Short History of Everybody for the Last 13,000 Years.*
In relation to the two case study countries, James McCann argues that the labour force of masons, gold miners and farmers at Great Zimbabwe was sustained with large herds of cattle, thanks to a tsetse-free environment on its plateau, and that the Asante state relied on a forest system that was protein-rich and carbohydrate poor. The dating of these empires means that neither of these observations contradicts Diamond’s thesis. And while some of Diamond’s assertions may be disputed by agronomists, his general argument lends weight to Sachs’s argument that the causes of African underdevelopment have something to do with geography. Moreover, the disadvantages imposed by geography made the continent vulnerable to colonisation. Most African development has occurred in its temperate zones and it is no coincidence that these are the areas that were favoured for European settlement.

2.3.3 Culture and corruption

Variables dominating Africanist research towards the end of the twentieth century were by and large endogenous variables, shown in Figure 2. Population has been set apart from the remaining variables as requiring a special note (see below). On the positive side, this set of variables Africanises the causes of African underdevelopment and, theoretically, places the responsibility for African development back in African hands. On the negative side, the sum total of these variables will tend to add up to a picture of ‘hopeless Africa’ if what should properly be seen as ‘problems’ are viewed as ‘causes’ and if constraints in the external environment are removed from the picture.

Take for instance the variable ‘corruption’. In the endogenous growth literature, corruption and rent-seeking are treated variously as variables relating to culture, and sometimes to the state. Corruption is by its nature difficult to measure and little meaningful quantification of corruption has been attempted. Yet corruption is frequently cited as a cause of Africa underdevelopment.

Some economists take care to distinguish ‘rent-seeking’ from ‘corruption’, Murphy, Schleifer and Vishny define ‘rent-seeking’ as ‘any redistribution that takes up resources’. By contrast, ‘corruption’ encompasses a wide range of economic and political activities, including most notoriously the use of public office for private gains. In an African country, as noted by Bardhan, the level of corruption reflected in the amount of money changing hands may be considerably lower than in another part of the world, for instance in an East Asian country, but corruption may still be seen as more rampant in the former because of its negative impact on overall economic transactions there. While rentier activity may be perfectly legal, rent-seeking ‘technologies’ include ‘easy corruption’, as well as poor laws and permissive legal systems.

---

154 K.M. Murphy, A. Schleifer and R.W. Vishny. (1983) 'Why is Rent-Seeking So Costly to Growth?' New Developments in Development. 83: 2.
156 Murphy, Schleifer and Vishny. 'Why is Rent-Seeking So Costly to Growth?' p.413.
Rent-seeking hurts the economy because of natural increasing returns that make high levels of rent-seeking self-sustaining and more attractive than productive activity. Thus Bates argued that rent-seeking drove farmers out of cash-crop production, which is subject to expropriation by the state, and into subsistence production.\footnote{Bates, 1987: 410.} Iliffe argued that the opportunities that existed for investment in urban housing in the early post-colonial period in Africa encouraged rentier activity and checked the development of a full-blooded capitalism.\footnote{Iliffe Emergence, p.69.} As more resources are allocated to rent-seeking, returns to production, as well as to rent-seeking, fall. Arguably worse than the effect on everyday production, rent-seeking, especially by government officials, acts as a disincentive to innovation and, as argued by Murphy et al, will consequently reduce the rate of economic growth. A key concern of Zimbabwe’s current land reform programme is that the politics of land should not encourage a peculiarly damaging form of rent-seeking that could hurt all economic sectors.

Some economists argue that corruption is driven by structural factors, including insufficient tax revenues and weak and unstable property rights. Among them, Mushtaq Khan says that no country grew rich by first ridding itself of corruption. Rather, countries only uprooted corruption after becoming rich. Khan argues that while state capacity in Africa needs to be boosted, current moves to trim back the state are harming, rather than enhancing, the prospects for African economic development. He claims that when responsibility for state policy is transferred to Washington and other international centres, the underemployed state in developing countries may turn its attention to rent-seeking and corruption.\footnote{M. Khan (8 November 2005). 'Governance and Economic Development in Africa: A Critical View'. Africa Business Group. SOAS.} What can be said with certainty is that the corrupted person cannot exist without the corruptor, and that corruption exists in all societies. For these reasons, corruption is not a special focus of this thesis.

The culture variable is the one that perhaps causes the greatest difficulty for economic historians. Economists are not very good at measuring culture, which they view as the ‘residual’, the part that remains when all other productivity factors have

\footnotetext[157]{Bates, 1987: 410.}
\footnotetext[158]{Iliffe Emergence, p.69.}
been accounted for. Nevertheless the question has been posed in the literature whether African underdevelopment stems from the culture of its people? Are Africans less entrepreneurial than other peoples? Do they respond to price incentives? The literatures on Ghana and Zimbabwe carry contrasting perceptions about indigenous African entrepreneurship. In the literature on Ghana we find much clearer statements about wealth-maximising behaviour and economic rationality.\textsuperscript{160} By contrast the literature on Zimbabwe has less to say about indigenous entrepreneurship and there is a tendency to characterise peasants as ‘risk averse’.\textsuperscript{161} Do these differences reflect differences in culture and how does this impact on economic development?

The research agenda outlined in Figure 2, with the possible exception of domestic slavery, bears some affinity to the Washington Consensus. The policies spawned by the Consensus, as Rodrik noted, address the ‘institutional underpinnings of market economies’. That suggests a positive agenda to improve the functioning of African markets. But operationally, Rodrik added, ‘these institutional reforms are heavily influenced by an Anglo-American conception of what constitutes desirable institutions.’\textsuperscript{162} This conception is also bound to affect perceptions of what constitutes causes of African underdevelopment. Ignoring the exogenous features of African underdevelopment and concentrating only on its endogenous variables may give a false and distorted view. As figure 2 suggests, the combination of endogenous concerns may conjure up an image of ‘hopeless Africa’. This view will be exacerbated if the researcher adopts a less than sympathetic attitude when looking inside the culture of another people.

\textsuperscript{161} See Mosley \textit{Settler}.
\textsuperscript{162} Ibid. p.14.
Let us now consider the relationship between population and geography. Population, an endogenous variable, is to some extent determined by geography, which is exogenous.

### 2.3.4 Population

The neo-Malthusian natalist school advocates birth control for the poor, while ignoring research by anti-Malthusian scholars who treat population as a proxy for economic development. A growing body of research follows Ester Boserup’s thesis on the positive relationship between population growth and economic development. Malthus believed pessimistically, and simplistically, that the unchecked growth of population by a geometric ratio was incompatible with the rise

---

of food output by an arithmetic rate. He predicted that natural disasters such as famine and man-made disasters such as wars would bring population back into line with what could be produced given diminishing returns and sharply rising real costs.\textsuperscript{164} By contrast, Boserup emphasised the stimulus to technical innovation that increasing population density provides.\textsuperscript{165}

Iliffe thought that the failure of China and India to emerge as economic powers probably undermined Boserup’s thesis.\textsuperscript{166} Today, almost all predictions are that these two countries will succeed. While Malthus’s view of the tendency of poor people to increase their population beyond the capacity to produce food continues to exert tremendous influence on development policy to this day,\textsuperscript{167} Boserup’s more positive view has provided the framework for some economic historians to treat population density as a proxy for relative wealth in the construction of comparative long-run data.\textsuperscript{168}

Boserup’s model has been supported in various empirical works. Cordell and Gregory have argued convincingly that the natalist view favoured by international development agencies undermines capitalistic development in Africa.\textsuperscript{169} In the case of precapitalist Nigeria, Mahadi and Inikori noted that while many of the structural and institutional changes that occurred in the latter half of the 19th century in Kasar Kano could be traced to political changes, population was the single most important factor and therefore the major catalyst of economic and social change.\textsuperscript{170} Kano was able to attain its level of development because of a relatively high concentration of

\textsuperscript{164} Malthus believed there was a tendency for population increase to outstrip increases in food supply but that ‘preventive’ checks (including contraception) and ‘positive’ (wars, epidemics and other vice-driven disasters) checks on population would bring it back in line with subsistence levels. See T.R. Malthus (1798 and 1826). \textit{An Essay on the Principle of Population}. For a discussion of Malthus’s influence on the classical economists, see Eltis The Classical Theory of Economic Growth. p.321.
\textsuperscript{165} E. Boserup (1970). \textit{Women’s Role in Economic Development}.
population in the emirate and its neighbours. These emirates supplied Kano with a substantial part of its raw materials and also provided important markets for Kano’s industrial goods, notably textiles and leather goods. Rising demand provided the stimulus for technological innovation in dyeing, cloth-beating, tanning and leather-working industries. At the same time, the growth of population was generally too slow to support the widespread growth of precolonial markets outside Kano and the neighbouring emirates. The authors group reasons for slow population growth here and in the rest of Africa into three categories, namely geography, epidemics, and the historical impact of slave raiding and the slave trade. Areas that experienced economic expansion during the nineteenth century were those coastal states and market centres, such as Kasar Kano, with relatively large and dense populations that could protect themselves from large-scale losses and retain their own imported slaves. In spite of such expansion, capitalist development was less than robust. The authors draw a link between the inadequacy of external markets and Africa’s eventual colonisation:

With more extensive and growing external markets for industrial products and adequate external sources of relatively cheap raw materials, Kano’s transformation would have been completed before 1900. The historical misfortune of Kano is that they did not exist, thus limiting the level of capitalist development. This, in turn, made the potential Lancashire of Africa vulnerable to colonial manipulation toward the end of the century.

In a book on population and history, Wrigley noted that London’s huge growth during the seventeenth and eighteenth centuries made it, at the start of the Industrial Revolution, the largest city in Europe, double the size of its nearest rival, Paris. He argued that the growth of London increased the demand for food, producing revolutionary changes in agricultural techniques and transforming English society. However, rising population was part of what Wrigley terms a ‘positive feedback’ situation in which all aspects of economic life were rising and he contrasts this with the ‘negative feedback’ between key economic and demographic variables, which he

---

171 Ibid. pp.72-3.
172 Ibid. pp63-4.
173 Ibid. p.73.
says distinguished all pre-industrial societies as they struggled to sustain growth in per capita real incomes.\textsuperscript{175}

In line with Wrigley’s findings, there appears to be a strong correlation between population size and manufacturing development in Africa. Population size is associated with high levels of absolute industrial production in Nigeria (Africa’s giant), Ethiopia and Belgian Congo as of 1960, and very low levels in Dahomey, Togo and Gabon.\textsuperscript{176} Lewis, it may be noted, conceded that his theory had limited relevance for Africa’s labour scarce conditions. This reinforces the idea that slow population growth has been a critical factor in Africa’s underdevelopment.

\textsuperscript{176} Kilby 'Manufacturing’. p.473.
2.4 Synthesising the Two Views of African Underdevelopment

2.4.1 A synthesis view

Schumpeter, whose theory of business cycles is linked to the ‘circular flow of economic life’\(^\text{177}\) demands from the economic historian great breadth of knowledge. It was Schumpeter who warned that: ‘it is not possible to explain economic change by previous economic conditions alone. For the economic state of a people does not emerge simply from the preceding economic conditions but from the preceding total situation.’\(^\text{178}\) Clearly no single researcher can capture Schumpeter’s ‘preceding total situation’, nevertheless a starting point is to recognise that the complexities of African underdevelopment cannot be explained with reference to internalist or externalist explanations alone. To understand the problems of African underdevelopment we need a fuller picture that brings together endogenous and exogenous variables.

Once we bring the two views together we have a better and fairer picture of African underdevelopment than is contained in either Figures 1 or 2. Figure 3 shows that each variable in the endogenous model, has its counterpart in the exogenous model. From this synthesis view, it can be seen that the exogenous growth theorist who concentrates on any of the variables shown on the left-hand side of the diagram without looking inside the story, has an incomplete view of development and underdevelopment. The same is true of the endogenous growth theorist who focuses on the variables shown on the right-hand side. The last variable in Figures 1 and 2 concern the debate over what pattern of industrialisation will best serve Africa’s interests.

The research agenda encapsulated in the variables on the left of the matrix can be considered left-wing because it seeks external reasons for underdevelopment. That

---


\(^{178}\) Schumpeter *Theory of Economic Development*. p.58; 67.
on the right can be considered right-wing to the extent that it blames the poor for their poverty.

If the explanatory variable ‘population’ is taken to mean underpopulation rather than overpopulation, then the persistence of domestic African slavery after abolition of the Transatlantic slave trade can be understood in terms of the Nieboer hypothesis. Nieboer stated that slavery is unlikely to exist in countries where all land is held as property. His hypothesis is that slavery exists because the population is scarce in relation to land. Therefore the only way to acquire labour for economic development is to enslave it.\textsuperscript{179} With geography as the exogenous counterpart on the other side of the matrix, concentration of the transatlantic slave trade in Africa can be understood in terms of Africa’s proximity to Europe. As a consequence of the slave trade, we could add an exogenous variable ‘racism’ and its endogenous counterpart would be ‘tribalism’. The complexity of the matrix suggests why a model that claimed to isolate ethnicity as the explanatory variable failed miserably to illuminate the causes of African underdevelopment.\textsuperscript{180} When seen in the context of Figure 2, other variables identified in the literature as showing causality may appear as mere problems of development rather than causes of underdevelopment.

2.4.2 Theoretical tools for achieving a synthesis view

To proceed from here requires conceptual tools with the best prospects for synthesising the empirical investigation of conflicting economic theories. Two concepts with potential to appeal to the widest audience can be found in the work of Schumpeter and the new institutionalist economics. The first is that of the Schumpeterian entrepreneur, the second the ‘economising explanation’. By contrast game theory, which has been popular with neo-classical economists for the past fifty years, appears to offer limited prospects for understanding the real world. This is because game theory bears the same basic assumption as neo-classical theory, that human beings are always rational in their economic choices.181 Yet neo-classical

rationality can only be assumed where competitive markets function. Empirical data from the two case study countries will demonstrate in the following chapters that this basic assumption may be difficult to apply to Africa’s economic history. What then about Snooks’ suggestion that the researcher who wants to understand the real world must turn to Schumpeter?\textsuperscript{182}

\textit{The Schumpetarian Entrepreneur}

Schumpeter’s theory of economic development revolves around the figure of the entrepreneur. As distinct from the mere capitalist, the entry of the entrepreneur disturbs the equilibrium, or standstill, to which the circular flow of economic life always returns. For Schumpeter, it is the entrepreneur, not Mill’s consumer wants, that creates discontinuity in the circular flow.\textsuperscript{183} What distinguishes the relatively rare entrepreneur from the ordinary capitalist is the ‘effort of will’ to conceive and carry out ‘new combinations’.\textsuperscript{184} The entrepreneur is a catalyst who turns a new idea, ‘invention’, into successful ‘innovation’ through a process of ‘creative destruction’.\textsuperscript{185}

Though his study of the entrepreneur had little impact on microeconomics, Schumpeter remained one of the most influential twentieth century economists, helping to steer economic historians away from a unilinear view of history,\textsuperscript{186} though he himself used such concepts as ‘stages of culture’.\textsuperscript{187} Aligning himself with the marginal utility theorists, Schumpeter rejected the classical formulation of labour as the prime determinant of value, preferring to give equal weight to the role of land and labour in the formation of capital.\textsuperscript{188}

\begin{flushleft}
\textsuperscript{183} Schumpeter \textit{Theory of Economic Development}. pp.41-6; 62-5. 41-26; 62-5.???
\textsuperscript{184} Ibid. pp.78; 86.
\textsuperscript{185} J.A. Schumpeter (1943). \textit{Capitalism, Socialism and Democracy}. pp.81-6.
\textsuperscript{186} Schumpeter \textit{Theory of Economic Development}. pp.57-8.
\textsuperscript{187} Ibid. p.87.
\textsuperscript{188} Ibid. pp.18-19.
\end{flushleft}
In evaluating the relationship between culture and economy, this research will seek the ‘economising explanation’, a concept of the new institutionalist economics (NIE). The approach to culture adopted by NIE is to treat it as a set of informal institutions. As ‘rules’ or ‘the rules of the game’, institutions include ‘any form of constraint that human beings devise to shape human interaction, both formal (rules) and informal (conventions and codes of behaviour).’ Institutions exist to reduce transaction costs. To this end, they structure incentives (political, social and economic) in human exchange, while institutional change shapes the evolution of society. Cultural constraints, North suggests, connect the past with the present and future and provide the key to understanding historical change.  

Within this sympathetic and universalist approach to culture, NIE exponents have derived the ‘economising explanation’. The approach makes it possible to explain why cultural practices deemed economically detrimental in one part of the world persist in another. Practices viewed as ‘corrupt’ or ‘nepotistic’ in a rich country may persist in a poor country because they enable entrepreneurs to reduce transaction costs, speed up business and thereby increase legitimate profits.

With the strengthening of the new institutionalist economics (NIE) in recent years, economic historians are witnessing a progression in development thinking and the opportunity to build a bridge between its different strands, between exogenous and endogenous models, between left-wing and right-wing views.

NIE can be considered a bridge in at least five senses. The first is that though within a ‘rational-choice’ model, new institutionalists believe that the neoclassical assumption that individuals seek to maximise profit makes sense only in a context of

---

unrestricted market exchange, full information, and fully defined private property rights.\textsuperscript{190}

Secondly, within this framework, new institutionalists do not reject the state’s role in development; on the contrary they see the state as the most important type of institution. This is useful for neo-classical economists have not yet developed a satisfactory theory of the state. Weber tells us \textit{what} the state is (holder of a ‘monopoly on the legitimate use of physical force’)\textsuperscript{191} but not \textit{why} it exists. If we want to know why the state exists, we have to go to Lenin. Following Engels, he explains that the state exists ‘because of the irreconcilability of class antagonisms’.\textsuperscript{192} Without classes and \textit{ipso facto} class antagonisms there would be no need for the state, and this fits perfectly Douglass North’s brilliant conceptualisation of institutions as ‘rules’.

Third, in developing the ‘economising explanation’ for behaviour that appears economically irrational, NIE explains the persistence of non-maximising customs, while building a bridge between ‘traditional’ and ‘modern’, between ‘backward’ and ‘developed’. The imagining of institutions as ‘rules’ invites new thinking on the relationship between culture and institutions, between economy and society.

Fourth, the new institutionalist concept of ‘path dependence’ leads back to historicism. Excessive focus on endogeneity has tended to foster an ahistorical approach to economic development. Fifth and finally, NIE appears to have the potential to reconcile the differences between Adam Smith and Karl Marx, exaggerated by their followers, and to avoid the polarisation that mars much contemporary research.

2.5 Conclusion

This chapter has discussed the major shifts in development thinking that occurred during the period under review in order to provide a context for the chapters that follow. True *laissez-faire* existed for just a few decades from the late nineteenth century, yet debate over the relationship between markets and states never dies. The shifts in economic thinking have been felt in the direction of African policy-making. As will be seen in later chapters, industrial policy in the post-war period bore many of the hallmarks of modernisation theory.

During the period under study, 1890-2000, economists have moved away from a linear view of economic development. Many now reject modernisation theory’s assumption of a single trajectory from ‘backward’ to ‘modern’, yet no-one who accepts the notion of universals in human behaviour will find it possible to reject out of hand some notion of ‘stages’ of development.

Schumpeter, for instance, criticises the notion of unilinearity yet talks about ‘stages of culture’. His economic cycles could be compatible with the unilinear view of the classical economists and the modernisationists if one imagines economic life proceeding in circular fashion along a trendline named capital accumulation that moves upwards in zigzag fashion over time.

Anti-Malthusian population theories suggest most persuasively the possibility of stages, while at the same time reinforcing the materialist view. Once population is linked to a variable such as slavery and the idea of slavery as universal is contemplated, a ‘stages’ perspective will suggest itself, no matter the merits of the revisionist, anti-linear view. From a materialist point of view it becomes clear simultaneously that it would be fruitless to look for the culture of the city in a hamlet.

This chapter has reviewed the influence of the labour theory of value on twentieth century economic historians, including Lewis. The labour theory of value, bearing the stamp of Adam Smith, Ricardo and Marx, had its origins in an age when uncompetitive markets obscured the functioning of the law of supply and demand. It was moreover an age of Europe’s structural change from agricultural to
manufacturing economies. Smith witnessed only the start of the industrial revolution, as it is dated by most historians and if we take the term to mean the start of major labour-saving innovations in England’s spinning and weaving sectors. At a time when advanced economies are transiting from secondary manufacturing to tertiary services, the labour theory of value appears less relevant to contemporary Europeanists. Yet labour costs remain a key determinant in global investment decisions, and therefore the theory deserves empirical testing in the context of Africa’s primary-based economies.

The reason why many of the observations of even Adam Smith appear irrelevant to mainstream economists today is because many of the conditions on which he based his investigations have all but disappeared in Europe, for instance handicraft manufacturing, and the new economic thinking reflects new economic conditions. But in Africa, many of these conditions appear unchanged. Based on the framework, proposed in this chapter, that takes account of both endogenous and exogenous variables when viewing the problems of African underdevelopment, the following chapters test some of these concepts empirically. In particular they seek evidence on the meaning of the Schumpeterian entrepreneur, together with economising explanations for the misinterpreted manifestations of ‘hopeless’ Africa.
CHAPTER THREE

3 The Land Question in Historical Perspective

This chapter looks at the making of the ‘land question’ in peasant and settler economies. The land question, as defined in this thesis, refers to the relationship between differing land ownership patterns in peasant and settler economies and the pattern of industrial development. In addressing this question, this chapter, together with other agrarian chapters making up the first part of this thesis, points to a number of themes that will emerge in later chapters on manufacturing. In what ways do patterns of land ownership and concentration affect the division of labour and the development of specialisation? What are the conditions that support the emergence of the Schumpeterian supernentrepreneur, someone who can drag other entrepreneurs along to help change the structure of an economy and perhaps even change the course of history? The pace of capital accumulation may determine the extent to which large-scale industries can be established, but to what extent is the sustained growth of manufacturing industry also dependent on the expansion of peasant incomes?

Demonstrating the link between demographic, economic and social changes in eighteenth century Britain, Wrigley showed how the huge growth of London during the seventeenth and eighteenth centuries fulfilled some of the conditions for the world’s first industrial revolution.\(^{193}\) The expansion of population in the city increased demand for produce from the countryside. The resulting expansion of rural incomes in turn contributed to a consumer revolution that stimulated manufactures from the cities. The current assumption of international development policy is that exports must be the main emphasis of government policy. That makes it almost heresy to ask what kind of an economy might be produced if policy were to give equal attention to strengthening the linkages in the domestic economy. Yet an economy that cannot create jobs outside a stagnant agricultural sector must surely open itself to social turmoil.

The extreme politicisation of land reform in Zimbabwe since 1997 and the violent expropriation of land from white settlers from 2000-2004 sparked international outrage and a focus on the malevolent state. The ensuing crisis gave rise to a new literature embracing post-modernist conceptualisations of the nature of the state, the state and civil society, the state and citizenship. At another level, the critique focused on the destruction of the productive base of the economy built up by mainly European commercial farmers during the course of the last century, and the propensity of peasant farmers to destroy the environment. This literature overlooks the spectacularly successful performance of indigenous West African cocoa producers, notably in the Gold Coast/Ghana, from the last decade of the nineteenth century. In relation to the need to widen the productive base of the inherited colonial economic structure in order to meet the needs of the overall Zimbabwean economy, much of the recent work on Zimbabwe has suffered from an ahistorical approach, threatening to set the land reform discourse adrift.\textsuperscript{194} However, recent studies by Sam Moyo\textsuperscript{195} and Moyo and Yeros\textsuperscript{196} suggest that the dramatic, and often brutal, repossession was but the hugely visible tail end of a land occupation movement that was initiated by peasants at independence in 1980, that was suppressed from 1985 when the government, under pressure to adopt economic stabilisation measures, began to evict ‘squatters’, only to resurface dramatically in 1997 when war veterans held President Robert Mugabe virtually hostage at State House. If we accept this analysis,\textsuperscript{197} we must consider the implications of the likelihood that it was not so much Mugabe who unleashed the war veterans, as the war veterans who unleashed him.

For, turning back the clock now a hundred years or so, one is bound to confront the legacy of another individual whose actions changed the system of resource allocation and the evolution of factor markets. Cecil John Rhodes was so driven by the twin ambitions of money and power that any circle could be squared and the only

\textsuperscript{194} See for instance several of the essays in Hammer, Raftopoulos and Jensen, Eds. \textit{Zimbabwe’s Unfinished Business: Rethinking Land, State and Nation in the Context of Crisis.}


\textsuperscript{197} Sara Berry has also added her voice to this side of the debate, interrogating the concept of ‘rule of law’, as discussed in the next chapter.
principle that truly mattered was world domination by Englishmen. One of his very last acts before his death in Cape Town in 1902 was to sign away African property rights. Yet Rhodes the imperialist was also unassailably the Schumpeterian hero. As the super-entrepreneur who generated super-profits and encouraged others to follow suit, Rhodes in many ways stamped his personality on the southern African region. Always interested in the latest inventions, he ensured that the British South Africa Company, founded by him, and the De Beers company which he consolidated into the world’s largest ever diamond monopoly, kept a stride of world technological developments. His interest in railways and willingness to finance them created a legacy of infrastructure in southern Africa that is second to none in sub-Saharan Africa. For the purposes of this analysis, and without exaggerating the role of either Rhodes or Mugabe, it may be fruitful to focus on both men as changers of rules. As the man who tore down indigenous institutions, replacing them with institutions that gave him endless property rights and guaranteed those of business associates, cronies and other European settlers, Rhodes fashioned the path upon which southern African economic development would depend throughout the entire twentieth century. Yet this path was determined by much more than the will of a single individual. Similarly, the present policy of restoring African property rights is being determined by far more than the political ambition of President Mugabe.

AG Hopkins outlined one geological and three agricultural reasons, discussed below, why Ghana did not follow the settler colony model. To these might be added the stimulus of population density. For the pioneers of the industry that came to dominate world cocoa trade came from the southeastern parts of the Gold Coast where farmland had become scarce. They migrated into areas of virgin forest, paying cash to Akyem chiefs who had surplus land to allocate. A precedent for this was the Krobo purchase of Akyem lands for planting oil palm. These developments contrasted with the situation in precolonial Zimbabwe where landlocked status and a

---

198 I am indebted to Patrick O’Brien for contributing to the development of this idea.
199 I thank Peter Howlett, Patrick Searle, Mary Morgan and Janet Hunter for pointing this out.
200 Hopkins Economic.
sparser population meant Africans were not yet exporting overseas, or at least not since the sixteenth century decline of the Monomotapa empire, though there were small pockets of accumulation. By the time the British had completed the political submission of Asante, the spontaneous development of the cocoa industry was already propelling the Gold Coast Colony to the south to a new level of commodity export trade.

This chapter views the land question in the light of the historical origins of the peasant-settler distinction. In considering the reasons why Zimbabwe became settled by Europeans and not Ghana, it discusses limitations in explanations related to geography and climate. It looks at the relationship between land, labour and capital, the three main factors of production at the time of colonisation, and reviews the role of the chartered company in pursuing British interests in each type of former colony. The chapter ends by comparing the deliberations of two commissions that determined the distinct land policies that came to define the peasant and settler economies.

---

203 Historians have yet to account for the collapse of trade in the centuries following the Monomotapa empire’s decline.
204 Kay, Ed. Political.
3.1 The Limits of the ‘White Man’s Grave’ Thesis

We know but that men fought and fell,  
Like us, like us for love of gold.\(^{205}\)

Historical records show that during the early days of direct European contacts with West Africa from the 15th century, large numbers of Europeans died from unfamiliar tropical diseases. Indeed, studies have shown that the Europeans who survived best were often those who married African women whose knowledge of local plants meant they could treat fevers and other tropical ailments. It was not for nothing then that West Africa came to be dubbed the ‘White Man’s Grave’.\(^{206}\) Nevertheless, the evidence examined in this thesis does not support the employment of this characterisation to explain why from the end of the nineteenth century in West Africa, with the exception of Côte d’Ivoire, land was left in the hands of Africans. Nor does the evidence support the other half of the thesis, namely that Southern Africa was favoured for European settlement because of its more temperate climate.

In the first place, by the time of colonisation at the turn of the nineteenth century, quinine had been discovered. Hospital records show that tropical fevers by now accounted for a small proportion of recorded deaths, with a far greater number accounted for by imported diseases such as small pox. As the table in Appendix 1 shows, by the early 1870s, small pox was a bigger killer than malaria or yellow fever. Whereas, I have selected from a very wide list of ailments those diseases that seem most relevant for an evaluation of the ‘White Man’s Grave’ thesis, a full list of causes of death for the years 1873 and 1875 at Cape Coast can be inspected in the notes. The returns for the years 1901 onward list causes of death at four main hospitals on the coast. Unfortunately, there is no disaggregation of figures in the Blue Books, thus the number of deaths recorded is for both Africans and Europeans. However, a sense of the ratios between the two can be gleaned from the returns on ward conditions. These list four types of wards (European, African Male, African

\(^{205}\) From a poem by Lang quoted in the preface to Wilmot’s study of Monomotapa, which was commissioned by Rhodes in 1896. NAZ: R/WIL.

\(^{206}\) My understanding of the ‘white man’s grave’ thesis has benefited from discussions with Kojo Amanor and Carina Ray.
Female and African Official) and the greatest number of patients in the ward at any one time during the year. In the case of the European ward, the greatest number during the late 1800s and early 1900s is usually one or two, and never more than three. When compared with the many more patients in other wards, it appears that European deaths can only have been a small fraction of African deaths. The totals suggest that by the time of colonisation, small pox and gunshot wounds were statistically a more significant cause of death than the much-feared tropical fevers.

Pioneer accounts of the conquest of Mashonaland and Matebeleland suggest that Southern Rhodesia was no less a grave for white men than was the Gold Coast in earlier centuries. Many of the early settlers were bankrupted by setbacks including drought, grasshopper invasions and floods and were forced to sell their pioneer rights. The wet season brought malaria and black water fever, but even during the pleasantly dry winter season, there were lions, elephants, crocodiles, snakes and scorpions to face, and few pioneers achieved a grand old age. The records of the Pioneer Column Association show that by 1936, only 25 of the pioneers from the 1890, 1893 and 1896 campaigns could still be traced, including seven survivors still living in Southern Rhodesia, while there were only three men left alive in the country with all three bars.207 Cory’s book on the Pioneer Corps corroborates an abundance of evidence to show that it was the lure of gold, rather than the attractive climate, that drew settlers to Zimbabwe, bolstered by the myth of Ophir. ‘Fever cut down strong men in their prime,’ Cory notes, as gold-bearing reefs ‘petered out just short of viability’. Ancient Ophir was forgotten as men converged on the diamond fields in the south, yet the legend did not go away. As Cory notes: ‘Men who’d been to the north passed on nostalgic longings to their children. Gold was part of the nostalgic heritage of man – the yearning for a better life.’ The upshot of all this was that come 1890, the year the Pioneer Column entered Zimbabwe, ‘children raised on such romantic nonsense were ready to respond to the call of the North,’ Cory relates.208

The information from secondary sources together with the health statistics compiled from archival records support Hopkins’ argument that the decision to leave land in African hands in West Africa was due to a combination of geological, agricultural

---

207 S246/663: Pioneer Pensions; S482/283/29/1.
and political reasons, rather than to climatic or humanitarian reasons.\textsuperscript{209} This is not to say that climate was not a factor in the pattern of European settlement, or that the part played by perception and West Africa’s ‘evil reputation as the white man’s grave’\textsuperscript{210} did not continue to deter all but the most intrepid Europeans from venturing there even after the risks from tropical diseases had been significantly reduced. Europeans envisaged establishing their civilisation along the ‘broad backbone’ of Africa, as General Smuts put it,\textsuperscript{211} from South Africa through the Rhodesias to Kenya, that is to include all countries south of the Equator with Kenya and Uganda thrown in. As noted by Hancock, just as the advances in tropical medicine began to improve West Africa’s reputation, an upturn in world prices and a revolution in land transport favoured ‘legitimate trade’ in old crops such as groundnuts and new crops such as oil palm and cocoa.

Interestingly, in the evidence to the Carter Commission on land alienation, discussed below, climate was raised in the context of the desire to convince settlers that lowlying land should be left for Africans, who were being rapidly dispossessed and would benefit from segregation. Yet to give too much weight to climate in the development of the peasant-settler dichotomy underplays the significance of rising West African production and obfuscates the significance of the relationship between land, labour and capital at the time of colonisation in each country.

\subsection*{3.2 Land, Labour and Capital}

The classical economists were concerned essentially with the relationship between three factors of production: land, labour and capital. Notwithstanding limitations in the classical growth model in relation to contemporary conditions, there is still much that it can help us to discover about late nineteenth century economics. At the time of colonisation, both Ghana and Zimbabwe were land-abundant, labour-scarce
economies. In the former, however, the entry of peasant farmers into the export trade from the early 19th century had resulted in a greater commercialisation of not just labour, but also land, which in the previous century had been a factor of production only in the domestic economy. Thus at a time when it took the Pioneer Column just three months of the eventful year 1890 to cut its way through Mashonaland, in the faraway western portion of the continent peasant farmers were already launching the phase of continuous exports of cocoa. This spontaneous development had occurred in the coastal area of the Gold Coast even before the annexation of Asante, and would forever change the colonial perception of land rights in the West African colony.

By 1900, long before the consolidation of four constituent parts into the single colony of the Gold Coast, there already existed an intensely litigious climate. Disputes were not solely over boundaries between chiefs or villages, but included claims by individuals who had bought land from village chiefs. For, alongside the customary system of allocating land, there had emerged a system of private purchase as the growth of ‘legitimate’ trade increased demand for land, particularly in the southeast of the country where oil palm had been grown and the cocoa industry was now to emerge. The evolving situation would have made it difficult to attempt a Rhodesian-type occupation and alienation of land. Certainly a good measure of the bravado that drove the 1890 Pioneer Column through Mashonaland would have been inspired by Rhodes’s pledge that each pioneer, already handsomely paid, would have the right to peg out a 1,500 morgen farm and would receive 20 gold claims once the Union Jack was hoisted in Salisbury. This offer was doubled for the 1893 pioneers who conquered Matebeleland and, in addition, they received a special ‘loot right’. But where in the Gold Coast would such lands have been found without encroaching on disputed areas and sparking a general rebellion, given that some plaintiffs and defendants made reference to tribute collected in earlier decades or centuries even?  

\[213\] Roughly 3000 acres (1 morgen = 2.12 acres).  
\[214\] NAZ CT1/20/1-3: Pioneer Column.  
\[215\] For instance in ADM 36/1/29: Kobina Foli, Omanhene of Adansi vs Asanti, the Odikro of Edubiasi and his superior, Obeng Akese, Chief of Okereso, Judgement in the Chief Commissioner’s Court of Ashanti held at Kumasi, 9/5/23.
Indeed, the attempt, through the Crown Lands Bill of 1896 and the Lands Bill of 1897, to vest all Gold Coast lands in the British Crown was energetically protested across the colony and prompted the 1897 formation of the Gold Coast Aboriginal Rights Protection Society, which sought to engage the colonial government on its own terms. The Society’s constitution included among its objectives:

To foster in the rising generation a knowledge of their historical past, and to encourage the study of laws, customs and institutions of their country; to promote a sound national educational policy with particular attention to agriculture, scientific, technical and industrial training, and generally to facilitate the spread of industry and thrift in the whole country.216

Such intervention by Africans was possible only because Ghana’s long history of friendly contact with Europeans had encouraged the rise of a western educated class. The growth of European trading posts on the coast of Ghana began with the establishment of a Portuguese fort at Elmina in 1472 and by the middle of the 18th century British, Danish, and Dutch merchants dominated the southern export trade.217 By the end of the 19th century, the Fante-Ga coastal area of Ghana possessed the largest western educated class in West Africa, including many chiefs.218 This was very different from the situation in Zimbabwe, where landlocked status appears to have sealed the country off from similar contacts after the decline of the Monomotapa Empire, which was well known to Portuguese explorers in the 16th century. This meant that when the Pioneer Column was preparing to march into Mashonaland, the only lobbying came from Lobengula’s court at Bulawayo in Matebeleland. At that time, Mashonaland lacked a central authority and Lobengula claimed sovereignty over the territory.

In the Gold Coast by contrast, even where land was sparsely populated, disputes centred on fishing rights in creeks and rivers. By 1914, as observed by the Secretary

---

216 CPC1/2 'Constitution of Gold Coast Aborigines Rights Protection Society'. I am indebted to Carina Ray for allowing me to browse through materials collected by her in the Cape Coast archives.  
for Native Affairs in a note to the Chief Justice of the Supreme Court of the Gold Coast:

Litigation has increased enormously and there appears to be no prospect of termination until the last square foot shall have been litigated over.\textsuperscript{219}

The Register of Land Disputes for the last decade of the 19\textsuperscript{th} century in the Gold Coast\textsuperscript{220} shows that plaintiffs were claiming compensation in amounts ranging from £123 15s, including interest, for cocoa land\textsuperscript{221} to £6,000 for the lost possession of a rubber plantation and cocoa farms.\textsuperscript{222} The latter seems an extraordinary sum for the period, when we consider that in Southern Rhodesia, companies that acquired pioneer land rights preferred to rent these lands to African farmers at a rate of £80 a year, rather than sell them to new settlers from Britain who could not afford a capital outlay of more than £400.\textsuperscript{223}

In 1900 then, as Hopkins points out, colonial policy towards land alienation was not yet fully defined.\textsuperscript{224} This allowed for the development of distinct land policies in Southern and West Africa and the decision, ultimately, to limit foreign concessions in West Africa. European mining operations began in the late 1870s in West Africa and continued throughout the colonial period, but were restricted in scope by the uneven distribution of commercially exploitable deposits. In Ghana, production was dominated by Ashanti Goldfields Corporation, incorporated in 1897. The influx of South African mining capital during the Anglo Boer war of 1899-1902 stimulated a gold rush, but labour stabilisation proved difficult to achieve in the West African colony without state support, and the mining boom proved too short-lived to have any significant impact on land policy.\textsuperscript{225} Obuasi was the only major mine to prove

\textsuperscript{219} ADM 11/1/568 (1914). 'Akwapim Land Disputes'.
\textsuperscript{220} ADM 11/1/1722 'Register of Land Disputes, 1894-1903'.
\textsuperscript{221} ADM 11/1/87 (1909). 'Kwesi Amanor vs Chief Kwaku Amoa: Title to Land Situate at Aburi'.
\textsuperscript{222} ADM 11/1/85 (1909). 'Kwame Apraku vs Omanhene H. Owuse Ansa: Title to Land at Parekro on River Densu'.
\textsuperscript{223} Ranger Peasant. p.102.
durably profitable, but had not yet gained its current distinction as the world’s richest single gold mine.

Within the agricultural sector, new British plantations faced strong opposition from established expatriate trading interests, such as Lever Brothers, whose activities included buying, shipping and selling produce. Lever’s determination to rid himself of opposition went as far as buying out the Niger Company. But even such plantations as were established nearly all failed, Hopkins suggests, due to ignorance of tropical conditions and a lack of capital. He hypothesised that expatriate plantations, unimportant in West Africa, were more likely to succeed where ‘opposition from traders was non-existent or ineffective, and where peasant exports were slow to respond to external demands.’

In the Gold Coast, by contrast, peasants were quick to respond to the new export opportunities, as Polly Hill’s studies of the growth of the cocoa industry showed. By investing their own savings in the acquisition of forest land to plant unfamiliar and long-bearing cocoa trees and, with complete reliance on indigenous forms of social and economic organisation, cocoa farmers took the country, a hitherto non-cocoa bearing area, to its position as the world’s leading cocoa producer within a space of fifteen to twenty years. Challenging Szereszewski’s assumption that labour was voluntarily ‘held in reserve as leisure’, Hill argued that the main obstacle to self-advancement in West Africa was the lack of economic opportunities. Even after transportation was opened up under colonial rule, inland oil palm producers could not export their palm oil because the cost of transporting it to the coast made this uneconomic in relation to the price received there.

In contrast to oil palm, cocoa commanded a higher price per unit of weight and was adopted as a complementary activity to food growing. During the early development of the cocoa industry from 1891 to 1911, many farmers developed their cocoa farms only slowly, preferring to invest their savings on acquiring new lands rather than on

---

227 Ibid. p.214.
employing labour.\textsuperscript{229} Hill argued that the Szerszewski model did not address the question why some farmers and not others responded to new opportunities, or how the response was organised, financed and sustained.\textsuperscript{230} Her studies of the organisational aspects of the Gold Coast cocoa industry refuted the claims of serious unemployment or underemployment prior to the cocoa boom.\textsuperscript{231} The southeastern migrant farmers who initiated the boom were employed outside the area of traditional consumption just before their involvement in cocoa. Most had been palm oil producers and traders. Others were general traders or specialised in salt, rubber, skins, ivory, cloth, blankets and rum. Many had travelled widely, serving as labourers or porters during the Ashanti wars or during the growth of coastal towns in the late 19\textsuperscript{th} century or the building of the Sekondi Railway from 1898. Still others worked as blacksmiths and craftsmen. As noted by Hogendorn and Goldberg, all of these occupations could provide a labour supply as the positive shift in the terms of trade made cocoa growing an attractive alternative occupation.\textsuperscript{232}

Hill’s work suggests that a reallocation of labour model might more properly capture the spectacular development of the Gold Coast cocoa industry than a classical vent-for-surplus one. In this regard, it is important to bear in mind that the West African Lands Policy was determined at a time when approximately a third of Southern Rhodesian land was already in the hands of private European owners, while a further 20\% was designated as African reserves, and 45\% was held as unalienated Crown Land.\textsuperscript{233} To follow this route would have thrown the West African colony into political turmoil, jeopardising the continuation of British rule, and putting an end to a source of steady income for the British Exchequer. For, as pointed out, the entry of Ghanaian cocoa farmers to the world economic stage preceded rather than followed the adoption of the West African Lands Policy,\textsuperscript{234} which prevented the alienation of

\textsuperscript{229} Hill. 'Review'. See pp.131-2.
\textsuperscript{230} Ibid.pp.134-7.
\textsuperscript{233} Unnamed. (1921) \textit{Rhodesian Agricultural Journal}. 18. 3. p.248.
land from Africans to European settlers. The evidence gathered to formulate this policy is discussed below.

The puzzle that preoccupied the West African Lands Committee was to understand how allegedly indolent cocoa farmers had ‘beaten all records in the world’. This record had made the colony more attractive to British imperialists who would have pulled out of the Gold Coast in the 1860s, discouraged by the high cost and difficulty of colonising the territory, but for the vigorous opposition to this proposed move by traders. By opting to protect the interests of indigenous farmers, the policy of leaving land unalienated ensured a minimum of financial support for the colony and maximum benefits in terms of political stability. This was the rational outcome of an understanding that West Africa’s comparative advantage lay in supplying world markets with tropical produce and that expatriate plantations would be unable to survive without official aid. European planters failed to compete with African cocoa farmers, Austin argued, because they relied heavily on wage labour and a capital-intensive ‘mode of cultivation’ and were unable to compete with the more economically and ecologically efficient productive function of indigenous cocoa farmers. Cocoa’s great advantage was complementarity with food cropping, both in terms of labour inputs and ecology. In West Africa’s colonial history, peasant production outperformed plantation agriculture because indigenous cultivation methods took into good account the historical abundance of land in relation to the relative scarcity of labour, which was as much an obstacle to settler production in Zimbabwe as in Ghana.

If the mineral wealth of the Gold Coast appeared less than had been fabled, the expectation of fabulous gold finds in Southern Rhodesia proved stultifyingly illusory, but here Europeans were able to establish themselves in agriculture. Land alienation came in the context of increased competition for factor markets between settler farmers and peasants, who competed in both food and export markets. Pockets of extra-subsistence production had existed prior to colonial rule in Southern

236 Austin ‘Mode’. p.158.
237 See the early pages of Phimister Economic.
Rhodesia. African peasants responded quickly to the market opportunities presented by the European demand for foodstuffs, and seized further opportunities that arose between competing sectors of the settler economy.\textsuperscript{238} Despite the absence of a peasant export economy comparable to that existing in the Gold Coast at the time of colonisation, early accumulation by settlers depended in various ways on the peasant economy, as discussed elsewhere. The taxation of peasants from the very start of conquest was aimed not to accumulate capital but labour. But direct taxation was an inadequate institutional instrument for drawing labour out of the ‘subsistence’ economy since peasants responded by increasing their output. Only with the forcible mass eviction of peasants to the marginal soils of the African ‘reserves’ from the early 1930s was it possible to obtain labour at the ‘desired wage rate’ as the containment of peasants created overpopulation in the reserves.\textsuperscript{239} In this way, land alienation in Zimbabwe changed the land to labour ratio. But in combination with other institutional instruments, this reduced the price of labour to artificially low levels and skewed the structure of economic incentives, with serious ramifications for future economic development.

That both countries were labour-scarce means at a crucial historical juncture before nineteenth century conditions give way to the twentieth century’s own peculiar economic realities, Lewis’s assumption of economic development with ‘unlimited supplies of labour’\textsuperscript{240} has little relevance. Although the demographic impact of the Atlantic slave trade had been far greater in Ghana, the fact that the end of this trade came first in West Africa meant that at the time of colonial conquest, the region may well have experienced rising population for a generation or two. Though not directly affected by the slave trade, it is possible to speculate that Zimbabwe was indirectly affected by the export of slaves from its neighbours, Angola on the west coast of southern Africa, and Mozambique on the east coast. As noted by Zeleza, slave exports from East Africa to the Indian Ocean islands as well as to Brazil and Cuba, were relatively insignificant until the late 18\textsuperscript{th} century but rose dramatically through the 19\textsuperscript{th} century, with Mozambique suffering the greatest losses.\textsuperscript{241} While it is unclear

\textsuperscript{238} Ibid.
\textsuperscript{239} Arrighi. ‘Labour Supplies’. p.222.
\textsuperscript{240} Lewis. ‘Economic’. p.407.
\textsuperscript{241} Zeleza \textit{Modern}. pp.65-8.
what the impact of this was on Zimbabwe’s demography, at any event the lack of a central polity in Zimbabwe from the time of the Monomotapa Empire did not favour population expansion, and the African population only again began rising following the establishment of central authority by the British. It grew from an estimated 500,000 in 1901 to 752,000 in 1910, 850,000 in 1920 and 1,048,000 in 1930.242

The main threat to colonial expansion came then not from the Shona, but from the Ndebele polity which had crossed the Limpopo River into the southwest of the territory during Shaka Zulu’s reign, led by Mzilikazi, a Zulu general, who was succeeded on his death by Lobengula. Rhodes was able to play on Shona insecurity in the face of Ndebele raids to gain a foothold in the territory. Following the occupation of Mashonaland in 1890, it took just three years to subdue the Ndebele, and put down an unanticipated rebellion by Shona peasants. In the Ghanaian case, by contrast, the existence of a strong polity in Asante made itself felt in a series of Anglo-Asante wars between 1824 and 1900. Because of Asante’s geographic location in the south-centre of present-day Ghana, this greatly delayed the consolidation of four territories into the single colony of the Gold Coast until long after the addition of the western part of Togoland following Germany’s defeat in World War I.

3.3 Asante and Matebeleland at the Turn of the Century

As pointed out by Wilks, the situation in Asante in the last decade of the 19th century was structurally similar to that in Matebeleland,243 as the following facts will illustrate. In 1888, Lobengula, the African ruler of Matebeleland, entered into a friendship agreement with Queen Victoria. During the same year, Britain sought a similar agreement with the Asantehene (ruler of Asante) Nana Agyeman Prempeh

---

242 Southern Rhodesia (1897-1962). 'Annual Reports of the Secretary for Native Affairs, Chief Native Commissioner and Director of Native Development'. Government Printers.
I. This agreement fell through and after rejecting a fuller offer of British protectorate status in 1891 on the grounds that Britain should recognise Asante as an ‘indigenous nation’, the Asante began moves to draw up their own plans for economic development. Curiously, the blueprint for this development was modelled on the British South African Company’s activities in Southern Rhodesia, but in the event Ghana was not to follow the settler colony model.

Notwithstanding the budding friendship between Queen Victoria and Lobengula, expressed in a warm exchange of letters that are preserved in a number of archives, the discovery in 1886 of gold deposits in Witwatersrand in Paul Kruger’s Transvaal posed such a threat to British hegemony in the south of the continent that concern for African interests began to look irrelevant. Rhodes feared that the expansionary activities of the Boers in the Transvaal, of the Germans in South West Africa (Namibia), of the Portuguese in South East Africa (Mozambique) and, to the north, of Belgian King Leopold in the Congo would soon threaten the missionary road from the Cape Colony into central Africa and drastically curtail his own imperialist vision of a British sphere of influence stretching from the Cape to Cairo. Between 1888 and 1889, Rhodes employed a breathtaking combination of charm, wit, deceit, bribery and gerrymandering to trick Lobengula into signing the notorious Rudd Concession and obtain his Royal Charter for the development of central African lands. He then began preparing for the invasion of Mashonaland, employing Frank Johnson, a 23-year old prankster with a strong sense of adventure, to recruit and lead a pioneer force. In June 1890, the force was launched from northern Bechuanaland (Botswana), skirted to the east to avoid conflict with Lobengula in Matebeleland, and planted the Union Jack at Fort Salisbury (now Harare) on 12 September 1890 without firing a single shot.

It would be wrong to create the impression that Lobengula remained passive in all of this. Like the Asantehene in Ghana, Lobengula understood that he could not forever

---

244 His official stool name was Nana Kwaku Duah III.
246 CT1/20/1-3 'Pioneer Column' CT1/20/2 'Pioneer Expedition, Cecil John Rhodes and Frank Johnson Memorandum of Agreement, 1 January 1890.' CT4/4/1 'Pioneer Corps'. S3183 'Zimbabwe Republic Police, Fort Tuli General Record Book of Places of Historical Interest, Ancient Monuments and Relics and Isolated Graves.'The events outlined here are consistent with newspaper reports of the period and various biographies of Rhodes.
hold back the tide of imperialist expansion, and that the notorious short stabbing spear and military tactics that had proved so effective during the period of Zulu expansionism (the mfecane or ‘crushing’) could be no match for the latest long-range European weapons. Consequently, he ordered his restive impi (regiments) to avoid confrontation with Europeans at all costs. In signing away what he thought were limited mineral rights, Lobengula believed that he would in return receive the means to modernise his standing army and fight off incursions from competing imperialist forces. When Lobengula, realising that he had been tricked, repudiated the Rudd agreement and began negotiating a rival claim for land rights with the German concessionaire, Edward Lippert, Rhodes took the precaution of buying Lippert out of that agreement.\textsuperscript{247}

Similar imperialist rivalry fuelled the British conquest and eventual annexation of Asante, whose rulers were suspected of strengthening their ties with France while moving closer to the Germans and Dutch. In Asante, as in Matebeleland, the Asantehene sought to modernise his army, and was suspected of obtaining weapons secretly from the French. The Asante Embassy conducted by John Owusu Ansah went to London in 1895 with the authority to negotiate good terms for British protection. The British refused to see the embassy, thereby preventing it from carrying out its second task of negotiating concessions with British or other capitalist concerns. The British were, in fact, already preparing a military expedition to Asante and did not want European concerns awkwardly established there by treaties from the Asantehene. The military occupation of Asante was carried out in 1896 without a shot being fired. After the rising of 1900, Asante was made a Crown colony in 1901. Between 1896 and 1900, it was recognized by the Colonial Office as a foreign country under British military occupation.\textsuperscript{248}

Another noteworthy similarity between Matebeleland and Asante is that while coastal Ghana’s long history of friendly contacts with Europeans had encouraged the rise of West Africa’s largest Western-educated elite, including many chiefs,\textsuperscript{249}

\textsuperscript{247} GEN-F-LIP (1893-1897). ‘Lippert Letters: Extracts from Mrs Lippert’s diary, 1893, and note by Ed Lippert, 1897’.
\textsuperscript{248} Wilks Asante.
\textsuperscript{249} Webster and A.A. Boahen with H.O. Idowu History of West Africa: The Revolutionary Years – 1815 to Independence. p.248.
Asante continued to resist the penetration of missionaries throughout the nineteenth century.\textsuperscript{250} Asante had allowed missionaries in from time to time, regarding them as useful go-betweens in relations with the European merchants on the Gold Coast, but had discouraged conversion. Like Lobengula, the succession of Asantehenes that ruled Asante during the last decades of the century were consequently all illiterate. But unlike Lobengula who relied on European secretaries to transact foreign business and stave off the increasing flow of ambitious concession-seekers, the Asante rulers were able to draw on the talents of Owusu Ansah, a British-educated Asante prince whose two sons took over the role of protecting Asante interests while lobbying for the input of British capital and skills, on Asante terms. It was the older of the two, John Owusu Ansah, who conducted the embassy to England in 1895 against the wishes of the Gold Coast Governor, and worked furiously but in the end futilely, to obtain a royal charter for the development of Asante by a company set up in partnership with the sympathetic Liverpool firm of Radcliffe and Durrant, and modelled on the BSAC.\textsuperscript{251} Whether such a company would have worked ultimately for or against Asante is a difficult question. Wilks expresses optimism that Asante’s interests would have been served. A more cynical reading is suggested by the dealings of Edwin Cade, the founder of Ashanti Goldfields Corporation, who appears in some ways to have been inspired by the spectacular success that followed some of Rhodes’s treacherous dealings, as discussed below.

3.4 The Role of the Chartered Company

From 1890 until 1923, the territory that was to bear, successively, the names Mashonaland and Matebeleland, Southern Rhodesia, Rhodesia, Rhodesia-Zimbabwe and finally Zimbabwe was run not so much by a government as by a board. This was the Board of Directors of the British South Africa Company (BSAC), founded by


\textsuperscript{251} Wilks \textit{Asante}.pp.640-41.
Rhodes in 1888. The first administrator of Mashonaland, the able bureaucrat Colquhoun, spent merely months in office before being replaced by a close friend of Rhodes, Leander Starr Jameson, a physician whose ad hoc and personalised methods of resource allocation more closely matched the style of governance and business practice of Rhodes himself. Southern Rhodesia was administered as a single territory after 1893, when Rhodes, now Prime Minister of Cape Province, sent a second pioneer force to rout Lobengula and occupy Matebeleland. In 1923, the BSAC pulled out after settlers voted against union with South Africa and Southern Rhodesia was given ‘Responsible Government’ under the Dominions Office in London. Responsible Government gave settlers the freedom to run their own affairs, with the final say on matters affecting African interests reserved by Whitehall.

By contrast, what became Ghana was administered as four distinct territories until well into the twentieth century, effectively until 1942, when Asante could sit on the council. The first of these, the Gold Coast Colony, was established on the Guinea coast in 1874, after the Asantehene ceded his claim to coastal territories. British influence in the Gold Coast grew with the signing of the 1831 Anglo-Asante treaty, under which the Asante recognised British trading settlements as being under British jurisdiction but not sovereignty. Asante itself came under British military occupation in 1896, but it was not until after the last Anglo-Asante war in 1900 that Asante was finally declared a British colony in 1901 by right of conquest. At the same time, the area to the north of Asante was formally named a dependency of the Gold Coast, having been declared a protectorate in 1897. The fourth territory making up present-day Ghana was the western part of German Togoland. This territory was occupied by British forces in 1914 and mandated to the Gold Coast by the League of Nations in 1919 after Germany’s defeat in the First World War.

The fundamental instrument of government throughout the territories under the jurisdiction of the governor of the Gold Coast was the Political Administration, the officials of which were recruited and trained in Britain by the Colonial Administrative Service. They were designated ‘commissioners’ and were ranked as assistant district commissioners, district commissioners, provincial commissioners and chief commissioners. Each exercised administrative, executive and judicial functions at the relevant level. The Gold Coast Colony as such consisted of three
provinces. There was no chief commissioner, the three provincial commissioners each being answerable to the Governor and the Legislative Council. Asante and the Northern Territories each had two provinces, and the provincial commissioners were answerable not to the governor but to a chief commissioner. The extent of their decision-making powers within their respective jurisdictions was, however, unclear. Not a few who held the office of chief commissioner exercised a degree of autonomy that several governors regarded as a threat to the very existence of a unitary Gold Coast. The battles between them are recorded in bulging archival files. The governor had to administer mandated Togoland in accordance with the regulation of the League of Nations, though he was permitted to treat the southern and northern areas as parts of the Gold Coast Colony and the Northern Territories respectively.252

While gold was the great expectation in Ghana, cocoa wealth put Britain in a stronger position, financially, to govern the colony, removing some of the attraction of the chartered company as potential territorial administrator. In 1911, cocoa exports from the Gold Coast earned £1,613,000 compared to £1,058,000 for gold, that is 52% more.253 This is not to suggest that gold finds were as disappointing in Ghana as they proved to be in Zimbabwe. Throughout its seventy-one year existence before being acquired by the mining giant Lonrho, the Ashanti Goldfields Corporation was regarded as both highly profitable and of high potential. In 1967, it posted a handsome pre-tax profit of £2,200,000.254 While the corporation’s jubilee year publicity material made much of its role in imperial expansion, McCaskie says AGC’s true character was less that of a ‘visionary capitalism’ seeking to open up and develop what the corporation called ‘backward and underpopulated countries of the Empire’. On the contrary, the kind of speculation to which the corporation was drawn was at best ambiguous and at worst ‘the partisan weapon of an aggressive, and frequently anarchic, capitalism.’255

The original gold mining concession centred on Obuase was registered in 1890 by three Fante men, JP Brown, JE Biney and JE Ellis. In 1895, impressed by the high

252 Information provided by Ivor Wilks, June 2005.
253 Hancock Survey.p.170.
254 McCaskie. 'The Creation of Ashanti Goldfields Corporation Ltd, ca 1890-1910: An Episode in the Colonial Impact upon Asante'.
255 Ibid.p.38.
quality samples of ore he had received from Obuase, Edwin Arthur Cade, a UK merchant, visited the Gold Coast to investigate and discovered that not only was the concession in the sovereign state of Asante and not British territory, but there was some ambiguity over which authority had the legal right to grant title. This ambiguity created an opportunity for Cade to work with British officials for the disunity and downfall of Asante. When Scott’s expeditionary force entered Kumase on 17 January 1896, Asantehene Agyeman Prempe went peacefully into exile to spare his people bloodshed. In June 1897 a mining concession was granted to the newly formed AGC. While the invasion of Mashonaland was equally bloodless, the overthrow of Lobengula in Matebeleland was resisted. In the end Lobengula withdrew to a cave near the Zambezi and ended his life rather than be captured by Rhodes’s forces.

Cade was an ambitious dreamer, but not on the scale of a Rhodes. For instance, he did not look out on his Asante forest estates and see scope for the reunification of Englishmen everywhere in the world. Rhodes on the other hand had a racial philosophy that was simple and uncomplicated (‘I contend that the English race is the finest race on earth’), yet powerful enough to intoxicate his followers and seduce representatives of the British Crown. Of course without the reality of inter-imperialist rivalry at the end of the nineteenth century, Rhodes’s dreams would have lacked their stimulus and would have come to nothing. In this sense Rhodes was both cause and effect of some of the momentous changes at the turn of the century. If the difference between a Rhodes and a Cade gives some sense of the conditions (or ‘prequisites’) for the emergence of the type of Schumpeterian superentrepreneur capable of championing the cause of economic development, then key among them would be ideology. According to Gerchenenkron, industrialists need faith in a golden future. On this count, Rhodes appears to fulfil Gerschenkron’s criterion much better than Cade. However, a shared characteristic was access to a limitless purse.

It is widely recognised that a key role of the chartered company from the point of view of British imperialism was to deliver empire on the cheap. Hancock for instance argued that the nineteenth century partition of Africa occurred not by design, but as a consequence of the high cost of African engagement, which Britain in particular

256 Ibid.p.41.
among European powers was reluctant to shoulder directly. During the sixteenth and seventeenth centuries, political power and commercial monopolies were therefore delegated to chartered companies, beginning with Royal Africa Company, to offset the costs of defending and administering trading outposts. But this ‘makeshift’ arrangement broke down under the stress of the Anglo-Asante wars of the nineteenth century. Only at the mid-point of that century did the British government accept that it would have to take direct political responsibility on the West African coast if the slave trade, now concentrating on the Bights of Benin and Biafra as well as the River Niger outlets, were to be expelled and the palm trade allowed to grow. 257 And it was Joseph Chamberlain, finally, who recognised that the task of developing Africa’s possibilities could not be left to private enterprise and the spontaneous advance of the traders’ frontier, but would require concerted state action. 258

Taking up the theme of the ‘makeshift settlement’, Phillips said colonialism’s ‘enigma’ was that while the scramble for Africa reflected a crisis in capitalist development, Africa emerged from colonial rule without the defining characteristic of capitalist development elsewhere: free wage labour. In British territories, colonial practice seemed to ‘pride itself on retarding rather than hastening change, drawing on the values of feudalism rather than those of capitalism.’ 259 This attitude was captured in McPhee’s 1926 Economic Revolution in British West Africa. 260 The privatisation of land that had characterised the development of capitalism in Britain would lead to ‘landlordism’ and native expropriation, McPhee warned. To protect African peasants from this, colonial governments should therefore prohibit the free sale and mortgaging of land. 261

Closely linked to the debate about African peasant production is the question whether European planters proved efficient or inefficient players in African factor markets. Mosley argued that the image of the inefficient white Rhodesian settler farmer was a ‘stereotype’ and that a number of large-scale planters were in fact

---

257 Hancock Survey. 163-4.  
258 Ibid.p.168.  
260 Cited in Ibid.pp.4-5.  
efficient.\footnote{Mosley \textit{Settler}. p.235.} For the Gold Coast/Ghana, however, Austin demonstrated that European cocoa planters failed to compete with African farmers because of a cultural outlook that rendered them unable to adopt the capital and labour-saving agricultural techniques favoured by indigenous cocoa farmers. ‘While European planters were determined to persist with an inefficient mode of cultivation it was not possible for them to survive in numbers, or in the long term, unless the colonial government was prepared to use its coercive power to give them discriminatory protection in factor or produce markets. European cocoa growers in Ghana paid the price of not being able to obtain an advantage frequently enjoyed by colonial planters elsewhere: government backing to enable them to use coerced labour.’\footnote{Austin \textit{‘Mode’}. p.170.}

By contrast, in Southern Rhodesia the colonial government was fully prepared to use its coercive power. As noted above, direct taxation was not a powerful enough instrument to draw labour out of the peasant economy. The only way to prevent peasants from increasing their output to meet tax obligations was to sever them from their land. In removing them to designated reserves, the conditions of land abundance that had enabled peasants to keep their yields constant yet grow more food were replaced with conditions of land scarcity.

\begin{footnotesize}
\footnote{Mosley \textit{Settler}. p.235.}
\footnote{Austin \textit{‘Mode’}. p.170.}
\end{footnotesize}
3.5 Land Alienation and Tenure: The West African Lands Committee and the Morris Carter Commission

In both countries African farmers were habitually accused of being lazy and indifferent to the future. In the Gold Coast, this perception altered as African producers, within a period of twenty years, transformed the colony into the world’s leading producer of cocoa. The difference in outlook that this feat produced is reflected in the evidence collected by two land commissions whose recommendations defined the land policies adopted in each country. These are on the one hand the West African Lands Committee (WALC), which was set up in 1912 to look at differences in land tenure in the West African colonies, and on the other the Morris Carter Commission, whose 1925 recommendations resulted in the Land Apportionment Act of 1930, regarded as the Magna Carta of European settlers in Southern Rhodesia.

While the West Africa committee was tasked to recommend whether any amendments should be made to laws regulating the transfer of land rights, in Southern Rhodesia, the Carter Commission was to look at the ‘expedience and practicability’ of defining areas for African-only and European-only purchase of land. In contrast to the former, the Carter Commission made little attempt to acquaint itself with the finer points of native tenure, but bent its energy to skewing the evidence so as to demonstrate that Africans would themselves be happier in racially segregated areas.264 Yet, as Warhurst pointed out in his preface to Palmer, the passing of the LAA was ‘greeted with enthusiasm by many groups, including the Aborigines Protection Society.’265

In many ways the composition of each commission made their recommendations a foregone conclusion: the peasant option in the case of the Gold Coast and protectorates; land apportionment in the case of Southern Rhodesia. Morris Carter,

the Chairman of the Southern Rhodesian commission was a former Chief Justice in Uganda and Tanganyika, where Palmer says he was known to favour the development of European plantations. He went on to head the Kenya Land Commission of 1932, which barred Africans from acquiring land rights in the White Highlands. By contrast, the WALT, chaired by Sir Frederic Hodgson, comprised radicals such as Morel, the author of a book decrying exploitation in the Belgian Congo and his ally Josiah Wedgwood, MP, who both felt that that private property in land was unnecessary for further expansion and would destroy the cooperative features of pre-colonial society. The extract from evidence contained in Appendix B of this thesis gives a flavour of the controversy over the specificity of interests that colonial policy in West Africa should seek to protect.

The WALT laid out what it saw as a series of principles common to all West African territories. These included the definition of ownership, rights and obligations of the user and the spiritual significance associated with land. In contrast to the European view of uncultivated land as unoccupied, vacant wasteland, in West African tenure systems, land could not be permanently alienated, the Committee said, though this was no longer in fact the case. The Committee believed that the peace of the colony depended on preserving the indigenous land tenure system. Commissioners were impressed by the spontaneous development of a wholly Ghanaian trade in cocoa, which had ‘beaten all records in the world.’ African farmers not only produced cocoa in large quantities, but also added value at low input cost. It was noted, however, that such permanent cultivation showed signs of encouraging the sale and mortgaging of lands in a manner so inconsistent with native customary tenure as to have become a source of litigation.

The question before the West Africa committee was ‘whether the growth of individual tenure should be encouraged at the expense of native customary tenure,’ or whether steps should be taken to check such growth. The extract shows a lack of sympathy for the views expressed by Conway Belfield, an administrator with

268 West African Lands Committee 'Committee on the Tenure of Land in West African Colonies and Protectorates: Minutes of Evidence, etc'.
experience in the Malay States, who had produced a report in 1912, the year the Commission began collecting evidence, on the workings of the Concessions Ordinance.  

The Committee’s work was interrupted by the outbreak of World War 1 and its findings never moved from their draft stage into a final report. Although not all of its recommendations were adopted, it did exert a major influence on West African lands policy. Its Draft Report noted that the tribal system supplied the ‘natural machinery for administration and that this system depends upon the maintenance of the communal land tenure’ and moreover that ‘permanent cultivation can be successfully carried on under the native system’. Among the ‘evils’ arising from individual tenure that the report listed was the ‘tendency of individual ownership to divorce the people from the land.’ It cautioned against ‘any Government action – legislative, executive or judicial – that tends to divorce people from land or to convert the landowner cultivating his own land into a paid labourer working on the land of another.’ This was in stark contrast to the approach in the settler colonies where the political and social desire for racial segregation had to be counterbalanced with the need for resident African labour.

The WALC was particularly swayed by the views of the Gold Coast Secretary for Native Affairs, Francis Crowther, who stated that: ‘The substitution of ungoverned individualism for the communal system in the rural districts in my opinion is the signal for poverty and social disorder for the majority.’ Ignoring Crowther’s qualification to this view, namely that ‘the communal system in its simplicity is inadequate for the needs of the changed and changing economic conditions,’ the Committee weighed his view against the evidence of others in favour of individual tenure and pronounced itself ‘unable to recommend the introduction of a system which is alien to native custom, and is likely to subvert the principle of native government and to lead to poverty and social disaster for the majority.’

269 PRAAD: Belfield Report.
270 West African Lands Committee ‘Committee on the Tenure of Land in West African Colonies and Protectorates: Minutes of Evidence, etc’. paragraphs 312-315.
It was, similarly, with the avowed aim of averting social disaster that Article 14 of the Royal Charter granted to Rhodes had stipulated that ‘careful regard shall always be had to the custom and laws of the class or tribe or nation to which the parties respectively belong, especially with regard to the holding, possession, transfer and disposition of lands and testate or intestate succession thereto.’\(^{271}\) Despite this stipulation, after the occupation of Mashonaland in 1890, no provision was made for the acquisition of land by Africans, as the Carter Commission acknowledged. For this reason, the Carter Commission was asked to keep Article 14 in mind. But more prominent in the mind of the Commission was the inclusionist tone of an 1898 Order in Council evoked by the British Government, requiring the colonial government to create Native Reserves in order that Africans should not be left completely landless. Under the Order, ‘[a] Native may acquire, hold, encumber and dispose of land on the same conditions as a person who is not a Native’.\(^{272}\) This was entirely in keeping with the racial doctrine of the British Empire, which made ‘no distinction in favour of, or against, race or colour,’ as claimed by Chamberlain,\(^{273}\) or which set ‘no barrier of race, colour, or creed which should prevent any man of merit from reaching any station if he is fitted for it,’ as Churchill declared.\(^{274}\)

While this was very different from the terms of the WALC, which saw no reason to encourage Africans to buy and sell land on the same terms as Europeans, the fact that there were few European settlers in West Africa made it easier to avoid a double standard. In what was to become Southern Rhodesia, the Order had been promulgated at a time when very few Africans were in a position to buy land. The Commission received evidence that where Africans had been in a position to buy land, the BSAC had refused to sell land to them.\(^{275}\) As Africans showed themselves able to increase output, lease land and pay their taxes, the increasingly apparent implications of this Order propelled the Commission towards seemingly irreversible segregation. For, as noted by Hancock in the case of South Africa, the ‘further she advanced towards full national sovereignty, the further did her racial policy diverge

\(^{271}\) Government Notices (August 1895 to December 1898). 'Administrator’s Copy'. See further E.M. Zvobgo (1973). *The Role of Law as an Instrument of Oppression*. Available at NAZ GEN-P/ZVO.

\(^{272}\) Government Notices 'Administrator’s Copy'.

\(^{273}\) C. 8596 of 1897, quoted in Hancock *Survey*.p.3.

\(^{274}\) Cmd 1474 of 1921.p.12, quoted in Ibid.p.3.

\(^{275}\) Evidence by John McChlery, ex-Member of the Legislative Assembly, in sittings held on 2 March 1925. S96 'Carter Commission Evidence'.

104
from the traditional British doctrine. Racial segregation had the effect of gnawing away at the ‘imperial factor’.

In collecting its evidence, the Commission saw racial segregation as a foregone conclusion. Palmer noted that witnesses in favour of segregation were given a polite hearing while those opposed to it faced hostile questions and were warned that if the existing law remained, Europeans would buy up all the land. He noted that Coghlan, Moffat and many Europeans were convinced that Africans would soon exercise their right to buy land more effectively. It is true, nevertheless, that several African witnesses said they desired segregation to protect them from being harried by settler farmers over the straying of their cattle and other perceived misdemeanours, as Palmer acknowledged.

At the time the Commission sat, of Southern Rhodesia’s 96.25m acres, 31m had already been alienated to Europeans under the terms of the Native Reserves Commission, 1914-15. A further 21.6m were Native Reserves, and 43m acres had been reserved for future allocation. Of this last amount, the Commission recommended that 7m (6,851,876) acres should be assigned to Africans as Native Purchase Areas, while 17m (17,423,815) acres should be reserved for future use by Europeans. This left 18m (17,793,300) acres in remote and tsetse-ridden areas to be left unassigned. In other words, nothing further was added to the Reserves, where it was suggested Africans would have to improve their production methods and thereby make better use of the land already assigned to them. Given that half of the 31m acres allocated to European settlers remained unoccupied in 1924, Palmer disputed the claim by Gann that Europeans would ‘certainly have done better to leave land apportionment to the impersonal operation of the market which would have worked entirely in their favour.’

276 Hancock Survey.p.5.
277 Palmer Aspects of Rhodesian Land Policy 1830-1836.p.43.
278 S96 ‘Carter Commission Evidence’.
279 S98 ‘Carter Commission Terms of Reference etc’.
281 Ibid.p.43.
3.6 Land and Race Ideology

When we consider how potent has been the link between land alienation and racial domination, it seems strange to recall that the youthful Rhodes who arrived in Durban in the 1870s spent a good part of his first year in Africa in the company of Africans. This suggests that racism, like ethnic hatred, can best be understood in terms of intensified competition for scarce economic resources, rather than an innate human tendency to despise what is different. The only way to justify such wholesale expropriation of land was to couch it in racial terms.

At the time that Rhodes arrived in South Africa at the tender age of 17, Britain was still preoccupied with securing its sea route to India. The British had succeeded in pushing the Boers out of the Cape Colony, but it was feared that the trekkers would one day endanger the coastline north of the Cape. The Boers continued to resist British attempts to establish a confederation over the entire South African subcontinent. However, in 1877 when the Transvaal faced financial ruin, the hated Union Jack went up in its capital, Pretoria. This was at a time when public opinion in Britain was again turning in favour of empire. As mentioned earlier, Britain’s decision in the mid-1860s to leave the Gold Coast was reversed in the 1870s.

Rhodes was shipped off by his family to live with his brother in South Africa at a young age because he was suffering from consumption and given only a year to live by his doctor. Living on borrowed time, he could afford to take chances and make decisions that no-one else would have dreamt of. As a newcomer in South Africa, he developed a comfortable relationship with Africans, sleeping in their huts as he toured his brother’s surroundings, and probably learning many survival skills, including familiarisation with the Zulu language, that would stand him in good stead as his ambition grew and he left his brother’s cotton fields in Natal to join the diamond rush at what would become Kimberley. Later, a single-mindedness of purpose, rare ambition and his extraordinary ‘Confession of Faith’, written as a 24-year old undergraduate at Oxford, informed his desire to take for the British Crown

---

282 See Palmer Land.
the entire African continent, symbolised in his dream of a railway extending from the Cape to Cairo. But as a member of the Cape Parliament, Rhodes recognised that his dreams of empire would never be realised by what he saw as the ‘weak-kneed’ politicians there.\footnote{Ibid.} He decided that to achieve his political ambition of world domination by Englishmen, he would have to amass a huge fortune. The first step to achieve this was to gain control of land, both surface and underground rights. The first was won through trickery, the second by squaring the circle with a certain German concessionaire.

In the first part of its brief, determining the ‘expediency’ of separate areas, the Carter Commission expressed the fear that increasing worldwide racial tension could lead in future to ‘wars of extermination’. It discussed some key issues in early 20th century race ideology, and reviewed titles including *Christianity and the Race Problem* (1924), *The Clash of Colour* (1924), and *The Menace of Colour* (1925). Some of the points noted appear to have been taken from an eight-page statement provided by a Mr HM Stanley of Chipinga. Stanley said that segregation was the ‘only hope’ of lessening the results of what he predicted was an imminent ‘clash between the two races’. He was of the view that a scheme to allow natives to purchase land on individual tenure lines should be put in hand at once. He said the ‘first steps towards true civilisation’ among all nations were represented in ‘individual and especially hereditary tenure of land.’ His written evidence shows some confusion over whether civilisation was innate or acquired:

> Whether the native – even under white control – is capable of attaining a state of civilisation in any way approximating to that existent among the whites, is open to doubt. Lothrop Stoddard, author of “The Rising Tide of Colour” in his “Revolt against Cilivilisation” says: ‘Deceptive veneers of civilisation may be acquired, reversion to congenital Barbarianism ultimately takes place. To such Barbarian stocks belong many of the peoples of Asia, the American Indians and the African negroes.’

This is rather born out by the fact that of all the larger coloured races, the Bantu alone has left no trace of any attempt at civilisation such as are found amongst the Mexican, Peruvian and many Asiatic Tribes. Against this we have the fact that some pure negroids have raised themselves to

\footnote{Ibid.}
what might be called the higher intellectual plane; I refer to Booker Washington, Dr Agee, Dubois and others.\textsuperscript{285}

It may be noted that at this time evidence that Great Zimbabwe was constructed by Africans had not yet been widely accepted in archaeological circles.

Stanley felt that segregation would address the ‘economic effect of the infiltration of native labour into European industry.’ He said the ‘present state of subjugation of the native, with its consequent restrictions and disabilities, has much that is akin to the slavery or serfdom of later Rome’. He thought the idea of granting individual tenure to Africans ‘may help to breed up industry amongst them, and serve to absorb part if not all of the labour now in competition with Europeans.’ The alternative to segregation was ‘unmitigated disaster’ for, Stanley opined quoting race expert Stoddard:

The influx of such lower elements into civilised Societies is an unmitigated disaster. It upsets living standards, socially sterilises the higher stocks, and if (as usually happens in the long run) interbreeding occurs, the racial foundations of civilisation are undermined, and the mongrelized population unable to bear the burden, sinks to a lower plane.

Finally, Stanley urged the Commission to rule out European settlement in the lowveld. Interestingly, he used climate as a reason to persuade European settler opinion that not only would some land have to be left for Africans but in the interests of racial segregation, it would be better for white men to band together in the cooler climes of the highveld than mix with black men in the more tropical lowveld, even if land there was agriculturally richer.

We have the High Veld here with an altitude of from 2500 feet to 6500 ft nearly wholly alienated to European occupation. We have the Low Veld 800 to 1800 ft, commonly known as the Sabi Valley; here considerable tracts have been made into Native Reserves, but large tracts are still unalienated and have been favourably reported upon as ideal Cotton country. The result is that greedy eyes, Official and Private, have been cast upon it.

\textsuperscript{285} Evidence by Mr H.M. Stanley, Chipinga. S97 'Carter Commission – Written Statements'.
Now the Sabi Valley may well be called Tropical, the temperature in summer is anything over 110 in the shade, it is impossible for natives to walk there between 10am and 3pm otherwise a couple of days sees them crippled, even Europeans in boots suffer to a certain extent.

It is malarious, and the general climatic conditions are not favourable to the propagation of a Nordic European race, perhaps the dark Mediterranean races might make a partial success. If one brings this forward one is immediately confronted with the argument of the Panama Canal. True, every schoolboy knows that science and the expenditure of considerable care and money had enabled man to combat most malarious disease, but has science ever attempted to combat the enervating effect of such a climate on the Nordic races, whose virile energy has virtually made them world leaders.

We do not want Companies to work our European lands, we want Settlers who can breed a virile race, fit and capable of upholding the White mans prestige, and this can only be done in the higher altitudes; I would almost feel inclined to advocate all natives to be moved to the low-lying tropical valleys, despite their agricultural richness. Strong men are the chief asset of a race, and these valleys are not the ideal spots to breed them in.

To be fair to Stanley, he criticised suggestions that the Nyanyadzi Valley in Melsetter District should be allocated to Africans, saying this might well be described as ‘baboon country’.

To give them the Nyanyadzi Valley for settlement is poor policy and rank injustice, it must be remembered that these natives fought for us in the 1897 rebellion and deserve special treatment.

Curiously, there was little reference to West African policy in the Commission’s deliberations. Stanley’s evidence, for instance, had only one West African reference:

In Liberia one can see a Veneer of civilisation on the coast with the practice of the most revolting heathenism within a few hundred yards in the bush, and both by the same persons.\footnote{286 Ibid.}

By way of concluding this discussion, Mrs Lippert’s diary of the trip taken with her husband to finalise matters with Lobengula reveals some of the mix of horror and admiration with which Europeans encountered Lobengula, and here it is possible to
point to one final similarity between Asante and Matebeleland. For while the practice of human sacrifice, long-abandoned according to Wilks, was the excuse used to invade Asante, in Matebeleland it was slavery. Rhodes’s men projected themselves as protectors of the timid Shona against the warlike and insatiable Ndebele and historians have paid little attention to claims that Lobengula himself paid tribute to some Shona chiefs. Little attention has similarly been paid to Mrs Lippert’s diary, a repository of colonial perceptions by a German in a British sphere of influence:

…King Lobengula holds the following simple creed: There are only two nations; the Matabele and the English; all the others, may they be called Mashona, Makalakas, Mangwatos, or anything else, are slaves.

The diary is interesting for what it reveals about the decision to side with the buccaneer Rhodes, described by Mrs Lippert as a ‘clever and unprincipled Speculator who would do anything for money’ against Lobengula, a ‘fat, naked monster’ who yet ‘could not be anything but a King.’ Yet if Lobengula was a ‘monster’, Mrs Lippert barely had kinder words for Boer manners.

To European eyes the house, perfectly innocent of any kind of window, looked decidedly funny. The customs and manners of the Boer family were also in some ways new and startling; but a kindlier reception we could not have had anywhere…we sat down to a truly primitive meal…Our own spider would have been much more comfortable, and we should not have been roused at 5 o’clock by the melodious strains of the whole family, singing their morning hymns. My husband tells me, according to Darwin, the Gorilla also greeted the rising sun by a song…”

For it must be remembered that in 1893, when the diary began, the ‘race question’, as has been frequently commented on, referred to the animosity between the British and the Boers, whereas the problem with Africans was referred to as the ‘labour question’. And finally the ‘land question’ consisted of resolving the dilemma created cunningly by Lobengula in a last-ditch bid to preserve his kingdom by

287 Wilks *Asante*.
288 For a discussion of British caution regarding slavery in Asante, see Austin *Labour*.
289 GEN-F-LIP ‘Lippert Letters: Extracts from Mrs Lippert’s diary, 1893, and note by Ed Lippert, 1897’.
290 Ibid.p.51.
counterbalancing Rhodes’s claim to all the minerals below the ground with a rival claim granting Lippert all the surface rights. However, once the German Reich refused to involve itself in a dispute over a project in an English sphere of influence, there was never any real doubt that Lippert would sell his land concession to Rhodes, who as the newly appointed Prime Minister of the Cape had the full support of the British government.291

3.7 Conclusion

In this chapter we have seen that exogenous variables, namely climate and the imposition of colonial rule, had some part in the story of Africa’s economic development since 1890. At the same time, we have seen that endogenous variables, namely population and entrepreneurship, mediated the effect of these exogenous variables to differing degrees. We have seen that the process of developing export production that was already underway in the Gold Coast encouraged a relatively benign form of colonialism. By contrast, competition over land in Southern Rhodesia led to greater recourse to coercion, and the construction of extremist racial ideology. The specific combination of exogenous and endogenous variables in each territory shaped the divergence from a precolonial economy sharing similarities in land use and technological inputs towards two distinct types of colony, one ‘peasant’, one ‘settler’.

The next chapter examines early twentieth century notions of property rights, late twentieth century conceptualisations of the ‘rule of law’ and the overturning of this law in Zimbabwe as the century was drawing to a close.

291 See Note by Edward Lippert, December 1897, GEN-F-LIP.
CHAPTER FOUR

4 A Question of Property Rights

It is often argued that private individual freehold or leasehold title is a necessary precondition for efficient farming since only formal title will provide the necessary security for investments in land and collateral for loans. As noted earlier, new institutionalists argue that an economy will only perform optimally if the system of property rights is efficient. Some new institutionalists note at the same time that formal individual freehold tenure is not the only efficient claim to ownership of agricultural land and that property rights can take many forms, including some that are often overlooked, such as access to credit. Among new institutionalists, Daron Acemoglu has claimed that in colonies where Europeans settled, they created ‘better’ institutions to protect their property rights than in those not settled. Here, ‘better’ may be understood in the sense defined by Socrates and rendered by Bertrand Russell as not ‘truer’ but ‘having better consequences’. The next pages consider to what extent the evidence from the settler colony, Zimbabwe, and the peasant colony, Ghana, supports this view.

Detailed investigations into indigenous land tenure systems were collected from all over what is now Ghana in the years before the West African Land Tenure Committee (WALC) began gathering its evidence in 1912. These investigations ensured that land policy-makers understood the complexities of tenure relations in the colony and protectorates. The frequent allusion to those findings in the committee’s Draft Report suggests that the intimate knowledge of West African land tenure systems was a major influence on the committee’s deliberations and the eventual outcome of its mission. The main features of indigenous West African land tenure systems were summarised in the last chapter. By contrast, in Southern Rhodesia, most land was assumed to be ‘vacant’, and even where it was not it was alienated with little regard for the possible future consequences.

292 See North Institutions, Institutional Change and Economic Performance.
As land degradation continued to worsen, the first real attempt by the colonial government to change traditional tenure into freehold tenure system came with the 1951 promulgation of the Native Land Husbandry Act (NLHA). A chief objective of the law was to enforce destocking of cattle and soil conservation measures. But after the NLHA was declared a failure and scrapped in 1961, the Tribal Trust Land Act of 1965 restored ‘traditional’ tenure. Tribal land authorities were created to include traditional leaders, operating under the District Councils. This system was in force until independence in 1980, when the Communal Land Act was made the legal basis for land tenure in communal areas. Authority over such land was vested in the president, who holds all communal land in trust for the people. Under the terms of the 1980s amendments, communal land was administered by the Ministry of Local Government, Rural and Urban Development through the Rural District Councils (RDCs), following customary law regarding the use and allocation of land. The RDCs operate through Village Development Committees (Vidcos) and Ward Development Committees (Wardcos). Six Vidcos make a ward, each Wardco comprises 600 households.295

This chapter explores the contrasting development of property rights in the peasant and settler economy and the implications of each for industrialisation. The chapter also considers to what extent the development of distinct land policies should be considered as an endogenous or exogenous variable.

4.1 The Case for Private vs Communal Tenure

In contrast to Southern Rhodesia, little land was alienated to Europeans in the Gold Coast Colony and Protectorates, as discussed in the last chapter. The major exceptions were the cocoa and rubber plantations, which were governed, typically, by ninety-nine year leases. Despite speculation over possible gold finds, the total amount of land under concessions amounted to just 25,000 square miles by 1913, of which more than half had lapsed under the terms of the 1900 Concessions Ordinance.\textsuperscript{296} Other lands alienated for use by the colonial government amounted to but a few square miles. But while discussions during the 1890s about expropriating large amounts of land gave way to fear of inciting the hostility of powerful chiefs,\textsuperscript{297} communal African tenure was seen as an impediment to development in these early years when colonial policy was still committed to opening up West Africa to capitalist penetration and imposition of a land tax was considered the best way to undermine the communal system so as to impose individual land tenure. However, this plan and the ‘public lands’ alternative were dropped in the face of opposition. In the case of the latter, all land not yet owned by individuals would have come under government control and new occupants would be required to obtain a land certificate and pay annual rent to the government.\textsuperscript{298} During this early period, Phillips notes, there was no sense of a British West African particularity, though she says the occasional word of caution anticipated the outlook of the 1920s and 1930s.\textsuperscript{299} Thus the peasant-settler distinction emerged only after the rapid development of the cocoa industry demonstrated that production based on customary tenure was after all capable of ‘beating all records in the world.’\textsuperscript{300} With the shelving of plans for compulsory land registration, the problems of uncertain title remained unresolved. Land litigations have continued into the present and are a widespread problem that politicians in Ghana are nervous about tackling.

\textsuperscript{296} Phillips \textit{Enigma}. pp.69-75.
\textsuperscript{298} Phillips \textit{Enigma}. pp.61-5.
\textsuperscript{299} Ibid. pp.65-6.
\textsuperscript{300} West African Lands Committee, \textit{Committee on the Tenure of Land in West African Colonies and Protectorates: Minutes of Evidence, etc}, Colonial Office, April 1916.
In Zimbabwe, we have the opportunity to study how West African lands policy might have developed had colonial administrators not baulked at the idea of conflict. Here, the question of title came to the fore again after 1992, when the government passed its Land Acquisition Act, signalling that with the expiry of the Lancaster House constitution in 1990, the ‘willing seller, willing buyer’ approach to land acquisition could now be replaced with non-market mechanisms of land redistribution. A year later, in 1993, the Zimbabwe Government appointed a land tenure commission, chaired by Professor Mandivamba Rukuni, to consider the appropriateness of the four types of land tenure in relation to ‘sustainable resource management, farm productivity and investment,’ and to recommend the most suitable land tenure system for each farming sector. In addition, the Land Tenure Commission’s terms of reference included an examination of inheritance systems and the problem of sub-division of plots into uneconomic units, as well as the ownership of different parcels of land in Communal Areas. It was to recommend appropriate inheritance procedures and appropriate farm sizes for each of Zimbabwe’s five agro-ecological zones, and also to recommend institutional arrangements, including legislative measures, to implement recommendations.

The Rukuni Commission’s report of October 1994 noted that all farming sectors were facing problems and that conflicts over land had ‘escalated’, particularly in Communal Areas, where land pressures had reached ‘crisis proportions’. It said the Small-scale Commercial Areas (the former native purchase areas) were in ‘chronic decline’ and faced ‘constraining inheritance problems.’ By contrast the Large-scale Commercial Areas, it said, were ‘the main source of land for land redistribution and these farmers worry over the prospect of losing land.’

In its introduction, the Commission noted that the productive use of land depended on such factors as quality of land, access to capital and agricultural services, farmer education, infrastructure and, most importantly from the Commission’s perspective, land tenure. It noted that tenure systems should be able to evolve over time in line with the level of development and that inflexible or externally imposed tenure systems could hamper development. It defined the effectiveness of any tenure system

---


115
as ‘its ability to facilitate high and sustainable levels of production as well as enhanced social cohesion.’ The Commission noted that while increasing land pressure appeared to be a prime mover for change in a self-evolving tenure system, the debate on tenure had been confined to the narrow concern of maximising productivity, with little regard for equity of access. Thus the agricultural system inherited at independence was ‘efficient’ but concentrated in a few hands. The Commission was tasked to compare and contrast investment and productivity levels between the freehold large-scale sector, the resettlement schemes, the leasehold and freehold small-scale commercial sector, and the communal sector.\textsuperscript{302}

Within these four sectors, the four types of land tenure systems that have existed in Zimbabwe since 1980 are communal, resettlement permit, leasehold, and freehold title. In addition there is the use of land owned by the state, through such state agencies as National Parks, the Agricultural Research Development Authority (ARDA), the Forestry Commission, and the Department of Research and Specialist Services (DRSS). Land leased in small-scale and large-scale sectors is all state land, as is the land farmed by permit in resettlement areas. The advantages of leasehold, as outlined by the Rukuni Commission, are the lower cost of entry into farming from renting rather than buying in the case of leased land and free use in the case of resettlement permit. In addition, individuals may have access to a larger piece of land than in Communal Areas, while the state may monitor patterns of land use by lessee/permit holder and change land use and occupiers. The disadvantages of the lease/permit system, as stated by the Commission, are that where the state has no ability to administer or manage it, this can have a negative impact on resource management and productivity. In addition, the conditions of the permit may lead to low investment and productivity levels, while the time limit of the lease may discourage long term investment.\textsuperscript{303}

Freehold title, as described by the Commission in 1994, that is six years before the land invasions, is awarded by the state after a period of investment and production on leased land. Once given title, the landowner is free to dispose of the land as he/she sees fit. The Commission saw the advantages of freehold tenure as fourfold. First,

\textsuperscript{302} Ibid.
\textsuperscript{303} Ibid.
freehold tenure promoted individual accountability and good resource management, and secondly it encouraged private investment before title was awarded. This in turn increased the collateral value of the land, which had the effect of facilitating more investment. The disadvantages of freehold tenure as listed by the Commission were also fourfold. In the first place, it could perpetuate a highly skewed land ownership. Secondly, resource conservation cannot be entirely individualised since land resources such as water and wildlife cannot be owned individually. Thirdly, land can be held for prestige and speculative purposes, and, finally, there is no guarantee of greater investment or production once title is awarded.

The two features of Communal Area tenure, as described by the Commission, are ‘traditional’ freehold tenure with rights to sub-divide for family members and to bequeath or inherit on arable and residential land, and communal tenure for grazing and for the use of forests and other resources. In contrast to state farming or land use, where the proceeds are not always accessible to the intended beneficiaries, the Commission lauded the communal system for enabling a growing population to share limited resources and promoting social cohesion and integration. It noted that close social interaction facilitates the sharing of labour at peak periods. Communal tenure also allowed a more cost effective and efficient way of providing public goods and services (dams, roads, dip tanks, extension and medical services). But on the down side, because of the difficulty of managing common resources where there is excessive population pressure, the free access to common resources can lead to over-exploitation of these resources leading to deforestation and overgrazing and long-term breakdown of the ecosystem. Adding to the problem, there was no incentive for individuals to invest in pastures, wells or afforestation because the investment would be freely enjoyed by other users of the commons. The Commission’s observations on the negative aspects of communal tenure amount to the phenomenon frequently understood as the ‘tragedy of the commons’. In addition, the problem of fragmentation as plots were sub-divided among heirs, also a keen problem in Ghana, meant that even though productivity per unit area may go up, incomes per household tend to decline. Communal land was not accepted by private credit institutions as a

form of collateral security. Where local institutions were weak, moreover, this tenure system was ‘more open to political and local authority abuses.’

The Commission concluded that no single tenure system can meet all national requirements. It concluded that communal tenure was appropriate in conditions of high population density and limited resources, but required an effective and credible administrative system. Leasehold and permit systems, on the other hand, allowed easier access to land, but short leases and permits were unlikely to facilitate private investment. It concluded that freehold tenure is most effective where private investment is facilitated by public sector investment in infrastructure. But, the Commission recognised that land under freehold tenure ‘may be underutilised and depending on the land market, could lead to skewed distribution of land.’ At the same time, it noted that state land ‘could benefit the society at large if used innovatively but could also be mismanaged.’ The Commission highlighted security of tenure as the most important ingredient in each tenure system.

At the time the Rukuni Commission sat, the Communal Areas covered 16.3m hectares, representing 42% of all land, generally of lowest agricultural potential with 74% located in Natural Region IV and V, which receive erratic rains, averaging less than 650mm a year. Yet Communal Areas are home to 70-80% of the Zimbabwe population, as noted by the Commission, and have the highest rural population densities.

The Rukuni Commission noted that under precolonial tenure, land rights were defined for groups, households and individuals on the basis of evolving traditions and customs. Individual families enjoyed more clearly defined spatial and temporal rights over the use of several parcels of land and the natural resources on it. On the question of usufruct, the report pointed out that rights frequently referred to as ‘usufruct’ are arguably a result of land being declared ‘state’ land both before and after independence, whereas the ‘notion of ownership is well established in...

306 Ibid.
307 Ibid.
traditional tenure.’ In other words, families considered that they ‘owned’ land that had been allocated to them in the age-old manner, while in the eyes of the state they merely had ownership of the fruit of the land. The Commission found that the most serious land conflicts occurred within the Communal Areas and that the interpretation of land laws and administrative procedures differed from the reality on the ground. The customary rules of inheritance always allowed subdivision and family rights were transferred to succeeding generations in accordance with customs. Families could also enjoy residual rights of certain land in fallow. However, while the formal interpretation of customary laws, the so-called ‘tradition’, remained rigid, informal institutions emerged or adapted to the changed conditions.

It can be seen then that in Zimbabwe as we saw in Ghana in the previous chapter, land laws that affect the majority of people have had a hard time keeping pace with changes as the continent moved gradually from conditions of land abundance towards those of increasing land scarcity. This has changed the nature of land ownership on the ground, but is yet to be recognised in law. In other words, while institutions have, formally, remained rigid, informally they have been changing. In Zimbabwe, to the extent that European settlers introduced private title, they did indeed create ‘better’ institutions to protect their property rights, as Acemoglu suggested, but their preoccupation with preserving ‘traditional’ structures in African reserves meant that institutions created by settlers would eventually be undermined as Africans sought over time to improve their security. This is not to say that peasant farmers do not feel that their communal tenure is secure. It is, however, to say that concepts such as ‘traditional’ make little sense if material conditions have changed to the extent that institutions, such as are represented in formal laws, no longer serve the needs of the overall economy.

4.2 Conflict and the Problem of ‘Tradition’

In the period following formal independence in Zimbabwe, land tenure commissioners found a situation of near anarchy in Communal Areas, where the breakdown of administrative structures coupled with an ‘erosion of authority and
responsibility’ had seen an escalation of land conflicts. A key source of conflict was the interpretation of land laws and clashes between local government officials and traditional leaders over administrative procedures. While Village Development Council (Vidco) and Rural Development Council (RDC) personnel believed that they had exclusive authority over communal land and that the source of tension was the reacquisition of some defunct authority over land, many villagers saw things differently. The Rukuni Commission found that most inhabitants of communal areas continued to refer land matters to traditional leaders and wanted the government to restore to traditional leaders the role and power of executors of customary law.

In contrast to today’s view of chieftaincy as undemocratic and outmoded, this suggests that villagers continue to view the ‘traditional’ system as socially efficient and therefore an institution they want to keep. This need not be taken to mean that rural people cling to old ideas. Rather, we might consider the Commission’s finding that traditional leaders were more credible and authentic authorities on matters to do with land and natural resources, whereas Vidco and Wadco (Ward Development Council) officials had limited knowledge of local government workings. In addition, these postcolonial institutions could hardly claim to offer a more democratic dispensation as many had not had elections for more than a decade and betrayed signs of autocratic behaviour.

It is often claimed that peasants are poor because they reside with uncertain title on communal land as players in the ‘tragedy of the commons’ referred to above. But while grazing land and other commonly held resources are properly understood as ‘communal tenure’ this is not really the case for arable and residential land. This point was recognised by the Rukuni Commission, which discussed ownership of such lands in terms of a ‘traditional freehold tenure right’, giving ownership to the family.

In Ghana, although racial tension has not been the issue that it has been in Zimbabwe, growing land scarcity in certain parts of the country has manifested itself in ethnic conflicts. Perhaps the most publicised of these have been the bloody

308 Hardin. ‘The Tragedy of the Commons ’.
disputes between the acephalous (chiefless) Konkomba and the Nanumba in the north of the country. Tracing the roots of the conflict to the nineteenth century patterns of domestic slavery and the colonial policy of siding with chiefly groups against acephalous ones, Katanga argued that postcolonial changes in the land tenure system have undergirded the conflict. In the past the office of land owners (tendana) was a spiritual one, as documented in colonial archives. When the constitution of 1978 vested all Northern Region lands in the paramount chiefs and their people, the Konkomba, having no chiefs, became landless and were effectively forced into servitude by those who had invaded their land in previous centuries. Katanga quotes Skalnik as opining that the Konkomba-Nanumba dispute arose from the uninformed postcolonial recognition by governments in southern Ghana of ‘traditional land rights’ in the north.

Other conflicts have been less well documented. The expansion of the cocoa frontier by south-eastern migrant farmers is an astonishing story that has been given prominence in this thesis. But this expansion generated controversy as forest rents mounted. Court cases over boundary disputes that occurred at the turn of the nineteenth century were cited in the last chapter. Amanor documented fresh outbreaks of violent conflict between Krobo and Begoro farmers in the 1980s over the expansion of the Manya Krobo frontier as land becoming increasingly scarce and degraded. In court, the Begoro ruling families claimed rights to jurisdiction. Their claims were contested on the basis of ‘traditional’ rights to control the land. But, as Amanor argued:

There is nothing traditional in the history of this area, which since the seventeenth century has been marked by upheaval and radical transformation. Such disputes need to be solved by considering the interests of the farming peoples and the security of agriculture, rather than on the basis of metaphysical conceptions of a tradition which lies above and beyond history.

311 The expression used by François Ruf to denote the long-term cost of clearing virgin forest to plant tree crops such as cocoa. See W.G. Clarence-Smith and F. Ruf (1996). 'Cocoa Pioneer Fronts: The Historical Determinants'. Cocoa Pioneer Fronts since 1800: The Role of Smallholders, Planters and Merchants. W.G. Clarence-Smith.
312 Amanor The New Frontier. p.60.
Underscoring this point, Boni’s study of land tenure in the Sefwi-Akan area noted that conflicts between immigrant tenants and chiefly institutions arose over a misunderstanding of titles and transactions, with each side accusing the other of breach of contract. Although money frequently changed hands, there was lack of clarity over whether this represented payment for the land or something more akin to tribute. Memoranda of agreement published by Boni stipulated one tenth of the proceeds from land as payable to the grantor.

Various contemporary conflicts over land have been cited by Berry to illuminate the conditions that transformed Africa from a continent of land abundance in the early part of the 20th century to one of growing land scarcity by its end. The complexity of land conflicts examined by her suggested that contemporary struggles over governance and the distribution of resources need to be placed in a historical context in which the imagining of timeless custom, the ‘invention of tradition’, and debates about the ‘social meaning of property’ are as much a part of the colonial legacy as the lands and boundaries being disputed.

Africans gave conflicting accounts of ‘custom’ not just to protect individual interests but also because African societies were in fact undergoing change. Far from timeless, Berry says, ‘“custom” proved in practice to be a shifting kaleidoscope of stories and interests that eluded codification. Officials’ efforts to get the customs right—by inventing them, if necessary—were often as destabilising as they were oppressive.’ In practice, social boundaries were:

…apt to be fluid and, contrary to officials’ expectations, bore no consistent relation to territorial divisions. Historical boundaries between chiefly jurisdictions or lands occupied or used by different groups of people were often vague or undefined; authority over land did not necessarily coincide with authority over people; and people were

319 Ibid.p.643.
disconcertingly ready to vote with their feet against unpopular chiefs or headmen.320

4.3 Property Rights and the Rule of Law

Mann and Roberts have demonstrated just how potent was the concept of ‘rule of law’ in legitimising colonial conquest in Africa, and creating not just a new economic and political order, but also a new moral order. The instruments for achieving the rule of law – the law courts, police and prisons – were created not only to ensure discipline, but also loyalty to this new order.321 As trade in agricultural commodities replaced the slave trade and colonial credit and indebtedness increased, the increased recourse to property pledges ensured that notions of the inviolability of property rights would become ever more embedded in the Victorian way of life. Even in the heat of late 19th century European competition, chartered companies – not just the BSAC – that led Britain’s part in the ‘scramble for Africa’ were enjoined to respect all local customs and laws governing the possession and transfer of land and other property rights.322

In both settler and peasant economies, the system of ‘indirect rule’ captured all the ambiguous ingeniousness of colonial invention. In colonial Ghana, as in other peasant export colonies, the system underpinned British rule. In Zimbabwe under chartered company rule and later ‘Responsible Government’, indirect rule was integrated into the so-called ‘two-pyramid’ system, whereby European settlers came under ‘direct rule’, while Africans, banished to the reserves, were to be governed indirectly through an adaptation of the precolonial political order that worked by replacing chiefs attached to the old order with chiefs offering allegiance to the new colonial order. Thus law and the struggle over resources became entwined in the making of a customary law that served the interests of those who produced it.

320 Ibid.p.644.
Within five years of an 1898 Report on Land Tenure in West Africa describing individual land ownership as ‘quite foreign to native ideas’, Chanock notes that the Privy Council generalised this supposed principle into a legal framework for the entire British Empire. Land belonged to the community, never the individual, and even at the level of community this right was never more than a usufructuary right, which, as Lord Haldane put it, could be ‘extinguished by the action of a paramount power which assumes possession of the entire control of the land.’ In other words, Africans had ‘lesser rights’ than the individual rights of ownership recognised in English law, and therefore land became the Crown’s on conquest. The colonial legal system’s version of customary land law served both to validate early land alienations and, as Chanock says, ‘conveniently removed the embarrassment that would arise from treating indigenous rights as if they were the equivalent of rights recognised in English law.’ Instead, ‘Africans were treated as people who had not “evolved” the institution of private property in land. This gave vastly greater scope to the state and also functioned as a powerful ideological criticism of African societies. Individual title could be thought of as a distant goal of policy; in the meantime colonial regimes would handle land in the best interests of the population.’

In this way, colonial agrarian policy resolved another awkward problem. While the enlightenment that colonialists prided themselves on disseminating throughout the empire was of a Smithian utilitarianism (self-interested individuals competing in an uninhibited way will create a natural social order) rather than a Hobbesian (individuals are completely equal in all respects except science) persuasion, colonialists who had imbibed John Locke’s doctrine of property rights as natural rights could not then be seen to be trampling on the property rights of colonial peoples. But if Africans and other subjects of the empire could be demonstrated to

324 For a trenchant discussion of 18th century utilitarianism, see Hobsbawm Age of Revolution. pp.285-305.
have no permanently alienable agrarian property rights, there could be no danger of unsettling their natural rights.

That certainly represented the ‘settler’ view of the matter, whereas in West Africa the ethos that came to be established by men such as Lugard and Clifford was that in order to counteract the activities of European firms, monopolies, fraudulent investors and speculators, Africans had to be protected against land alienation, and preserved from the evils of wage labour and the ‘destructive tide of modern individualism’.

But the result of this policy, as Phillips points out, was that colonialism failed to promote capitalist interest and African capitalism, such as it has been, was developed by West Africans themselves, most notably the cocoa farmers whose rapid and outstanding success convinced colonialists of the value of their policy.

Chanock suggests an organic relationship between colonial ambition and academic research. As the dissemination of enlightened ideas became less of a colonial preoccupation, this affected the perception of even anthropologists, who rejected any comparison between individual rights exercised by Africans and the rights pertaining in Europe, choosing instead the fiction that individual rights had no legitimacy in customary law, and thereby defending the post-confiscation status quo. According to Chanock:

As British anthropological scholarship developed, it departed from the notion of universals in human economic behaviour and institutions and embraced a world of cultural specificity. Western terminology to describe African land systems was rejected; even analogies were considered dangerous, though, like the lawyers, some anthropologists found it hard to resist dabbling in feudalism. The problem was how to categorise African landholding without falling into what was now seen as the initial error of contrasting Western individualism with the “communism” of primitive societies. It had become perfectly and increasingly plain as experience of the societies under colonial rule accumulated that Africans were asserting individual claims and that they used land in individual ways. But nonetheless anthropologists sought ways to accommodate this with the original general picture of a communal regime.

325 Phillips Enigma. p.4.
Someone who did not conform to this trend was Captain R.S. Rattray, portrayed in a biography by Machin\textsuperscript{328} as an outsider who made common cause with the Asante.\textsuperscript{329} The son of an impoverished Scottish colonial family, Rattray ran away from school to join the Boer War and, after a stint as a trader and hunter in East Africa, joined the colonial service in the Gold Coast, where his flair for African languages enabled him to make detailed studies of the customs of Asante. Considered an oddity within the colonial service, Rattray never achieved the promotion he hoped for, but was appointed the first ever government anthropologist in an African colony. His books on Asante drew attention to the intricate skill and aesthetic merit of indigenous craft and technological design,\textsuperscript{330} while his work on kente drew parallels with the social significance of Scottish tartans, as discussed in chapter five.

Rattray’s empathy and ability to see the beauty and wisdom in African traditions led him to an understanding of indigenous land tenure systems that should not be seen as indicating that he was less than forward looking. He felt that Asante law should be allowed to adapt itself to suit changing circumstances as they arose, and not be catapulted from one set of conditions (what we might call a ‘mode of production’) to another. Rattray saw indirect rule as ‘ideal’, provided it enabled the Asante paramountcies to rule with dignity over lands whose ownership remained unaffected by colonial conquest. He therefore took issue with the conclusions of Conway Belfield’s 1912 report, advocating land individualisation and taxation. Instead, Rattray believed that if convinced that the British genuinely wished to help restore the declining glory of Asante, the Asante would themselves willingly embrace light taxation as a means to finance their stools.\textsuperscript{331}

Far from arguing for cultural specificity, Rattray was keen to debunk the myth that English property law had peculiarities without parallels in other societies or systems. As he put it:

\textsuperscript{329} I am indebted to Paul Quartey for drawing my attention to Rattray’s biography, which can be accessed at http://lucy.ukc.ac.uk/Machin/machin\_TOC.html, and for lending me a first edition of Religion and Art in Ashanti. Subsequent editions were reprinted without Rattray’s original colour plates, which were destroyed in the Blitz. The plates show details of several hundred kente designs.
The student of the English law of Real Property who comes to examine the Ashanti law relating to that subject, will at first be astonished to find that a system, which he had been taught to believe was peculiar to his own country, had an almost exact replica in West Africa among the Ashanti…

The student who argues that the similarity in our own ancient feudal land laws to the system evolved in Ashanti was due to any culture contact or to European influences is, I believe, arguing on a faulty premiss. The human mind and human intelligence, even among peoples so widely separated in culture as the Ashanti and the English of the eleventh century, seem often to have reacted in a like manner to a similar stimulus, and the Ashanti, under certain conditions not unlike those existing at the time of the Norman conquest, seem to have evolved an almost exactly similar land code. This is not a matter of surprise when we know that our own laws, like theirs, were invented to suit a state of society in which writing was almost unknown and land was by far the most important form of wealth.332

Among anthropologists in the southern part of the continent, moreover, the fascination with feudalism, alluded to by Chanock, is not difficult to understand when we consider parallels with British history that are suggested in, for instance, the Ndebele concept of ‘King’s Cattle’. This might have invoked the Norman legal custom of land ‘held of the king’, which was introduced to England in the 11th century by the Duke of Normandy, William the Conqueror, to control the restive English through the military landholding system of feudalism. In Matebeleland in the mid-nineteenth century as in England after 1066, the strictest discipline was required to ward off military threats and to create social cohesion. Britain’s claim to Matebeleland in 1893, as the Normans’ claim to England following the Battle of Hastings, was based on conquest.

The concept of King’s Cattle bound the Ndebele, who had fled South Africa, into one military unit, just as feudalism bound England into one unit. The unit of unification in England was land (the ‘fief’), whereas in sparsely-populated Matebeleland with no shortage of land, cattle commanded a higher value than land and was therefore a more suitable unit. Land was removed from rebellious English landowners and redistributed to Normans on the understanding that for each unit of

332 Ibid. pp.223-4.
land the Norman landowner, or ‘tenant-in-chief’, would supply up to 1,500 battle-ready knights for a certain number of days each year.333 Through this system William could raise an invading army at any moment, in much the same way that the militarised Ndebele society was organised through a hierarchy of induna (councillors) and impi (regiments). Under a similar principle, cattle raided from the less politically organised Shona tribes were distributed among Ndebele households in the name of Lobengula. By upholding the principle that all cattle in Matebeleland belonged to the King, Rhodes’s men claimed possessory title to this source of Ndebele wealth by right of conquest. Hence the special appeal of the ‘loot right’ for the 1893 pioneers who conquered Matebeleland. Following Lobengula’s overthrow, Ndebele cattle were looted and divided between the pioneers and the new Southern Rhodesian state on the grounds that the Ndebele possessed no individual rights. These looted cattle provided the initial herds for the development of settler ranching.

Shona men and women were also captured during raids and absorbed into the third tier of Ndebele society, the amahole, sometimes loosely translated as ‘slaves’. Though that translation is inadequate, it is in keeping with the sentiment of Lobengula’s much-quoted letter to Jameson in which he refused to apologise for the raid near Fort Victoria in which hundreds of Shona were killed or captured, claiming, albeit misleadingly: ‘They are my slaves’. As with the Norman conquest of England, the British conquest of Matebeleland oversaw the decline of slavery as an institution.

But here the comparison ends. For the other Norman invention, the detailed land survey known as the ‘Domesday Book’, did not make its mark on the African landscape. This might suggest that Norman conquest ‘developed’ Britain in ways that British imperialism failed to do in Africa. Though the introduction of land registries was an early ambition of colonisation intended to facilitate possessory title, partial surveys in Uganda and Kenya showed that the financial cost of land registration would be exceedingly high.334 Later on the suspicion roused by detailed enquiries about land usage in colonies where land had been substantially alienated could hardly have provided encouragement for further registration, as noted above for the case of Ghana. At all events, while in one part of the continent, WALC

334 Chanock ‘Paradigms, Policies and Property’. pp.64-5.
members debated the extent to which West African landowners could be compared with English feudal lords, in the southern part of the continent comparisons between the English and the Ndebele were considered ‘fanciful’. Between the two races, the Privy Council saw ‘in all juridical conceptions, a great gulf fixed, which it would, perhaps, be only fanciful to try to span.’ It found some tribes so low in the scale of social organisation that it would be ‘idle to impute to [them] some shadow of rights known to our law and then to transmute it into the substance of transferable rights as we know them.’ Like everywhere else in the empire, it concluded that the Ndebele should be characterised as having lesser rights than in English law.335

Once this principle was established, Africans who continued to demonstrate wealth-maximising behaviour came to be seen as ‘unnatural and greedy’, Chanock notes,336 affirming the point made by Iliffe and others that though economically right, this was seen as behaviour somehow improper for Africans.337 This appears to support Acemoglu’s claim that institutions to protect property rights were weakened in areas of African settlement, while being strengthened in areas where Europeans chose to settle. Customary law continued to co-exist alongside imported Roman-Dutch law, but a weakening in the position of women suggests that this was in a less democratic form than in precolonial times.

In Central Africa, women’s ‘rightlessness’ emerges as part of a story of ‘mixing individuation, protective and communal ideologies, the development ethos, and facts created by the early colonial land grab’.338 Elizabeth Schmidt has shown that in Southern Rhodesia, colonial authorities bolstered male authority in a bid to confine women to rural areas.339 This was part of a two-pronged policy that drew men out of the rural areas and into the colonial labour market, where wages were kept severely depressed, while detaining women in rural areas to subsidise formal wages and create social stability.340 In the seemingly more benign colonial atmosphere of West Africa, the policy of preserving territorial peace through the preservation of customary law

---

335 Ibid.
336 Ibid. p.63.
337 Iliffe Emergence. p.137.
340 See Loewenson Modern.
did not include accommodation of women’s landowning rights. As the ratio of population to land changed, women, who made up 40% of independent cocoa farmers in the 1940s, found it harder to acquire lands in their own right, as husbands grew more reluctant to acknowledge that their wives had their own fields. Similarly, Allman and Tashjian’s women’s history of colonial Asante emphasised the ever-shifting character of women’s relationship to land and production. Chanock argued that the idea of women as landowners had no place in the customary law regime of colonial states, which saw matrilineal rights in particular as inconsistent with a ‘proper system’ of land tenure. Thus women’s property rights were eroded during the colonial period in both West Africa and southern Africa.

While it has to be acknowledged that land rights appear to have been connected with marriage in the past, as in the present, and that young unmarried males would expect to face the same difficulties accessing land as unmarried females, nevertheless men have increased their advantage in other ways. Chanock noted that men found it easier to establish their rights to retain land on the dissolution of marriage, particularly when colonial regimes recognised that a customary right could be established through the clearing of land. As land became scarce, women found it harder to acquire their own lands as men grew reluctant to acknowledge that their wives had their own fields. Some recent studies suggest that commercialisation of production has enabled women to increase their agricultural output by hiring both land and labour. In the Krobo area of Ghana, Amanor found that where land was insufficient for family needs, men relaxed controls on the labour of their wives and unmarried daughters and encouraged them to lease their own land. Where land was scarce, women had less of the household land allocated to them and were more likely than men to expand their production by leasing land or sharecropping. This suggests a high degree of individuation.

---

343 Chanock ‘Paradigms, Policies and Property’. pp.73-4.
344 Ibid.
Although the prohibitions on land sales that characterised the colonial period did little to prevent agrarian commercialisation, as noted by Chanock and Berry, the idea that asserting individual rights through the sale of land is not customary behaviour and therefore not legitimate has been carried from the colonial era into the present. So too, has the genuine concern noted by various scholars and felt by many policymakers and development workers about the effect of growing capitalism in increasing differentiation among peasants, signalling debt, landlessness and possible social unrest.

Among African leaders who espouse strong views about customary behaviour, Mugabe’s frequent calls for the preservation of African culture against the onslaught of ‘decadent’ Western values seem futile. But while his sense of what is proper for Africans has a distinctly colonial ring, we might recall Hannah’s discussion on the ‘decline of the English spirit’. He suggested that changing culture is a matter of choice. While the idea of impeding cultural adaptation may seem problematic, in material ways decisions about land tenure hold the key to the direction in which rural culture is likely to develop. In this respect, Mugabe’s decision to move cautiously on the question of private titling in communal and resettlement areas while permitting freehold title in commercial areas, though a continuation of colonial policy, has an objective that merits close attention. Allowing for the not unimaginable possibility that Mugabe is keen to maintain control of areas that have provided the backbone of his electoral support since 1980 – some 70%-75% of Zimbabweans live in rural areas – it is equally to be imagined that Mugabe is at least as keen as the colonial governments before him to shield vulnerable peasants from a new era of landlessness while avoiding the emergence of East African-type shanties around towns and cities.

Media reports of cronyism and the allocation of multiple farms to government ministers were addressed by a presidential investigation in 2003, which named guilty ministers and ordered them to hand back farms, under a ‘one man one farm’ policy.

348 For details of land redistributed to 160,000 peasant families under the A1 model and to larger scale farmers under the A2 model, see Moyo and Yeros 'Reclaiming'.
While policies such as this offend the free market ethos back in vogue in development circles since the 1980s, few would dispute that the gentle absorption of rural labour into urban industry at a pace the economy can accommodate is preferable to a scenario of landless peasants storming the cities. UN agencies recognise widely that landlessness is closely linked to poverty in Zimbabwe. Although much diplomatic work is needed to overcome the revulsion that Zimbabwe’s bloody land campaign drew internationally, ideological tolerance in development circles for land reform has been strengthened by empirical evidence from the East Asian countries, where it is now widely recognised that land redistribution played a critical part in creating the conditions of social equality that are considered to have favoured rapid industrialisation. East Asia’s land reform programmes attracted less international condemnation because it was Japanese landlords who were thrown off the land following Japan’s defeat in World War II, and because the four East Asian ‘tigers’ aligned themselves with the West. In Zimbabwe today, by contrast, the mantra of ‘rule of law’ has been used to silence any debate on the historical precedents for prising the country’s best lands from some 4,500 commercial farmers for redistribution to a million peasant households.

Yet laws, as Berry has reiterated, are human constructs, ‘neither better nor more durable than the political processes that make and enforce them.”349 The focus on governance issues means that there has been little examination of the conditions under which resettled farmers can be expected to surpass the production of commercial farmers whose farms have been reduced. But given the ever mounting tensions over uncertain land title in Ghana, not to mention other African countries where the question of title remains to be resolved, the Zimbabwe experiments are worth studying in detail, though the combination of repeated droughts since the dramatic phase of land reform begun in 2000, acute political polarisation, lacklustre policy and the impact of Zimbabwe’s pariah status on its financial health has made it difficult to draw early lessons.

349 Berry. ‘Debating the Land Question in Africa’. p.663.
4.4 Is Peasant Farming ‘Efficient’?

So is peasant production ‘efficient’ and if so why are there such contrasting perceptions of peasant behaviour in the literatures on Ghana and Zimbabwe? For instance, why are Ghanaian cocoa farmers, most of them smallholders, perceived as ‘rational’, ‘entrepreneurial’, ‘capitalistic’ and why are Zimbabwean peasants frequently characterised as unadaptable and ‘risk-averse’? The evidence examined above suggests that private property institutions created by European settlers were good at promoting capitalism, and in that sense ‘better’, to use Acemoglu’s word, for economic development than indigenous institutions. At the same time, private property institutions that were developing spontaneously in the Gold Coast alongside commodification were discouraged. In the more sparsely populated and therefore more labour-scarce Southern Rhodesia, commercialisation of land had not yet emerged among Africans. Once it did emerge, there was little land left to support its development.

As noted above, the Rukuni Commission suggested that the land tenure system inherited at independence was ‘efficient’, though land was concentrated in a few hands. By contrast, Clarence-Smith and Ruf have argued that estates are less efficient than smallholdings in every branch of tropical agriculture, provided that price distortions are removed. This position represents the new orthodoxy in arguments for redistributive agrarian reform, though, as Putzel argues, redistributive reform alone cannot produce economic development and programmes for the diversification of rural production are further needed. Putzel is sceptical whether governments can achieve this.

If as Clarence-Smith and Ruf suggest, efficiency is linked to pricing policy, then what can a focus on prices tell us about the link between culture and economy? Is there a problem of ‘embeddedness’ or is there merely a need for better price-making institutions? The next three chapters investigate these links. They aim to demonstrate

---


that attaching too much importance to cultural specificity may lead us to overlook universals in human behaviour and lead to policies that freeze culture and with it economic development. Without some basic understanding of the influence of the external environment, therefore, the study of endogenous behaviour may lead us to unsatisfactory conclusions.
5 Peasants, Culture and Economic Development

This chapter, which is closely linked to the two that follow, reviews the literature on ‘embeddedness’ and juxtaposes it with theories of peasant rationality. These are then viewed in the context of evidence on the behaviour of peasants in Gold Coast/Ghana and Southern Rhodesia/Zimbabwe. The chapter discusses some theoretical and empirical approaches to the question of culture and economy, which will be tested in the next chapter, to be followed in turn by an institutionalist analysis of observed deviations from ‘rational’ (in economic terms, this means self-interested, profit-maximising) behaviour.

5.1 The Problem of ‘Embeddedness’

The relationship between cultural values and economic behaviour has been the subject of a long-standing controversy in economic history known as the problem of ‘embeddedness’. One aspect of the controversy concerns the effect of social values on entrepreneurship. During the polemical debate of the 1950s between Alexander Gerschenkron, David Landes and others, Gerschenkron argued that it was untenable to explain economic backwardness in terms of a lag in social values.

The debate grew louder in the 1960s but was forgotten in the 1970s, only to resurrect itself in the 1980s and 1990s. Wiener’s 1981 hypothesis about the role of aristocratic values in British industrial decline, reprinted in 1985 and 2004, makes a persuasive argument that has some bearing on the present research. Aristocratic values go some way to explain the colonial character of ‘benevolent paternalism’, as well as the actions and ideology of settlers in Southern Rhodesia, which were

353 See further Gerschenkron Economic.
354 Wiener English.
discussed in the last two chapters. Anne Phillips’ *Enigma of Colonialism* explored the paradox of a colonialism in which officials ‘luxuriated in what seemed anti-capitalist bias’, glorying in their self-proclaimed role as guardians of a pre-capitalist order.  

She added: ‘British colonial practice seemed to pride itself on retarding rather than hastening change, drawing on the values of feudalism rather than those of capitalism.’

A key to understanding the ‘enigmatic’ British colonial values\(^\text{356}\) can be found in James Walvin’s article on the shaping of Victorian Britain. As Walvin puts it: ‘It was not quite the case that God was British, but that the British were uniquely blessed to carry out His work.’  

This was the reward for Britain’s role in destroying slavery, giving Britons a sense that they had the right to impose freedom everywhere. As a result: ‘Anti-slavery had become a defining quality of being British; a proof of the distinctive and divinely-inspired qualities of the British people.’  

This explains convincingly a good part of the ideology and actions of settlers like Rhodes and his men and clearly, then, culture has some explanatory power. But it also begs the question whether such values *led* to imperial conquest, or whether it was the need for raw materials that stimulated the creation of an ideology to justify their seizure. This question will be touched on in relation to the controversy between substantivists and formalists over the origins of price-setting mechanisms. This is at the heart of the embeddedness controversy.

The substantivist position identified with Karl Polanyi\(^\text{359}\) is that impersonal markets came to dominate the allocation of resources only with the Industrial Revolution. Before that time, economic behaviour was ‘embedded’ in non-maximising transactional modes, including reciprocity and redistribution, and this, Polanyi thought, put paid to Adam Smith’s universal ‘propensity to truck, barter and

\(^{355}\) Phillips *Enigma*. p.3.

\(^{356}\) Ibid.


\(^{358}\) Ibid. p.254.

\(^{359}\) In fact this was a reformulation of Malinowski’s anthropological work in the 1920s. See B. Malinowski (1922). *Argonauts of the Western Pacific: An Account of Native Enterprise and Adventure in the Archipelagoes of Melanesian New Guinea.*
Polanyi believed that indigenous trade, such as the West African caravan trade, took place in local markets and bazaars that were isolated from major ‘ports of trade’, where the state fixed prices and provided security and business services for foreign merchants. Substantivists thus claim that market theory cannot explain pre-capitalist societies. Formalists on the other hand argue that rational, self-interested behaviour is little affected by social relations. This position is ‘formalist’ because the assumption that individuals are motivated by profit allows economists to construct formal and predictive models of human behaviour. Thus formalists uphold the neo-classical position that the law of scarcity forces human beings, whose needs are greater than their means, to make choices, and that they make these choices rationally in order to maximise. Substantivists do not dispute this law, but say that there is a more substantive meaning to economics than profit maximisation, and that in pre-industrial societies, people’s economic choices are affected by their social relationships, including their cultural values.

Studies by formalists have demonstrated that even in antiquity, markets operated according to price mechanisms. In the context of West Africa, Robin Law argued that Polanyi’s assumption of price stability in Dahomey was incorrect, and rendered unsustainable many of his inferences about Dahomian economic organisation. To Polanyi’s claim that Dahomey had no land and labour markets, Hopkins replied that land was abundant and therefore had no price, while labour was scarce and therefore could not be bought at any price, a reformulation of the Nieboer hypothesis.

Intriguingly then, the counter-attack to protect Adam Smith’s legacy from Polanyi (who had to commute from Canada to his job at Columbia University because his wife, a communist, was denied entry to the US) brought many neo-classical scholars into alignment with Marx’s materialism. Conversely, not all Polanyi’s

---

361 John Scott. ‘Rational Choice Theory’ in Browning
364 Hopkins Economic.
followers were left-wing, including his most able champion in African research, George Dalton. In a 1962 collection of essays, Bohannen and Dalton emphasised the distinction between market place and market principle. In peripheral markets, the market place was present, but the market principle was as absent as in marketless societies. Prices in peripheral markets were determined by supply and demand, but the market was not integrated with production decisions and prices did not perform the function of allocating resources among alternative outputs. This made them multicentric economies. In unicentric market economies, by contrast, the market place had declined but the price mechanism integrated all sectors of the economy.\textsuperscript{367}

Bohannan and Dalton’s distinction between market place and market principle is useful, but they make too clean a break between multicentric and unicentric economies. Hopkins emphasised the variety of pre-colonial systems of production and argued that the organisation of trade and markets was both complex and efficient.\textsuperscript{368} Exchange and subsistence activities had always been integrated and the pure, subsistence economy was an exception rather than the rule. The early evolution of a general-purpose currency and an embryonic capital market signalled that exchange was widespread all over pre-colonial West Africa. Hopkins suggested that the failure of market activity to mobilise factors of production was better explained in economic terms related to technological limitations and demand constraints than in terms of social controls based on anti-capitalist values.\textsuperscript{369}

Various studies point out, moreover, that principles of reciprocity and redistribution operate in advanced market economies, notably through gifting,\textsuperscript{370} and urge a psychological profile of economic man.\textsuperscript{371} Hopkins drew attention to subjective factors in economic development when he advocated the need to take account of the situational logic, a conclusion based on his analysis of the diary entries of an

\textsuperscript{368} AG Hopkins, \textit{An Economic History of West Africa}, 1973: 4-11.
\textsuperscript{369} Hopkins 1973: 51-2.
indigenous entrepreneur in colonial Nigeria. The sociologist, Mark Granovetter, who coined the term ‘embeddedness’, believed that the level of embeddedness is lower in non-market societies than understood by substantivists, and has changed less with ‘modernisation’ than they believe, but is also higher than acknowledged by formalists and economists. Mainstream economists have tended to apply Occam’s razor to the debate. Despite the weight of counter-evidence, then, Polanyi’s observations do carry a ring of truth.

Within the framework of the new institutionalist economics (NIE), scholars have sought an ‘economising explanation’ for non-market transactional modes, acknowledging that the non-market allocation of resources was a major aspect of economic organisation well into the 19th century. Representing the formalist response, North proposed a testable framework of ‘transaction cost’ analysis, where the precondition for price-making markets would be ‘well-defined and enforced property rights over a good or service to be exchanged’. North argued that the non-price allocation of goods and services occurs when the costs of defining and enforcing property rights (the ‘transaction costs’) exceed the benefits.

By extending the microeconomic theory of price to economic and political institutions, NIE refocuses attention on how the ‘propensity to truck, barter, and exchange’, seen by Adam Smith as a distinct aspect of human behaviour, affects the use of scarce resources and the creation of wealth. Though within a rational-choice model, new institutionalists believe that the neoclassical assumption of profit maximisation makes sense only in a context of unrestricted market exchange, full information, and fully defined private property rights.

North defines institutions as ‘rules’, or ‘the rules of the game’. Institutions include ‘any form of constraint that human beings devise to shape human interaction, both

---

375 Smith Wealth of Nations. p.15.
formal (rules) and informal (conventions and codes of behaviour).’ Institutions therefore structure incentives (political, social and economic) in human exchange, while institutional change shapes the evolution of society. Cultural constraints, North suggests, connect the past with the present and future and provide the key to understanding historical change.377

By focusing on institutions as rules, new institutionalists have sidestepped the neo-classical view of social structures as patterns of interconnected individual actions.378 The framework facilitates the simultaneous use of neo-classical and Marxist analysis and also makes it possible for economic historians to recognise not just the market Adam Smith, but also the moral Smith. In essence the two sides of the embeddedness controversy represent his two sides.

One problem in the rational-choice assumptions retained by new institutionalists needs to be restated. Rational-choice contains a get-out clause, namely that individuals are motivated not only by profit, but also by the desire to maximise utility. ‘Utility’ can cover almost any motivation from personal happiness to altruistic behaviour, yet the predictive power of the neo-classical price model is weakened when, in addition to profit, it includes utility. For instance, price movements enable the formalist to guess whether the supply of and demand for a particular commodity will go up or down. In theory, then, supply and demand can be regulated by adjusting prices. If however, in addition to prices the formal model includes the range of utility options, it becomes unusable. The reliance on prices, however, means the model will only work when the market is functioning perfectly. And therein lies the conundrum that new institutionalists seek to address. In doing so, the stock-taking of ‘rules’ takes us back to Schumpeter’s ‘total preceding situation’, while the economising logic leads back to Smith and Marx (see Chapter Two).

The main error in Polanyi’s judgement has been pointed out by Hejeebu and McCloskey, following Sievers. In concentrating his attention on blowing apart the Smithian paradigm, Polanyi missed the more important point made by Smith, namely that the degree of the division of labour depends on the extent of the market. For the present research, the extent of the market – and that, for this researcher, derives from the size of population – has been a critical factor in the divergent peasant-settler paths of the two case study countries. Whereas Mashonaland and Matebeleland (the two territories that became Southern Rhodesia) appear to have had relatively undeveloped markets at the time of colonial conquest (though not during the pre-sixteenth century reign of the Monomotapa Empire), peasants in what became the Gold Coast had long been engaged in export trade, as discussed in Chapter Three.

The size of population is also, for this researcher, a key determinant of culture. It seems obvious to say that one need not look for the culture of the city in a hamlet. Yet this is in effect what Polanyi does. As noted in Chapter Two, low industrial development in Dahomey is strongly correlated with low population density. Polanyi’s observations are not wrong, it is simply that his examples are unrepresentative. For in choosing case studies with low population densities, Polanyi showed a lack of appreciation of the part played by population growth in an emergent market culture. Had he focused on denser population centres such as Kano or Asante, or Burundi for an east African example, he would have found plentiful evidence of commercial activity and wealth-maximising attitudes contained in proverbs such as ‘Money is king’ or ‘You cannot cook and eat nobility, money is

381 Smith Wealth of Nations. Book 4, ch.7
what it is all about’, and, most pertinently: ‘If gold was not made use of, then one
would simply call it sand.’³⁸⁵

The population variable may also have some bearing on the related question whether
peasants, who operate in a non-industrial economy, are efficient users of scarce
resources. The next section reviews the theory on peasant rationality.

5.2 Moral Economy or Rational Peasant?

In a study of peasant rebellions in Southeast Asia, Scott constructed a theory of the
destructive impact of colonialism on the ‘moral economy’ of the peasant. The
essence of such economy was a ‘safety-first’ principle in agriculture and a cultural
norm of reciprocity.³⁸⁶ The peasant was no Schumpeterian entrepreneur, Scott said,
and his risk averse behaviour (‘safety first’), sprang from the following dilemma:
‘Living close to the subsistence margin and subject to the vagaries of weather and the
claim of outsiders, the peasant household has little scope for the profit maximization
calculus of traditional neoclassical economics.’³⁸⁷ Instead, the allocative system was
based on a ‘subsistence ethic’, reflecting peasant conceptions of social justice, rights
and obligations, and reciprocity.

There has been some support for the idea of a ‘moral economy’ operating among
some pre-colonial West African societies, for instance among the Hausa.³⁸⁸
Elsewhere in Nigeria Sara Berry found that cocoa farmers exhibited risk-averse
behaviour and continued to invest in cocoa even when prices and income were
decreasing.³⁸⁹ But since these planting decisions were based on the opportunity cost at

³⁸⁶ J.C. Scott (1976). The Moral Economy of the Peasant: Rebellion and Subsistence in Southeast
Asia. pp.13-34.
³⁸⁷ Ibid. p.4.
Political Economy. 15/16. 53-62.
of Development Studies. 13. 1. 4-17.
a time, the 1930s, when prices of other crops were declining faster than cocoa, this
was evidence of rational behaviour rather than a subsistence ethic. Thus examples of
moral economy appear rare. Further evidence with respect to the two case study
countries will be sought below.

Haggis et al said Scott ignored important dimensions of class and nationalism and
unwittingly presented the landlord’s rosy view of rural life. 390 Michael Adas rejected
Scott’s ‘subsistence ethic’, noting that peasant households are ‘locked in a constant
struggle to maximise for themselves the largest possible share of what is perceived to
be a limited supply of material goods, status, rewards and even religious benefits.’
He went further: ‘The village world as a result is dominated by suspicion, rivalries,
and petty squabbling. Competition, rather than cooperation and mutual aid, is the
keynote of the peasants’ struggle for survival in the face of natural disasters and
manmade tribulations.’ 391 Over and above these telling observations, the most
systematic response to Scott came in Samuel Popkin’s The Rational Peasant. There
he laid out his view of the peasant as ‘rational problem-solver’, but criticised the
notion that the peasant village was an ideal model for emulation by industrial
societies. 392 An early new institutionalist, Popkin suggested that what was needed
was not so much ‘moral’ economy as political economy. 393

Theories of peasant rationality are derived from the work of Theodore Schultz,
paralleling W.O. Jones’s model of ‘economic man in Africa’. 394 Schultz’s ‘efficient
but poor’ thesis picked up on evidence by Hopper that peasants in a North Indian
village behaved as though they were maximisers. This prompted a reappraisal of the
old view of peasants as stupid and irrational. Schultz’s thesis rested on a feeling that
despite ‘comparatively few significant inefficiencies’ in ‘traditional’ agriculture,
peasants are poor because no further reallocation of factors at their disposal can

x.
393 Ibid. pp.17-22.
394 Jones. ‘Economic Man in Africa’.
improve production, given technology and resource constraints.\textsuperscript{395} It is in this sense that they can be called optimisers.

Because Schultz’s peasants optimise within an inherited production function, learnt over at least a generation through trial and error, (he uses ‘traditional’ to mean conditions are constant) his model has been considered one of static rationality, describing efficient allocation in a fixed situation. Ball and Pounder suggest that an emphasis on responsiveness (that is, ‘poor but responsive, rather than ‘efficient but poor’) is needed to bring out what is dynamic in Schultz.\textsuperscript{396} In contrast to Schultz, Polly Hill’s work on rural capitalism in West Africa emphasises the shifting parameters of peasant society, and are a statement of dynamic rationality.\textsuperscript{397} Where Schultz’s model assumes economic equilibrium after a long period of conditions, including attitudes held constant, Hill’s country people (she rejects the term ‘peasants’) are highly differentiated. She called attention to Lenin’s 1899 essay, describing the evolution of the rural bourgeoisie and rural proletariat at the expense of the ‘middle peasantry’, a class of self-sufficient households that would be displaced and dissolved as rural capitalism developed.\textsuperscript{398} This was a development of Marx’s idea that the peasantry could not resist eventual absorption into the ranks of waged labourers (‘proletarianisation’) in a capitalist mode of production.\textsuperscript{399}

Against these views, the Russian narodnik (‘agrarian populist’) Alexander Chayanov tried to construct a theory of a unique peasant mode based on a principle of ‘self-exploitation’ on self-contained family farms. This is an intriguing concept, though one that seems to overlook the exploitation of women and children by rural male patriarchs. Agrarian populists from Chayanov to Lipton ignore peasant differentiation altogether, believing that differentiation where it occurs is ephemeral, since ‘today’s kulak may be tomorrow’s peasant’.\textsuperscript{400} They dispute the Marxian idea that peasants are stuck in a feudal mode of production, believing that peasants have

\textsuperscript{396} R. Ball and L. Pounder. (1996) 'Efficient but Poor Revisited'. \textit{Economic Development and Cultural Change}. 44. 4. 735-60.
\textsuperscript{397} See Gareth Austin’s introduction to Hill Migrant.
\textsuperscript{400} For a review of Chayanov, Lipton and other agrarian populists, see J. Harriss, Ed. (1982). \textit{Rural Development: Theories of Peasant Economy and Agrarian Change}.
existed in all modes and will survive capitalist development. To sustain this position, Chayanov advanced the concept of a specific peasant mentality. Yet, though moral economists may find evidence of this mentality in developing countries, it has all but disappeared in advanced industrialised economies, giving credence to Marx’s view that the mentality goes with the economic mode, rather than the reverse. In addition, agrarian populists have failed to address the problem raised by Adam Smith, that labour is less divisible in agriculture than in manufacturing industry, and for this reason agriculture cannot compete with manufacturing in raising productivity. This suggests a logic that seems threatening to the survival of peasants in industrialising economies, but must be evaluated in the new context of the changing needs of agribusiness in a globalised economy.

Lipton, the originator of the ‘urban bias’ theory,\textsuperscript{401} believes peasants are ‘optimisers’ only in the sense that they strike a balance between profit maximisation and minimising risks.\textsuperscript{402} Lipton argues that peasants can be seen as ‘mini-maxers’ (the concept derived from game theory) who are constrained in their behaviour by a ‘game against nature’. Their non-maximising behaviour can be explained in terms of Herbert Simon’s concept of ‘bounded rationality’, based on a psychological rather than an economic model of man. Within this limited rationality, peasants do not ‘maximise’, but ‘satisfice’, that is, they seek a satisfactory outcome on several scales, including profit and security.\textsuperscript{403} This is a pleasing resolution of the ‘Adam Smith problem’ (see chapter two).

This section has reviewed some of the major theories that shed light on the question whether peasants are efficient. Scott’s moral economy suggests that peasant economics are embedded in a subsistence ethic, a restatement of Polanyi’s substantivist view. Popkins believes peasants are rational agents who want to improve their lot, a restatement of Schultz’s view. The section has also looked at theories of peasant differentiation and compared these with Chayanov’s concept of a

---


unique peasant mode. The next two sections review the application of these theoretical approaches in the two literatures on Zimbabwe and Ghana.

5.3 Capital Accumulation and the ‘Moral Economy’ of Peasants in Zimbabwe

You people don’t understand them. They’re not interested in money. Some of my friends got a scheme going, they cleared land for them, used their tractors to plough it and then gave them seeds and all the rest. They had a grand crop. And my friends said, we’ll do even better next year. And you know what they said? We can’t do that. We won’t do much next year. So they asked, why the hell not? And they laughed and said, we got enough cash for two years. If we get more our families will come and live with us. They’ve got this extended family thing, you see. It keeps them back. They’re a primitive lot…As for productivity, forget it. Only people who have the know-how, which means the commercial farmers, can turn marginal land to good use. The native can’t do that.404

Terence Ranger suggests the existence in Southern Rhodesia up until the 1940s of a ‘moral economy’405 in which peasants paid rents not to landlords, but to investment companies who found it more lucrative to hold onto land and rent it out to Africans than to sell to new settlers who could not afford to pay more than £400 for land, compared to the £80 a year that could be raised from African tenants.406 The functioning of this moral economy meant that Africans, whose status had overnight been reduced from that of landholders to ‘squatters’, and who had to fight to become peasants, were able to remain on ‘European’ land long after promulgation of the 1930 Land Apportionment Act (LAA). But in the late 1940s, at a time when the ‘peasant option’ within African Reserves was threatened by overpopulation and government coercion, investment companies suddenly called in their land. Ranger argues that while violation of the moral economy did not result in a Mao-Mao style uprising that occurred in Kenya from 1952-4, the simmering discontent that all but

405 Ranger Peasant, p.102.
boiled over in Matebeleland did give rise to a heightened peasant consciousness that was later to feed into the nationalist movement from the 1950s.407

Perhaps ‘moral’ describes the racial co-existence abrogated by the 1930 Land Apportionment Act (LAA), but if we probe the features of Ranger’s ‘moral economy’ and compare them with Scott’s ‘subsistence ethic’, the functioning of an economy in which peasants paid rent for land on which they previously had free usufruct right begins to look more like a market economy than a moral one. Thus, Ranger’s ‘peasant consciousness’ (which Palmer calls ‘land grievances’)408 speaks less of a Chayanovian peasant mentality as of a developing capitalist consciousness, heightened by the politicising effect of guerrilla war. This is further underscored by the suggestion that contact with the new settler economy stimulated adaptation among African shifting cultivators who resisted incorporation into the wage economy by becoming sedentary peasants. It was therefore the moral right to remain on land that had been alienated to Europeans, rather than a moral economy, that was violated when the land was withdrawn by the companies. This was part of the post-war eviction of Africans into reserves that also occurred in Kenya. Mosley does not quite explain this in terms that ‘dynamic white farming in both Kenya and Rhodesia needed for the first time room to expand,’ as Ranger claims he does.409 Dynamism was still some way off. Rather Mosley says that by now sufficient numbers of settlers had moved from prospective buyers of land to prospective sellers to be alarmed at the possibility of continuing administrative control of land prices in the face of the increasing scarcity of attractive land, which would only attract new settlers if sold at a low price.410 Mosley’s point will be returned to below. Palmer and Phimister explain the accelerated evictions of Africans in terms of the arrival of new white owners keen to escape the severity of post-war Britain.411 As Ranger himself noted, the land companies had existed because European farming was ‘slow to establish

407 Ibid. p.102.
408 Palmer Land. p.244.
409 Ranger Peasant. p.102.
itself." A sign of this was that African and European farmers had used similar technology until this time, as Palmer, and later Muir, pointed out.

During the ten-year period from 1937 to 1947, 1,038 farms were taken up by new settlers and in 1947 alone, 300 new farms were allocated. Between 1945 and 1951, 85,000 peasant families (estimated by Phimister at 425,000 people) were shifted to the now crowded reserves, compared to 100,000 Africans in Kenya in the period before Mao Mao. In both countries ‘squatters’ that did not accept labour contracts were evicted. Later when post-war recovery brought a boom in Europe, investment companies cleared Africans off large estates, which were broken up for sale or lease to whites. White public opinion now demanded rapid enforcement/implementation of the LAA. Part of the justification for this was that the presence of Africans lowered the value of land. Yet in Kenya, the settler community’s resistance to repeal of discriminatory land laws was weakened once it was shown that possessory segregation of land was keeping values down. In Southern Rhodesia, by contrast, space could only be made for new settlers by getting existing owners to sell. But land would only be attractive to new settlers at low prices and with vacant possession. In the event, the government could not restrain land prices in private market and the price doubled during 1945-48. Hence the need to remove the ‘squatters’.

These facts suggest that market considerations encouraged the so-called ‘moral economy’ and market considerations dissolved it. To justify the eviction of ‘squatters’, settler ideology emphasised the association of racial co-existence with low land values. This new attitude reinforced the evictions and is an example of the economy moulding social values and culture.

---

416 Ranger Peasant. p.102.
417 Ibid. p.103.
418 Ibid. p.104.
419 Mosley Settler. p.29.
420 Ibid.
But what Ranger later unveils is, quite distinct from the moral peasant, a ‘radical peasant’, eager to reclaim old lands in the years after political independence. This radical peasant is evidently not constrained by Scott’s ‘weapons of the weak’. Ranger cites the evidence of thousands of radical landless peasants joining a squatter movement, while other peasants indicated they would ‘wait for our government to say when’ [they could reclaim land they had occupied until the mid-1940s]. This supports Moyo’s thesis that the land invasions from 2000 were the final denouement in a twenty-year history of land reclamation by peasants.

Ranger’s treatment of peasant differentiation is more cautious than elsewhere in the literature where the suggestion of a market economy is more explicit. One of the early sources of rural stratification was the plough. Phimister notes that after the turn of the century, native commissioners around the country reported the development of a market for plough hire as Africans who were able to hold on to some cattle purchased small American ploughs and expanded cultivation, sometimes marketing significant quantities of grain. Oxen were in demand to cart wood and supplies for small mines or to plough the lands of other small farmers, at an average charge of 10s a day before the 1920s. By 1916, a similar pattern had emerged in Mashonaland. Ownership of ploughs spread quite widely, though by 1920 they were still beyond the reach of an estimated 90% of the rural population. The wide dissemination of American ploughs suggests cultural acceptance away from major market centres, (notwithstanding the prior existence of indigenous ploughs) while the fact that they were beyond the reach of most suggests market reasons for their thin concentration.

Differentiation became accentuated as plough hiring was combined with older forms of accumulation. In one of these forms, known in Shona as nhimbe (communal work party) the better-off farms used their surplus grain to brew beer for neighbours who

---

421 Ranger Peasant. pp.305-16.
422 The term used by Scott to denote forms of resistance by peasants reluctant to risk outright confrontation with the authorities over taxes, development policies or new laws. Weapons of the weak include non-compliance, foot-dragging, deception. See J.C. Scott (1985). Weapons of the Weak: Everyday Forms of Peasant Resistance.
423 Ranger Peasant. p.305.
424 Moyo. 'Land'.
425 Ranger suggests researchers need some class analysis but more emphasis on ‘impulses which sprang from the peasantry themselves.’ p.253.
would volunteer their labour during the next season. Poorer farmers, unable to call on collective labour in this way, cultivated a smaller acreage and achieved a poorer yield than on neighbouring kraals. This accounted for the large fields owned by some individuals. By 1920, plough and oxen were also used for collective work.\textsuperscript{427} However, Weinrich found that peasants who hired labourers did better than those who relied on work parties, whom she saw as merely interested in ‘getting a job done’.\textsuperscript{428} If Weinrich’s findings can be generalised, then this suggests that \textit{nhimbe} may not be evidence of reciprocity so much as the non-wage payment for recruitment of scarce labour. This in turn suggests a materialist rather than a culturalist explanation for moral behaviour, though clearly the two are intertwined.

Oral testimony suggests that a similar practice known as \textit{ilima} among the Ndebele took fuller account of social inequalities, operating in a type of moral economy in which the wealthier members of the community assisted poorer members. Yet what appears to be moral support is in material terms a system of labour procurement. Mavis Moyo, who was born into a rural Ndebele community in 1929, remembers that work gangs from ten or more families in the six or so \textit{kraals} making up a village would bring hoes to weed a person’s fields and loosen the soil a few weeks after planting, allowing crops to grow unhindered. This backbreaking work would be rewarded with a mid-morning bowl of maize porridge, a hearty lunch of goat stew, vegetables and \textit{sadza} (a type of maize polenta) and, to celebrate the end of a 12-hour work day, a beer party. Since ploughing was a less labour-intensive activity than weeding, \textit{ilima} did not involve ploughs. According to Moyo, poverty did not automatically bar a family from this collective work ring. She added that: ‘The communities would assist with food if they knew you didn’t have enough. In Matebeleland we were obliged to help our neighbours, even poor people.’\textsuperscript{429} These two statements again suggest that reciprocity was in essence an exchange of non-money wages. Moreover, the operation of this economy did not inhibit the processes of differentiation described by Phimister. According to Moyo:

\textsuperscript{427} Ibid. p.73.
\textsuperscript{428} Weinrich \textit{African}. p.308.
\textsuperscript{429} M. Moyo. August 2001. Personal communication.
Rich people who had more fields probably had more turns and they got richer. But they were very generous. They wouldn’t remove all their crops during the harvest. They would harvest the best crops and leave the rest for anyone who wants. It was mainly we children who would collect the crops left and take them to the [white] farmers’ shops. We would exchange them for blankets or even dresses. The farmers would buy them to feed their stock, so we had a ready market. We were able to wear shoes as a result. So rich farmers have always been rich.430

This is reminiscent of Polanyi’s claim that ‘generosity to the point of self-forgetfulness’ is the greatest source of social prestige in ‘tribal’ societies, where individual interests are submerged to community ones and members are not left to starve. Thus, ‘the idea of profit is barred; haggling and haggling is decried; giving freely is acclaimed as a virtue; the supposed propensity to barter, truck, and exchange does not appear. The economic system is, in effect, a mere function of social organisation.’431 Yet while there are striking similarities between Polanyi’s observations and the information received, it is possible to propose another ‘economising explanation’. The fact that the ‘best crops’ were removed might suggest that it was uneconomic for a farmer facing severe labour shortages to harvest and market the lower-value crops. In this case, the decision to leave part of the maize crop for poorer members of the community, who it can be noted wasted no time in seeking economic gain through barter, can be considered in similar terms to the response of cocoa farmers during price slumps. This will be explored in the next chapter.

Aside from the accumulation aided in some districts by ploughs, cattle wealth, and an increased use of equipment such as sleighs and scotchcarts, in other districts, by 1919, peasants flourished where the demand for their produce was strong. Agricultural reports cited by Phimister noted that many peasants could enjoy a higher income from paying attention to their stock than from going out to work.432 This supports Arrighi’s point that ‘the effort-price of cash income earnable through the sale of produce was lower than that earnable through wage employment’ in the early

430 Ibid.
431 Polanyi Great, pp.46-9.
432 Phimister Economic, p.74.
years of the century. However, as Rhodesian policies from the 1920s progressively pushed up this effort-price, for women, it was even higher. Elizabeth Schmidt argues that the colonial administration bolstered traditional patriarchal authority, with the effect that women, whose work was increased by male out-migration, began escaping the rural areas to seek wage or informal employment. All of these points suggest not a moral economy, but that peasants were producing for the market.

According to Phimister, even in districts where peasants faced competition from a large white farming community in possession of almost 90% of the district’s land, ‘a minority of richer producers nonetheless managed to keep themselves from being completely submerged by the advancing tide of proletarianisation’, via the tenancy agreements with white farmers alluded to by Ranger. However, most rural blacks found the economic balance tipped by a combination of government policy and natural disasters against them, and suffered deterioration in their material conditions of existence. This shows that government policy destroyed the market.

But the reaching of this conclusion is disputed by Mosley, who maintains that the theory of peasant regression, along with the arguments about the stagnant real wage and the inefficient white farmer, are stereotypes built on a poor database. His econometric analysis showed that productivity fluctuated with no clear trend during the colonial period, but that during periods when it increased (the early 1920s and early 1950s), this pushed up the supply price of labour. Since labour shortages could not be eased by existing political measures, economic measures (a rise in wage levels) were introduced. Mosley argued, moreover, that the European rural bourgeoisie were not, at most periods for which data exist, less efficient than principal growing sectors regions in other parts of world, though the government did keep many inefficient farmers in business. He said the image of the settler farmer projected by underdevelopment theorists was only the ‘modal’ farmer.

434 Ibid.
435 Schmidt Peasants.
436 Phimister Economic. p.79.
Mosley’s thesis is sufficiently distinct from the main body of thinking on Southern Rhodesian economic history as to warrant close attention. This will be done in the next chapter. However, one flaw in his argument needs to be pointed out here. Mosley says the stereotype view that European agriculture in the settler economies was uniformly less productive than elsewhere in the world merely describes the ‘majority of inefficient, amateur farmers in the tail of the yield distribution.’\textsuperscript{438} He says the stereotype merely addresses the inefficient white ‘modal’ farmer yet fails to account for the ‘minority of highly efficient, frequently foreign-owned concerns’ who made up part of the ‘rural bourgeoisie’\textsuperscript{439} Yet this merely reinforces the sense that Zimbabwe’s land distribution has been largely inefficient and suggests that the majority of inefficient large-scale farms should be redistributed to efficient peasants if the economy is to perform optimally, if indeed peasants are efficient. It also appears to be calling for more class analysis, though this occupies relatively little space in Mosley’s study. In spite of this flaw, and the foregoing discussion, Mosley concluded that all actors pursued their rational economic interests and while the African peasantry in general failed to adapt in the face of declining per capita acreage and competition in product markets, and might therefore be seen as ‘irrational’, intensifying agricultural production was indeed the rational response as land became scarcer. Rationality, he noted, ‘itself takes on a specialised meaning in a policy environment which is perceived as hostile.’ He suggested that the reluctance of peasants to adopt technical change in maize cultivation was not so much a risk-averse ‘game against nature’ as a ‘game against the government.’\textsuperscript{440} Mosley’s conclusion suggests a strict adherence to the rational-choice school and will be tested in the next chapter, alongside the claims of underdevelopment theorists.

\textsuperscript{438} Ibid. p.177.
\textsuperscript{439} Ibid.
\textsuperscript{440} Ibid. pp.234-5.
5.4 Peasant Rationality and the Ghanaian Cocoa Farmer

Economic conditions have changed in the Gold Coast largely as a result of the successful development of the cocoa industry. The average farmer instead of being as formerly a labourer himself has now become an employer of labour. Likewise cocoa has been responsible for the development of an individualistic spirit in production as against the communal co-operative system under which palm-oil was produced in former days.441

Scott’s notion of ‘safety-first’ appears difficult to square with the signs of a vigorous entrepreneurship among African farmers in Ghana at the turn of the twentieth century. Nevertheless, the quotation above, from a colonial report, does lend some credence to the substantivist view of the individualistic spirit as a capitalist creation. But there has been little support for Szreszewski’s notion that by activating labour resources, which were then converted to income, cocoa was the ‘ideal solution for an economy restricted by supplies of effort’.442 In a characteristic objection, Hill rejected this ‘choice of leisure’ hypothesis as failing to capture the energy of the migrant cocoa farmers.443 As noted in Chapter Two, she said the only constraint was the lack of economic opportunities. Interestingly, then, while Mosley criticised the stereotype of the inefficient white settler farmer and argued that a minority was in fact efficient, Polly Hill criticised the stereotype of the leisure-choosing black peasant farmer and argued that a majority of migrant cocoa farmers was dynamic enough to be called capitalists.

Despite Hill’s work, Francis Teal thought that the enterprise of the Ghanaian peasant in expanding cocoa acreage had been ‘grossly underestimated’, and that his technical efficiency in doing so had been therefore ‘overestimated’.444 The technical efficiency, remarked upon by authors from Hancock to Austin, concerned the institutionalisation of labour-saving devices in a labour-scarce economy. As shown by Austin, while plantation agriculture in Ghana relied heavily on wage labour,

442 Szreszewski Structural. p.105.
443 Hill. 'Review'. p.132.
peasant production could be sustained with or without hired labour. Moreover, the use of labour, when hired, was more economically efficient because the techniques chosen suited the combination of factors of production. In order to obtain the best world market prices, West African cocoa producers devised an optimum process for the fermentation of cocoa beans that rivalled the more labour and capital-intensive method recommended by the agricultural departments in British West Africa. Similarly, they developed an economically efficient and environmentally sound means to deal with the spread of capsid infection. Thus, success rested less on the use of family labour, as posited by Chayanov, as on a system of cultivation more befitting the land-to-labour ratio than the mechanised and intensive methods of cultivation on European plantations.

Making the rationality case for Ghana’s farmers, Austin highlighted the ability of peasants to optimise within particular factor constraints, but emphasised the importance of incentives, in particular price incentives, in determining the willingness of farmers to experiment with unfamiliar crops. In this vein, the rapid adaptation to a novelty crop that led to Ghana’s emergence as a world market leader, what Austin calls a ‘triumph of indigenous economic rationality and entrepreneurship’, was mainly due to the responsiveness of small farmers to market stimuli.

The first acclaimed cocoa farmer in Ghana was, remarkably, a blacksmith. Cocoa-growing in the Gold Coast was first mentioned in an 1815 Dutch publication. In 1857, Basel missionaries imported some seedlings from Surinam and the first ripe pods were obtained in 1866. The next recorded importation was by blacksmith Tetteh Quarshie, who obtained seedlings from Fernando Po and established a nursery from which he sold seedlings a few years before the first official importation. And thus

445 Austin 'Mode'.
447 Austin 'Mode'.
448 Ibid.
449 Ibid. p.158.
450 Gold Coast Government (1937). Gold Coast Handbook. Unfortunately, the Dutch publication is not named.
began an astonishing tale of the development by indigenous farmers of an industry that was to transform Ghana, within twenty years, into the world’s leading producer of cocoa for the chocolate manufacturers of the early twentieth century.

Hill’s work gives an invaluable insight into how cocoa wealth transformed labourers into employers. The ‘capitalistic’ development of the cocoa sector in Ghana was based to some extent on the customary *abusa* (‘tripartite division’) sharecropping system. The ‘*abusa*-tenant’ was a stranger-farmer who obtained ‘stool’ land directly from chiefs, was otherwise not assisted by the landowner, and paid one-third of the proceeds to the chief, retaining a two-thirds share for himself. By contrast, the ‘*abusa*-labourer’, also originally a stranger, was engaged by the private owner of a cocoa farm and remunerated with a one-third share of the proceeds once a farm came into full bearing. These sharecroppers also received their own food farms. *Abusa* labourers, assisted by their families, cleared forestland, planted cocoa trees, and weeded, harvested, fermented and dried most of the Gold Coast’s cocoa, evolving into farmers. In the early days of cocoa cultivation, *abusa* tenants and labourers were associated with the establishment of new cocoa farms. Thus, the system was a convenient way of transferring ‘ownership’ of land, without alienating it, to strangers, and of overcoming labour shortages. hill2006 Another system of labour employment that spread eastwards to Togoland revolved around the *nkotokuano* labourer (*nkotokua* mean bags, or loads), who produced cocoa for an employing farmer, receiving a fixed sum per load, and a food farm if he had helped to establish a new farm. These labourers, Hill says, had ‘one foot firmly embedded in the cash economy and the other in the subsistence economy.’ Other forms of labour employment included annual labourers on a fixed annual wage, piece-work contract labourers, and daily wage-rate labourers. Hill’s survey showed that farmers who employed labour produced more loads of cocoa than those that relied on their own families.

It is in this context that communal labour exchanges may be viewed. Among the wealth-maximising Asante, a form of communal labour exchange, *nnoboa*, with

---

452 Hill *Gold Coast*. pp.8-24.
453 Ibid. p.33.
parallels in *nhimbe* and *ilima* in Zimbabwe, has persisted into the present. *Nnobo*a activities include harvesting, plucking and breaking cocoa pods.\(^{455}\) While it is tempting to see this practice in terms of moral economy, the weight of evidence suggests *nnobo*a is yet another sign of the peasant as ‘rational problem solver’.\(^{456}\) It then seems possible to suggest that the dual problem being solved was one of low population density and low capital accumulation.

One curiosity in Hill’s work is her reluctance to look at social conflict within the cocoa sector, given both her understanding of cocoa farmers as ‘capitalists’ and her attention to Lenin’s essay on social differentiation.\(^ {457}\) Yet Hill was emphatic that labour employment was ‘not the crux of the matter’, and argued that the systematic large-scale employment of farm labourers marked the second, not the first stage of capitalistic development from about 1900. In addition, many farmers who continued to invest their surpluses in the expansion of their business never employed labourers, she pointed out. In the early days of cocoa establishment, migrant farmers were reluctant to ‘waste’ money on employing labourers that could be invested in land and seed pods for establishing new cocoa farms.\(^ {458}\) At first sight this appears to be a confirmation of Chayanov’s claim that 90% of Russian peasants employed no labour.\(^ {459}\) However, there are sufficient clues in the evidence to suggest that the availability of labour to hire was related to population density. Thus cocoa was the ideal solution for an economy not constrained by supplies of effort so much as labour, which derives from the population variable. Chayanov himself admitted that his theory worked best in thinly populated areas.\(^ {460}\)

The creation of the cocoa industry was based on the migration, from 1892, of southern Ghanaian cocoa farmers into the sparsely populated forest belt. A later expansion occurred in Asante and Brong Ahafo.\(^ {461}\) In the southern Akim Abuakwa region, where the cocoa-growing industry first took off, local farmers usually resided in the old Akim town and farmed in the locality. Almost half of these farmers were

---

\(^{455}\) See Austin *Labour*. pp.313-4.

\(^{456}\) Popkin *Rational Peasant*.

\(^{457}\) See Lenin ‘The Differentiation of the Peasantry’.


\(^{459}\) Chayanov *Peasant Economy*. p.112.

\(^{460}\) Ibid. pp.vvi; 111.

\(^{461}\) See Austin *Labour*. 157
women who owned cocoa farms in their own right, though these were usually small, and who were also responsible for food farming. Hill suggested that the size of farm in all cases is determined by a single season’s clearing of the bush by a farmer, a labourer or a family group. Thus the scattering of cocoa farms became a function of the time lag of at least two seasons during which a farmer drew intercropped food before establishing a new cocoa farm. Though the Akim farmers came to be seen as ‘typical’ cocoa farmers, Hill shows that they were unimportant in the development of cocoa up to 1911. The true pioneers migrated from southern and coastal areas where cocoa could not be grown, or where land was insufficient to support expansion. The first type of migrant was the ‘patrilinetal stranger-farmer’ who, strikingly, formed a ‘company’ (asafo) with a group of fellow-farmers to reduce the cost of purchasing land ranging in size from 50 to 3,000 acres. The land was divided into strip farms whose width depended on the contribution of each individual subscriber. Following sub-division, the company was disbanded and each farmer was free to use or dispose of land as desired. The other type of migrant was a ‘matrilinetal stranger-farmer’ who usually bought land for his own use and for that of the abusua (matrilineage). These family farms are usually irregularly shaped, varying in size from fifty acres to several square miles.\(^{462}\)

Hill believed that the first type, the settled Akim farmers, might be considered as ‘peasants’ (though she preferred the term ‘sedentary farmers’). She thought these were ‘not of the stuff of which pioneering farmers are made.’\(^{463}\) The truly economic innovators, those that ‘bent their energy and intelligence to the business of cocoa-farming with supreme success’ were primarily Akwapim, followed by Krobo, Shai and Gâ farmers with a history of travel as craftsmen, traders and labourers. But behind these seeming cultural variations, there is surely an economising explanation. For while the Akim farmers were settled in towns, surrounded by sparsely populated lands, the migration of the Akwapim and others was conditioned both by their lack of suitable land and their earlier profitable engagement in the cash economy through the production of palm produce for export.\(^{464}\) Hill emphasised that cocoa’s development did not involve the incorporation of permanent trees into old systems of shifting

---

\(^{462}\) Hill 'Three'. pp.203-17.  
\(^{463}\) Hill Studies. Hill Studies.  
\(^{464}\) Hill 'Three'. p.204.
cultivation, since the migration to new farms did not signal the abandonment of older farms.

Hill believed that Ghana’s migrant cocoa farmers were ‘capitalists’ in the sense that they bought their land for the express purpose of commercial cocoa growing, and always regarded cocoa-growing as a business, not as an extension of general farming activities. They operated with both borrowed money and their own savings, supervised work on different lands, much like the owner of a retail chain, and always took a long view, even though this altered their way of life. Moreover, Akwapim cocoa farmers undertook their own development expenditure, building bridges and access roads. Hill noted that the enterprising individual farmer never felt burdened by the demands of the extended family, and could be given licence to invest ‘family money’ in the acquisition of farms, based on an understanding that only through individual enterprise could the abusua flourish.465

Given these views, it does not seem fully to capture Hill’s essence to characterise her as an ‘agrarian populist.’ As Austin himself suggests, she would have rejected the label.466 The best-known narodnik, Chayanov, did not see peasants as capitalists at all and wrote against Lenin’s concept of peasant differentiation, which Hill to some extent endorsed.467 It has in any case been suggested that Chayanov should be seen as a neo-populist, since his views differed from the main body of Russia’s agrarian populists who favoured the armed insurrection of peasants against the Czar.468

Another approach would be to explain why Hill, the niece of Maynard Keynes, left economics for anthropology. In the context of the limitations of neo-classical theory alluded to at the start of this chapter, this had to do with both her search for empirical truth and her impatience with the abstracted models of the development economists of her day, expressed on every page of her insightful Development Economics on Trial: An Anthropological Case for a Prosecution. In this respect, she did have something in common with Chayanov, who also challenged standard economics.

466 Austin Labour. p.25.
467 Chayanov Peasant Economy.
Anne Phillips has argued, as did Ranger from a different perspective (see above), that ‘peasantisation’ was a function of colonialism. She argues that agricultural production before the colonial era bore vestiges of a ‘slave mode of production’.469 But does this give sufficient attention to the cocoa farmers’ prior experience with the cash economy? Phillips believes the ‘vision of British West Africa as a world of small peasants [only] became possible in the twentieth century’ and that much of the ‘peasant’ production prior to that relied on large estates and slave labour.470 British rule was supposed to abolish slavery, yet the colonial government had no sources of labour outside the forced labour system. The labour recruitment trade-off saw chiefs retain their power to allocate communally held land while the colonial government upheld the communal land tenure system. This agreement became especially satisfying once the government became ‘simultaneously protectors of the peasantry from the ravages of private property.’471 This argument explains why British policy was so different in the peasant and settler colonies. Britain could hardly rein in land-thirsty settlers in Southern Rhodesia on moral grounds when its administration in the Gold Coast was discreetly making use of forced labour. The ‘communal cooperative system’, alluded to in the quotation above, in fact masked important class distinctions.472 But whereas the slave trade, as Hopkins argued, enriched a relatively small group of large entrepreneurs, the era of ‘legitimate’ trade broadened participation in the cash economy.473

A sense of the development of cocoa enterprise can be gained from the following evidence by Nana Kankam-Boadu (1913-2005), who was 90 at the time of interview. Kankam-Boadu, a former chairman of the Cocoa Marketing Board, said:

The British agricultural department didn’t really instruct the Ghanaian agricultural worker. People were just living. Any extra crops you would take to the roadside and sell. That was the idea of farming. Then an adventurer, Tetteh Quarshie, went to Fernando Po and found a crop from Brazil was making life comfortable there. Tetteh Quarshie smuggled a

469 Phillips Enigma.
470 Ibid. p.22.
472 Ibid. p.23.
few beans to Christiansborg [Accra]. He tried to plant some in Accra but it wasn’t fertile enough so he had the idea to climb up the Aburi hill and plant there, but he found it difficult to get land. Land wasn’t owned by the British, unlike Zimbabwe. We could get land from the chiefs, harvest a good crop, but what to do with the cocoa bean? The British merchants here were selling goods for cash. There was not much local stuff to buy. So they formed the habit of buying cocoa beans from the farmer and selling it overseas to Cadbury’s, Rowntrees in England, to Van Houten in Holland, and some to other European countries. The farmer was now encouraged to grow cocoa because he already had a market. It was the beginning of purposeful trade.474

The testimony gives some weight to Phillips’ argument and also underscores the point made by Hill in response to Szeresewski that the only obstacle to advancement in the Gold Coast was the lack of economic opportunities. Once news of the new cocoa markets spread, cocoa production rose in leaps and bounds as labour flocked into cocoa-growing areas.

Labour was spread over the extended family and areas that didn’t have cocoa plantations like southern Ghana and all the way to Togo. Especially from the north and especially from Burkina, then Upper Volta. Some people on my father’s farm came from Upper Volta and some from Lomé. Because of the attraction everyone moved from their areas to here. Labour was not invited, they came, flocked. Lots of them made money, bought lands and have gone. People were attracted to the cocoa farmers. For example you go to the festivals, you see people clothed in new cloths, you ask where they come from and it’s the cocoa farms. 475

Certainly, the various, and sometimes complex, forms of cocoa enterprise were not conditioned on any sudden ‘Westernisation’ of the Ghanaian economy. Indeed, Hill found some aspects of cocoa organisation, notably the pledging of farms to relieve indebtedness, to be so ‘embedded’ in the history and minds of Ghanaians that to seek motives behind them was ‘merely to shift the matter from one ground, or plane, of rationalisation, to another’. She concluded: ‘It is not absurd to say that pledging may be so natural an activity that farmers do not know why they indulge in it.’476 What Hill demonstrates is the dynamic interplay between culture and the economy. As land became scarcer, customs regarding its acquisition and inheritance changed to

475 Ibid.
476 Hill Gold Coast. pp.73-4.
accommodate new realities. At the same time, adaptation was accommodated within normative cultural behaviour.

5.5 Conclusion

From the theory and evidence presented above, this chapter draws the following conclusions. Exchange is a form of reciprocity. Human beings have a propensity to exchange in both a material, market sense and also in a moral, reciprocal sense. In societies living close to the margin, the latter may appear more evident. This is because both the size of population and the market are small. As human population expands, the market grows larger and money exchange becomes more visible and more important. Within the framework of population density suggested earlier in this chapter, it seems clear that solutions such as nnoboa, nhimbe and ilima evolved at a time of low population density.

These conclusions represent a synthesis of the substantivist and formalist positions. Both speak a truth. The first represents the economy in an early phase of population development. The second represents the economy when families have grown into large communities and more sophisticated means of exchange than reciprocal bargaining are required. In the hamlet and small village, barter transactions are easy to handle. As society grows and becomes more complex, personal transactions are better centralised, thus markets develop where buyers and sellers can share information and reduce transaction costs. From this, it can be deduced that as population continues to grow and social stratification develops, the market can no longer govern transactions adequately and the state is formed. State formation brings about the possibility of regulating the market and the behaviour of competing interest groups.

A few conclusions can also be drawn about the relationship between culture and economy. Culture is a function of many things. In part it is a function of the size of human population. Thus the culture of the hamlet is different from that of the city.
Culture is also in part a function of the work environment. Thus peasants have a different culture from that of industrial workers or city employees. The fact that peasants have a distinct culture, and with it their own mentality, does not by itself mean that they can survive the penetration of capitalist markets in all parts of the world. Markets exist everywhere, but they are not all equally developed. When markets are small, personal relationships loom large and this increases the moral obligations of community members.

This chapter found no precise parallels to Scott’s ‘moral economy’ in the two case study countries. A reading of the literature alongside oral evidence suggests that where conditions evoking the idea of moral economy exist, they improve the functioning of the material economy. Thus the moral economy exists to sustain the material economy. This may be called the ‘market’. It may also be called the ‘mode of production’. Either concept can be demonstrated to have existed at all times. Within this framework, peasants are efficient because their culture makes few demands on the natural resource base. They produce what their access to markets, technology and information allows them to. Thus their culture reflects their current comparative advantage.

The theory and evidence considered in this chapter suggest, however, that it is the market, rather than peasants, that survive every form of human exchange. If the concept of ‘capitalism’ is accepted, and it is accepted that the capitalist market is so far the largest, most successful and most dynamic form of human economic organisation, then it can be agreed that the market survives all modes of production. The question then becomes, does the market work fairly for all individuals and, if not, how can the market be made to work fairly for all individuals? The next two chapters explore the first part of this question.
CHAPTER SIX

6  Behind the Metrics of Supply Response, Culture or Institutions?

If institutions are the driving force of economic change and institutions comprise both formal and informal rules, how can the effect of culture on economic performance be measured? Can it be demonstrated, quantitatively, that culture drives the economy, or, conversely, that it is the economy that drives culture and moulds changes in it? From the perspective of an industrialised economy, culture may appear to be the driver of innovation and technical skill. In the economics of survival, by contrast, ideas and culture may appear more often to be driven by the material world. What is meant by the economics of survival can be understood by psychologists in terms of Maslow’s Hierarchy of Needs model. At the base of the pyramid, human beings work to fill their biological and physiological needs. As they move from basic needs, they eventually seek to fulfil their need for esteem and for self-actualisation through personal growth and fulfilment.

How can the relationship between culture and economy in the economics of survival be demonstrated? A historical example is both the emergence of slavery (the Nieboer hypothesis is essentially a materialist one) and the abolition of the British slave trade. Slavery, though morally reprehensible, exists because society’s economic need for labour is greater than its abhorrence of the unfree labour system. On the supply side, abolition was easier to press once alternative sources of ‘legitimate’ trade had been substituted. A good contemporary example of the subjugation of the ideal to the material can be found in the persistence of child labour in developing countries. The World Trade Organisation has considered including child labour in its ‘social clauses’. These are in effect non-tariff barriers projected as human rights concerns, enabling rich countries to block imports from poor countries that infringe them. In doing so, the WTO would impose the idealism of the rich world on the materialist survival strategies of poor countries. But does child labour exist in poor economies because people are more abusive and because there is something wrong with culture?

477 I am grateful to Wendy Addae and Paul Quartey for drawing my attention to Maslow’s ‘hierarchy of needs’, and to the latter for emailing me a diagram of the hierarchy, which can be accessed at [Maslow’s Hierarchy of Needs](#).
It can be argued that child labour persists because the population structure would otherwise show an impossibly high dependency ratio and, in Africa at least, because labour has, historically, been scarce.

In rational-choice terms, of course, it might be logical for rich Europeans to seek to maximise their wealth by imposing non-tariff barriers, and for poor Africans to maximise their use of scarce labour. In new institutionalist terms these would be examples of the ‘economising explanation’ or ‘economising logic’. They show that people have the culture that befits their economic conditions. Resistance to new production techniques may reflect cultural attachment to a time-honoured tradition of doing things. Or it may reflect resource constraints such as capital or labour, including the time that must be devoted to learning. Or it may reflect political resistance, including resistance to new institutional arrangements. Such behaviour will add up to what may be called the culture of underdevelopment. The culture of underdevelopment signifies that whereas in industrialised countries culture and economy will appear to reinforce each other positively, in developing countries they may more often reinforce each other negatively.

The embeddedness controversy, reviewed in the last chapter, raises a fundamental problem for this research. If African peasants are rational agents, as formalists would argue, then what does the behaviour of peasants tell us about the structure of incentives in the agricultural sector and the overall prospects for economic development in the peasant and settler economies? The first difficulty is to demonstrate satisfactorily that African producers are indeed rational economic actors and not the leisure-preferring redistributors of the Polanyi paradigm. Mosley is emphatic that only quantitative analysis can carry the debate forward. But what if the data from which inferences have been drawn reflect flaws in a particular set of institutions prevalent at a particular time rather than the behaviour of producers themselves?

This chapter examines Mosley’s critique of the conclusions of the underdevelopment school in relation to settler economies. It appraises his economic argument, which

478 I am grateful to Seidu Bawumia for this concept.
leads to a very different view of the peasant from that projected in the historiography of the Gold Coast/Ghana. Finally the chapter tests the validity of Mosley’s econometric approach by attempting to conduct its own quantitative experiment. This compares the ‘rationality’ of African peasants in Southern Rhodesia/Zimbabwe with that of cocoa producers in the Gold Coast/Ghana.

6.1 Mosley and the Problem of Measurement

In a comparative study of two settler colonies, Kenya and Southern Rhodesia, Mosley said that the theory of peasant regression popularised by underdevelopment theorists including Arrighi,\(^{479}\) Palmer,\(^{480}\) Good\(^{481}\) and to some extent Phimister,\(^{482}\) is a stereotype, which like that of the ‘inefficient European settler farmer’, lacks a firm statistical foundation.\(^{483}\) Though Mosley welcomed Arrighi’s treatment of government policy as an endogenous variable, he argued that ‘only data on agricultural production and sales’ can prove the accuracy of assertions about African underdevelopment in settler economies. Mosley proceeded to use regression analysis to test Boserup’s theory that as population density increases, this acts as a stimulus to agricultural intensification and economic development. In the case of Southern Rhodesia, population density increased as peasants were moved off their land and into African reserves. If the Boserupian thesis could be demonstrated in this case, it would disprove the claims of the underdevelopment theorists. If, however, the Boserupian effect proved absent then Mosley would have to either side with the underdevelopment theorists or argue that Southern Rhodesian peasants were not rational, but this would be a blow to the formalist position.

Mosley argued that African productivity during the first four decades of the 20\(^{th}\) century was not all downwards, and that during the periods when it did rise (the early

\(^{479}\) Arrighi. 'Labour Supplies'.

\(^{480}\) Palmer Land.


\(^{482}\) Phimister Economic.

\(^{483}\) Mosley Settler. pp.1.2.
1920s and early 1950s), this pushed up the supply price of labour with the result that the ‘usual political means’ of easing labour shortages (mainly hut and poll taxes, forced labour for tax defaulters, and forcible mass evictions) had to be supplemented by ‘economic mechanisms’ (wage increases). According to Mosley: ‘[T]he colonial economy was able to elude the deterministic traps, the “contradictions”, that some versions of Marxist analysis set for it.’

Mosley concluded that rather than incompetent and irrational, the adoption by European farmers of labour-intensive techniques was a ‘highly rational response to a situation in which capital was dear and labour, thanks partly to economic policy itself, was cheap.’ By contrast, and somewhat ambiguously, he concluded further that:

The African peasantry stands implicitly accused of irrationality, in the sense of inability to adapt, in face of declining per capita acreage and of competition in product markets, whereas we have argued that in many districts it was successful, at any rate until absenteeism became a severe problem in the 1940s, in adopting the perfectly rational response of intensifying agricultural production as land became scarcer.

Mosley seemed to be saying that until the 1940s, the response by African peasants to the loss of their land was the rational one of intensifying their agricultural production, but after the 1940s, they were unable to adapt and this made them behave irrationally. In a critique of this thesis, Stephen Choate said Mosley used productivity as the sole measure of economic well-being, ignoring evidence cited by others of declining rural self-sufficiency and growing chaos. He said Mosley failed to sustain his hypothesis that population pressure stimulated productivity in the African reserves and that evidence on productivity per acre would not in any case have been sufficient to draw conclusions on the economic welfare of indigenous communities. Choate also criticised Mosley for failing to link productivity trends to policy and noted that the performance of the African economy in terms of overall per capita

---

484 Ibid. p.235.
485 Ibid.
486 Ibid.
487 Mosley Settler.
productivity was weakest during the interwar period when the imperative to ensure the survival of white agriculture was strongest.\textsuperscript{488}

The main thrust of Choate’s criticisms, that productivity measures do not fully capture economic well-being and need to be linked to government policy, is easily supported. Evidence about growing chaos in African rural areas came from agricultural demonstrators and district commissioners. The anti-hero of the period was an American missionary, A.D. Alford, who was appointed ‘Agriculturalist for Instruction of Natives’ once the Department of Native Agriculture was established in 1926. His vivid chronicle of his efforts throughout the 1930s to spread the gospel of the plough highlighted the dangerous hostility that the demonstration effect of improved tillage drew from European farmers, who feared the increased competitiveness of peasant farmers would put them out of business.\textsuperscript{489}

Further evidence came from an author not cited by Mosley. In her celebrated 1975 book, Weinrich, a Dominican nun also known as Sister Mary Aquina, wrote:

\begin{quote}
The present capitalist system has failed because it is almost exclusively geared to preserve the superior status of a racial minority. An effective reform must remove all racial barriers and provide equal training facilities and job opportunities to members of all races. If this is done, those not really interested in agriculture will leave the land, and agricultural reforms can then be implemented.\textsuperscript{490}
\end{quote}

Weinrich warned that in the absence of radical change, partial solutions would ‘only postpone, and thereby intensify, the inevitable final conflict.’\textsuperscript{491} She ended her book with a strong suggestion of cause and effect (determinism?) that some might say is borne out by the land invasions that occurred in Zimbabwe after 2000:

‘…Rhodesian Africans have shown themselves prepared to accept far-reaching changes in their economic system. But unless drastic reforms

\textsuperscript{490} Weinrich \textit{African}. p.310.
\textsuperscript{491} Ibid. p.313.
are carried out, Rhodesia will surely face a peasant revolt in the not too distant future. 492

By contrast, Mosley formulated his conclusion in terms of rational choice, begging the question whether peasant agriculture is efficient. Yet his conclusion contains ambiguities that make it difficult to endorse the validity of his quantitative approach. In choosing to side with Rhodesian settlers, he puts himself in the position of being unable to argue convincingly the case for peasant rationality. He admits that his productive settler farmer is not the modal farmer, but refuses to endorse the view of the inefficient settler farmer, about which most of the literature is in agreement. This leads him to end his analysis with a show of semantics that enables him to escape a firm position. Some of the methodological difficulties in his approach can be demonstrated in the following experiment.

6.2 Methodology

This experiment compares the producer price elasticity of fixed capital investment among Ghanaian cocoa farmers and Zimbabwean maize producers. For the purposes of this analysis, cocoa and maize have been selected as comparators because these were the most important crops grown by African producers in the Gold Coast/Ghana and in Southern Rhodesia/Zimbabwe respectively throughout the twentieth century. The measure of fixed capital formation would be cocoa trees in the one case and ploughs in the other, as the two main forms of fixed capital formation for African farmers. Cocoa trees are a measure of fixed capital that is appropriate in the tropical West African forest belt. Similarly, ploughs are appropriate in Zimbabwe’s subtropical savannah. The propensity to raise future production capacity by investing in ploughs or cocoa trees will be treated as an indicator of risk behaviour and economic ‘rationality’. In principle this might help to isolate cultural differences in the economic behaviour of African producers in peasant and settler economies.

492 Ibid.
Cocoa trees can be seen as a form of fixed capital because of their long-bearing nature. Since a farmer had to wait at least five years before trees bore fruit and some additional years before they reached full yield, the initial decision to invest in cocoa trees required a propensity to take the long view. Similarly, the acquisition of ploughs by Zimbabwean peasant farmers, particularly in the early part of the century, called for an eye to the future. A comparative measurement of the price elasticity of these two forms of fixed capital investment could test the differing perceptions of rationality among one group of producers and risk-averse behaviour in the other.

This study hypothesises that culture was not an inhibiting factor in the development of peasant agriculture in either Ghana or Zimbabwe, but that differences in the economic behaviour of peasants, if demonstrated, were due to resource constraints and institutional differences arising from the differing patterns of colonisation. The null hypothesis is that there are differences in economic behaviour that cannot be attributed to resource endowment or institutions.

The experiment might begin with the formulation of a simple equation:

\[ Y = a + bX + u \]

Where:
Y is the dependent variable, investment in fixed capital investment: in the case of Ghana represented by the number of cocoa trees in a given year; in the case of Zimbabwe represented by the total number of ploughs in use
X is the independent variable, real cocoa producer prices or real maize producer prices
a is the constant
b is the slope of the regression, and
u is the error term.

The equation could be lagged to allow for the time it would take to expend income from maize or cocoa on the acquisition of new ploughs or trees, yielding, for instance: \[ Y = a + bX_{t-1} + u. \]
Or: \[ Y = a + bX_{t-5} + u. \]
6.3 Metrics of Supply Response: Cocoa and Maize

The first part of the experiment concerns the responsiveness of African producers to prices. Starting with the data on output of cocoa and maize, the first issue worth exploring, given the period disputed by Mosley, is what the effect of the Great Depression was on African producers in the two countries. Figure 4 shows cocoa and maize production in the two countries over the century. All raw data are contained in Appendix 3. As can be seen, cocoa output rose rapidly during the first four decades of the century. Because of the nature of cocoa as a long-bearing tree-crop, the effects of the depression years would have only been felt five to ten years later. From 1943, cocoa production began a decline, bottoming out at 192,100 tonnes in 1947. The trend reversed upwards until 1954, when exports fell, recovering in 1957, the year Ghana attained independence. From 1960, the cocoa industry enjoyed another period of rapid and uninterrupted expansion to reach an all-time peak of 580,869 tonnes in the 1964/65 crop year. Output dropped to 354,000 tonnes in 1974, but recovered over the next two years before beginning a dramatic decline that was to return it by the 1983/84 season to its 1922 level of 159,000 tonnes. By now, Ghana had long lost its position as the market leader accounting for 30% to 40% of world cocoa production.\textsuperscript{493} Efforts to overcome the devastating effects of the swollen shoot virus disease, and to persuade farmers to replant abandoned farms met with little success. However, following a significant increase in producer prices, cocoa began its recovery from 1984/85, climbing to 403,842 tonnes in the 1995/96 season.

In Southern Rhodesia, peasant maize production can be seen fluctuating purposelessly until the early 1940s, when a steep fall is clearly visible. During this period, implementation of the 1930 Land Apportionment Act was accelerated. Output recovered in the 1950s to reach a peak of 356,000 tonnes in the 1955/56 crop year, floating slowly upwards during the civil war years of the 1970s. Following independence in 1980, production shot up to the one million mark. From then on into the 1990s, expansion was dramatic, though drought contributed to further fluctuations. The expansion was reversed in the 1991/92 season, when the early effects of an IMF/World Bank-backed structural adjustment programme were

compounded by the country’s worst known drought, followed by less severe
droughts in 1993 and 1995. Macroeconomic instability throughout the decade and
the recurrence of drought is reflected in quite violent swings, though peasant
production has remained at a high level.

Figure 5: Cocoa and Maize Output, 1900-2000 (5-year averages)

1946-69: Secretary and Chief Native Commissioner, Annual Reports 1957-1961 and Kay Muir
Statistical Office.
**Figure 6: Maize output, Communal and Commercial, 1914-1997 (5 year averages)**


**Figure 7: Zimbabwe Maize Output, Communal and Commercial, 1914-1997**

Looking now more closely at the period with which Mosley was concerned, 1912-1960, it is clear that if African production fluctuated with no clear trend, then this is even more the case with European production, which followed a smoother trend, but at half the level of African production. Figure 5 shows a dramatic change in production levels for both communal (African) and commercial (mainly European) maize growers between the first and second halves of the century. Statistics on maize output are not recorded before 1912 due to inadequate returns by European growers. Statistics for African peasants in the first half of the century were estimated by district commissioners. While the five-year averages displayed in Figure 5 are useful to smooth out some of the fluctuations and give a clearer overall picture of crop movements, Figure 6 gives a clearer view of developments in the earlier part of the century. Here it can be seen that European maize production overtook African production for the first time only in 1946, following what can only be described as a steep progressive decline in African production from 315,974 tonnes in 1923 to 109,000 tonnes in 1946 and 85,000 tonnes in 1947. The last year, which the records show was a disaster year in terms of drought, was also a bad one for European maize production, which dropped to 80,300 tonnes, recovering to 173,500 the following year, while African production recovered to 152,000 tonnes. It can be seen that European production then maintained its dominance until 1985 (five years after independence) with the exception of the three harvest years 1956, 1965 and 1966.

For the period from 1960 to the end of the century, the picture is strikingly different. From the mid-1960s, African production began to rise, but only slowly. During the guerrilla war years of the 1970s, both African and European production showed frequent swings. European maize production expanded considerably during the 1960s. This came about as tobacco sales to Britain were hit by European sanctions following the Unilateral Declaration of Independence in 1965. This forced commercial growers to diversify to other crops other than tobacco and part of this

---

494 National Archives of Zimbabwe, RG-P/NAT 3: 7-14.
495 ‘Harvest year’ refers to the calendar year in which a crop is harvested, while the ‘crop year’ runs typically from October to June, i.e. overlapping two calendar years.
496 The sudden dip to zero in 1964 in Figure 6 occurs because there is no statistic available for that year. In Figure 5 showing five-year averages, this missing year has been smoothed out by taking the average of the two years preceding and following 1964.
diversification included expanding the crop acreage under maize, a safe haven. The smoother trend line (Figure 5) shows European maize production booming from 1966 to 1972, hitting the million tonne mark for the first time in 1969.

European production rose from 601,600 tonnes in 1966 to 1,762,100 in 1972, falling to 810,400 tonnes in 1973, a drought year. It came close to its 1972 high the following year, but then began declining gradually, although it did rise to an all-time high of 1,833,400 in 1981, a year after Zimbabwean independence and also the year that peasant production marked a million tonnes for the first time. In the years leading up to this, African peasant production fluctuated between 350,000 tonnes and 550,000 tonnes a year, beginning a clear ascent from 1980, when it moved to 600,000 tonnes from 455,000 tonnes the previous year. In 1985, peasant maize production again overtook commercial production and has since maintained this lead.

In both countries, independence is good for business as the charts show startling increases in both cocoa and maize output in the years after independence, namely 1957 in the case of Ghana and 1980 in that of Zimbabwe. In fact, contrary to the commonly held position that Nkrumah ruined the Ghanaian economy, the years from 1957 to 1966, when Nkrumah was overthrown, show the most dramatic upsurge in the cocoa industry of the entire twentieth century. This suggests a strong correlation between nationalist ideology and economic development. Just as strikingly, the unequivocal rise in maize production in the last quarter of the century is matched by a severe and prolonged downturn in the fortunes of Ghana’s cocoa producers. This requires considerable explanation.

For the purposes of this exercise, suffice it to say here that the data on production appear to confirm the story of peasant regression in the early decades of the twentieth century. The graphs show that decline was particularly marked during the 1940s. To be fair to Mosley, though, his dispute is about ‘productivity’ rather than ‘production’. To address adequately his objection to the underdevelopment story, it would be ideal to work with a measure of productivity. The measure proposed in this chapter involves comparing investment in ploughs in Southern Rhodesia with that in cocoa trees in the Gold Coast.
6.4 Ploughs and Trees

Figure 7 demonstrates the remarkable rate of investment in ploughs throughout the 1930s depression period in Southern Rhodesia, even as crop acreages declined in the latter part of the decade. The correlation coefficient of plough investment and crop acreage over the period is significant at 0.85. Figure 8 scatters these two variables over the entire period for which plough data are available. Crop acreage and ploughs are closely correlated with a coefficient for the period 1905 to 1951 of 0.93. This confirms Mosley’s observation that ploughs were used to extend cultivation rather than to intensify production.

The next step would be to regress prices against new investment in ploughs and trees. But selecting a price against which to measure responsiveness in a particular year is fraught with difficulties in the settler economy, and it may be noted that Mosley does not employ prices in his regression analysis. Tables 2 and 3 show the large range of prices that were fixed in the settler colony each year. The complexities evident in the tables suggest that simple regression will not do justice to a range of institutional factors affecting maize marketing and production, or the propensity of peasants to invest in ploughs. It now begins to look as though the reasons peasants extended cultivation up to a point but then fell short of intensifying production has to do with factors beyond their control, the point made by Choate.

Like the colonial data, the more recent figures on the behaviour of Zimbabwean peasants also indicate problems of supply response. This could be interpreted as a problem of culture. Or it could signify resource constraints. Before going any further, it is worth considering how the picture looks on the Ghana side of the comparison, where the spectacular rise of cocoa raises expectations of finding strong indicators of rational behaviour.
Figure 8: Ploughs in Use and Crop Area, 1929-1941

Source: Annual Reports of the Secretary for Native Affairs and Chief Native Commissioner

Figure 9: Ploughs and Crop Acreage, 1905-1951

Source: Annual Reports of the Secretary for Native Affairs
Table 2: Classes of Maize and Quality of Sacks, 1943

<table>
<thead>
<tr>
<th>Class</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘A’</td>
<td>Full price</td>
</tr>
<tr>
<td>‘A.1’</td>
<td>2d less than ‘A’</td>
</tr>
<tr>
<td>‘B’</td>
<td>2d less than ‘A’</td>
</tr>
<tr>
<td>‘B.1’</td>
<td>5d less than ‘A’</td>
</tr>
<tr>
<td>‘D’</td>
<td>6d less than ‘A’</td>
</tr>
<tr>
<td>‘E’</td>
<td>9d less than ‘A’</td>
</tr>
<tr>
<td>‘Z’ (no grade)</td>
<td>2/- less than ‘A’</td>
</tr>
</tbody>
</table>

Source: Chief Native Commissioner, C.L. Carbutt: Appendum to Circular No 5 of 6/8/31, Maize Control Act. (S482/781/39 1942)

Note: ‘Grade E’ Maize includes all maize in a dry condition which does not contain more than 40% of defective grain. 497

Table 3: Maize Producer Prices, 1967/68 Marketing Year

<table>
<thead>
<tr>
<th>Class</th>
<th>30/0d per bag of 200lbs net then 31/9d</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class A</td>
<td>29/6d “ “ 31/3d</td>
</tr>
<tr>
<td>Class B</td>
<td>29/0d “ “ 30/9d</td>
</tr>
<tr>
<td>Class C</td>
<td>15/0d “ “ 15/0d</td>
</tr>
</tbody>
</table>

Notes: Producers delivering in bags incur cost of new bags at 3/7d each. Maize delivered in bulk got 3/7d less than bagged price in each case.

Owing to anticipated lower intakes during 1968/69, the price improved slightly for the current intake year as shown above. The cost of bag to the producer was reduced to 2/3d for a new bag and for the first time producers were able to market maize in repaired bags but received 6d per bag less. Bulk deliveries get 2/3d a bag less than bagged prices. Prices hold good for white and yellow maize.

Maize deliveries 1967/68 were classified 75% Class A, 21% Class B, 4% Classes C and D.

497 Ibid.
Figure 10: Ploughs and Prices, 1931-1951

Source: Annual Reports of the Secretary for Native Affairs
Figure 11: Cocoa Exports and Values, 1900-1938


Figure 12: Estimated Tree Stock and Real Prices, 1948-1973

On the Ghana side of the comparison, Figure 10 shows that the astonishing expansion of the cocoa industry in the early years of the century occurred despite an overall decline in cocoa export values, reflecting a fall in producer prices. Contrary to the expectation of rational behaviour among Ghanaian cocoa farmers, Figures 11 and 12 hint at a negative price elasticity of supply for the period 1948 to 1973. The first complication is that because of the long-bearing nature of the cocoa tree, any response to a positive price signal by way of new plantings would only become apparent after at least five years, when new trees become productive. A lag of five years improves the picture somewhat, and with a seven-year lag the results look promising, though we still need to explain the high level of output in the late 1950s and early 1960s, when prices were declining steadily. To do this requires a more detailed understanding of the complex interplay of a range of variables from year to year.

498 To calculate the rate of investment in new cocoa trees, we first need a measure of the tree stock. This can be computed from the data on cocoa acreage. Since I have only 16 observations for the active acreage under cocoa production, I have calculated missing observations by dividing output by average yield per acres. Assuming Cardinal’s figure of nine 60-lb loads per acre, I then multiply this by the average tree count on bearing farms, estimated at 960 trees per acre by Okali.
Looking for a moment at the basic figures on output and price, Figure 13 shows that for the 35-year period from 1948 to 1982, there is no close correlation between the movement of prices and output, except during the period 1962 to 1978, and from 1979 to 1981. During the period 1950 to 1961, the movement is for the most part negatively correlated. But how to explain the sudden close fit between output and prices between 1962 and 1981? Since there is no time for trees to mature, this can only be explained in terms of farmers holding back some of their production or smuggling a substantial portion of their crop to neighbouring countries, which offered more lucrative alternative markets. As will be discussed in the next chapter, this was precipitated by the government’s refusal to devalue the local currency, a policy that caused havoc in the cocoa industry. It is now possible to interpret the negative price elasticity of supply in the earlier period in terms of the generally high prices that cocoa could still command in relation to other crops, and the absence of more lucrative alternatives arising from the failure of diversification policies. Without alternative economic opportunities, cocoa farmers faced the problem of ‘lock-in’, as their resources became tied to the cocoa industry.

It is clear from these graphs that to regress the figures would return a result contrary to that hypothesised. They would clearly show that based on the indicator of ‘rationality’ selected (price-related investment in ploughs and cocoa trees), neither Zimbabwean farmers nor Ghanaian cocoa farmers have behaved ‘rationally’. But as figure 13 now makes clear, if the model does not fit conditions in Ghana, it is even less likely to fit them in Zimbabwe, given the history of land alienation. It therefore seems somewhat unfair to accuse underdevelopment theorists of failing to use quantitative analysis, as Mosley does, when the basic assumptions of quantitative models do not fit the conditions that prevailed in Africa over the twentieth century. The correlation that one would expect to find between prices and output and between prices and investment can only be assumed in a situation where the market is the clearing house of goods and services. Yet as the next chapter will show, several factors explain the negative trends seen here and it would be wrong to reduce the trends to a single variable, such as cultural behaviour.
Figure 14: Cocoa Output and Real Prices, 1948-1982


Figure 15: Peasant Maize Output and Prices, 1980-1996

Looking at a recent time series for Zimbabwe, Figure 14 shows very little correlation between output and price, and a backward bending slope. As expected the correlation coefficient is negative, though we need to understand why it is so insignificant at 0.31. It seems likely that the negative elasticity can be explained through a transaction costs framework. Taken at face value, it seems irrational for peasants to continue expanding output when the price of maize has been falling in real terms. But, recalling North’s statement that the precondition for price-making markets rests in ‘well-defined and enforced property rights over a good or service to be exchanged’, it can be argued that this negative relationship is to be predicted. At the same time, the government’s role since independence in supplying seed, fertilizer and other inputs to impoverished rural communities, albeit not very consistently, may explain why the value of the negative relationship is only 0.3 and not higher. All in all, the picture is not one of dynamism in the peasant sector, though if interpreted as a demand curve rather than a supply curve, the graph could be depicting a fall in maize prices as production increases. Without a detailed knowledge of history and political economy, the numbers cannot by themselves tell us very much.

6.5 Conclusion

The spontaneous development by Africans of a capitalistic export trade has been one of the greatest agrarian success stories ever written, yet it cannot be assumed that Ghanaian cocoa farmers had a culture that was economically superior to that of Zimbabwean maize farmers. Ghanaian peasants in the nineteenth century had the advantage of a coastline and this facilitated the development of international trade, unlike in Zimbabwe where landlocked status inhibited overseas export trade. Ghanaian farmers also had virgin forests where lucrative tree crops flourished. Differences in geography surely produced differences in culture. At the same time there were similarities in land tenure and inheritance systems. These similarities in culture did not impede economic change; on the contrary they reflected economic conditions. As conditions changed from land abundance to increasing land scarcity, so the culture established with the evolution of land tenure systems started changing.
In Southern Rhodesia, Africans bought land or leased it whenever they could. In the Gold Coast migrant cocoa farmers spontaneously changed the rules of land allocation.

The experiment has been conducted above to demonstrate how easily culture can be blamed for economic behaviour that is conditioned by other factors. Based on data selected at random, it has been found untenable to rely on regression analysis to explain the behaviour of African peasants because there are a multitude of non-economic factors that pure quantitative analysis cannot yet pick up. To carry the experiment to its conclusion would create a statistic that misrepresents the relationship between culture and economy. The problem is that the basic competitive model on which the functioning of Mosley’s model depends cannot comfortably be applied to a situation where the market is not the clearing house of wages, capital and products, as has been the case almost throughout Zimbabwe’s history since 1890 and also in much of Ghana’s history. A more complex model that adds full information, transaction costs and variations in the structure of property rights, the frontier of new research by new institutionalists, is likely to yield better results.

Mosley is right that African peasant production was far from destroyed. Had it been destroyed entirely, the African population in Southern Rhodesia would have died out, whereas it grew and adapted to the new conditions whenever and wherever it could, though resistance to technical innovation was often a form of political resistance. At the same time, care must be taken not to underestimate the long-term costs of the efforts, albeit unsuccessful, to destroy African competition, to which Arrighi, Good and Palmer drew attention.

One shortcoming that makes it difficult to dismiss the underdevelopment argument is that we have no measure of African productivity in the years before occupation in Southern Rhodesia. In reality African production during the first half of the century performed at a higher level than any of the available statistics show, and this becomes discernible in the latter part of the century when improved data collection makes discrepancies in the earlier estimates easier to evaluate. Drawing on Ghana’s colonial experience, we can surmise that the absence of a discriminatory legislative framework in Southern Rhodesia would have enabled many more African producers
to adopt high-value cash crops at a time when land was still abundant and that this would have increased rural incomes in line with population growth. This analysis suggests that colonialism may have acted as a ‘vent’ for surplus land, though not labour, in the Gold Coast, but failed to do this in Southern Rhodesia. There it sucked surplus land out of the peasant sector, allocated it in a less than efficient manner to a few thousand settlers, and in doing so created the hallmarks of a lopsided economy characterised by a dynamic but very small European sector that has reached the limits of labour absorption from a large, landless peasant sector.

Having looked at the numbers, and at the evolution of factor markets, the final task of the agrarian section of this thesis is to look at the institutions behind the marketing of maize and cocoa. An institutional analysis of cocoa marketing in Ghana and maize marketing in Zimbabwe over the century will help to explain the deviations from orthodox supply response observed here. The next chapter takes a closer look at factors explaining growth and decline in peasant agriculture in peasant and settler economies, including the role played by nationalist ideology. Paying particular attention to the period disputed by Mosley, the chapter considers how the rules were changed under the two different forms of colonialism, and again in the post-colonial era, and what the impact of this was on African agriculturalists.
CHAPTER SEVEN

7 Ideology, Conflict and Change in the Marketing of Cocoa and Maize

A problem with the basic neo-classical competitive model is that it assumes no role for ideology (unless the ‘Protestant ethic’)\(^{499}\) in the choices made by rational individuals, households or firms. The assumption that individuals will always act in their own self-interest ignores the spiritual side of human nature. In reality, most people have some form of ideology, be it political, religious or moral, which informs their values and constrains their behaviour as rational, self-interested agents. Equally important is to evaluate the impact of state ideology on the behaviour of individuals, households and firms. A model that only recognises the ‘propensity to truck, barter and exchange’ cannot therefore have complete predictive power. Yet as important as ideology is, Acemoglu argues that this is not what determines differences in institutions between countries. He says the key determinant of historical change is social conflict.\(^{500}\)

The last two chapters looked at land policy and land tenure in the light of the claim by Acemoglu et al that in colonies where Europeans settled, they created efficient institutions to secure their economic interests, whereas in non-settler economies, colonialism left a legacy of poor institutions.\(^{501}\) This chapter looks at the changes in the rules of marketing that occurred over the course of the century. For decades, marketing boards have been blamed for appropriating producer incentives. So what explains their survival in both peasant and settler economies? Why do they still exist today, after some twenty-five years of market-reorienting structural adjustment in Africa? The chapter finds that many of the clues about the objectives and functioning of state-run crop marketing institutions in both peasant and settler economies can be found in the inter-war period. Because of the controversy over whether peasant agriculture was destroyed in the first four decades of the century as well as the complex and frequently changing market arrangements during that period, the


balance of evidence on marketing arrangements during that period will be weighted towards the settler economy. Considerable space is given to the findings of a government enquiry into grain pricing and marketing. In assessing the role of ideology, the balance of evidence is weighted towards the peasant economy. While the racist ideology of the settler state needs relatively little explaining and is not much disputed in the literature, the ideology of Kwame Nkrumah is a subject that generates considerable controversy. Finally, the chapter assesses the role of conflict in the history of marketing institutions. Throughout this chapter it is useful to think of institutions in Northian terms as ‘rules’.

7.1 Blaming the Marketing Boards

The World Bank’s 1981 Berg Report blamed state marketing boards for much that had gone wrong in African development. The influential report argued that governments in Africa intervened in three types of agricultural markets: those for goods consumed by farmers, those for farmers’ inputs and those for goods produced by farmers. It criticised the ‘consistent bias against agriculture in price, tax and exchange-rate policies.’\textsuperscript{502} It said that an ‘agriculturally-based and export-oriented development strategy for the 1980s’ was an ‘essential beginning to a process of long-term transformation, a prelude to industrialisation.’\textsuperscript{503} Echoing the report, Robert Bates argued that by intervening in agricultural markets, African governments distorted prices and reduced producer incentives to satisfy powerful urban interest groups. Bates saw the market as a political arena for the struggle between the peasant and the state and marketing boards were the jaws of this predatory state. Though these policies were economically inefficient, they enabled governments to capture an economic rent and were therefore politically efficient.\textsuperscript{504}

\textsuperscript{502} World Bank Berg Report (1981). \textit{Accelerated Development in Sub-Saharan Africa.}
\textsuperscript{503} Ibid. p.6.
Peter Bauer was the first to argue that marketing boards merely confiscated the incomes of mainly poor producers, and to urge a return to market mechanisms. A substantial portion of agricultural surpluses came to finance current government expenditure or to finance projects that were politically useful but had little economic value, Bauer argued. He said that such prolonged and heavy taxation inhibited the accumulation of private savings and investment by producers, checked the rise of a prosperous peasantry, and thereby not only retarded the expansion of cash crop production, but also obstructed the emergence of an African middle class and business community. To make matters worse, the funds accumulated lost real value as a result of the sterling devaluation in 1949 and a rise in sterling prices. Bauer claimed further that the ‘[c]oncentration of power and money in the hands of the government increased the intensity of political conflicts in Ghana and Nigeria.’

Bauer’s arguments went unheeded in the interventionist, modernising climate of the 1950s and 1960s and it was only at the beginning of the 1980s that marketing boards became seen as an instrument of the overdeveloped state. They were targeted for liberalisation under corrective ‘structural adjustment’ (World Bank policy-based lending) programmes. Yet this view of the boards has been difficult to sustain. Many have survived and in some countries they have played a positive role. Bates’s revision of his own part in holding up World Bank orthodoxy – what McCracken has termed a ‘king of auto-critique’ – suggested that marketing boards may be less inefficient and exploitative than believed. His new institutionalist approach recognised that the boards were efficient in reducing transaction costs for the holders of capital, land and labour in situations where risks arising from the absence of insurance markets, the costs of information, or economies of scale prevented such exchanges from taking place in markets. In other words, the boards were themselves economic agents. Case studies have shown that in Côte d’Ivoire and Kenya, marketing boards have been technically sophisticated and managerially competent. In these countries, the boards were able to purchase, store and transport vast stocks with little waste or spoilage. Bassett’s study of Côte d’Ivoire highlighted

the role of the cotton marketing board, albeit semi-private, in facilitating what he termed a ‘revolution’ in cotton production by peasants.\textsuperscript{508}

The function of all marketing boards is price stabilisation and trading. They can be separated into those that trade in grains and cereals (millet, maize, rice, etc) and those that trade in raw materials (cocoa, coffee, cotton, etc).\textsuperscript{509} While the latter enjoy a legal monopoly, the monopoly of grain boards is sometimes seen as ‘fictitious’, because parallel markets tend to develop in which private enterprise can compete.\textsuperscript{510}

While the advent of policy-linked lending was expected to reduce the function of grain marketing boards to that of monitoring, it has become widely accepted that full liberalisation would not protect consumers sufficiently. There is now general support for ceiling prices and a local grain reserve stock.\textsuperscript{511} Many raw material boards have also survived, retaining their export monopoly. In the 1980s, when economic reforms began, world prices were low and it was feared that linking local prices to world prices might see the demise of important sectors, such as cocoa, coffee and cotton.\textsuperscript{512}

An argument in favour of export marketing boards is that they can use their buying monopoly to sell larger quantities in advance and also accept longer delivery periods than can the smaller trader.\textsuperscript{513} It has been noted that most African producers are small and cannot operate successfully in distant and sophisticated markets. Van der Laan makes the point, moreover, that while marketing boards are often treated as one and the same with government, in reality they are independent exporters who may even obstruct the government’s official strategy.\textsuperscript{514}

Economic historians who now view marketing boards as potentially socially efficient are beginning to study the effect of other more damaging institutions, notably currency control, on agricultural production. The next sections consider the impact on cocoa and maize production of variations in the performance and functioning of

\textsuperscript{510} Ibid.
\textsuperscript{511} Ibid.
\textsuperscript{512} Ibid.
marketing boards in the case study countries, where the boards have survived into the present.

7.2 History of the Marketing Boards

The history of monopsonistic marketing boards in Africa provides a very real example of the conflict between *laissez-faire* and interventionism in colonial ideology and policy-making. The emergence of the boards constitute empirical evidence that *laissez-faire* was a relatively short project. The first marketing boards in Africa were established in 1930 in the French colonies and from 1931 in the settler economies of southern and eastern Africa in response to the world depression. In the settler economies, these boards were usually established by farmers themselves. In Southern Rhodesia, a series of settler governments that ran the country after 1923 sought to balance the conflicting interests of large and small European growers, towards the overall goal of attracting European settlement. In countries such as Kenya, Côte d’Ivoire, Malawi and Botswana, investment in rural areas was sought by political elites owning coffee estates, cocoa plantations, tobacco farms and cattle.\(^{515}\)

In Britain’s West African colonies, by contrast, the institution of state export monopolies was a wartime development. Monopsonistic marketing boards were established only in 1947, but state control of cocoa marketing began as early as 1939, following the outbreak of World War II. The context was a threatened price collapse during the war. To stabilise incomes and shield cocoa farmers from wartime price fluctuations, the British government undertook to purchase all West African cocoa offered for sale at annually fixed prices. Initially, cocoa was handled by the Cocoa Control section of the Ministry of Food in London, until the West Africa Cocoa Control Board was set up in 1940 under the Colonial Office. This became the West African Produce Control Board in 1942, when it took over the marketing of groundnuts and oil palm produce. Demand for African produce increased after Japan conquered Malaya and Netherlands India (Indonesia). Prices for West African cocoa

---

exports were fixed according to the price ruling in London. After the war, the argument for keeping marketing in state hands was to prevent a reappearance of the irregularities identified by the 1938 Nowell Commission\textsuperscript{516}, discussed below. When the marketing boards were created in the Gold Coast and Nigeria in 1947, a favourable period, they inherited £13.5 m and £8 m respectively from the West African Produce Control Boards. In their first year of operation they gained additional surpluses of £24m and £9m respectively.\textsuperscript{517}

During the early years of state marketing in West Africa, producer prices were fixed at a level 10-15\% below the c.i.f. prices. For the period 1939/40 to 1946/47, Bauer estimated that about three-eighths of the net f.o.b. proceeds of cocoa were withheld from producers. Over the period 1939 to 1951, producer prices were held at between two-fifths and three-fifths of commercial values.\textsuperscript{518} This form of taxation, coupled with increased rates of export duties allowed the marketing boards to build up such large reserves that a policy of price stabilisation could no longer be claimed. Taxation was required, it was now argued, for economic and social development and to control inflation. As of 1951, the Cocoa Board in the Gold Coast marketed up to £60m worth of cocoa a year, amounting to two-thirds of the value of all exports.\textsuperscript{519} By 1962 in Nigeria and Ghana, the sums withheld from producers of controlled crops amounted to 30\% to 50\% of the commercial values of crops, or more than £700 million in absolute terms for the two territories. In the French colonies, producers often received a price above the world price. By the 1970s, however, the state was intervening in much the same way as in the British colonies.\textsuperscript{520}

\footnotesize
\begin{enumerate}
\item D.M. Williams. (1953) ‘West African Marketing Boards’. \textit{African Affairs}. 52. 206. 45-54. (see p.46.)
\item Ibid.p.47.
\item D. Williams. (1953) ‘West African marketing boards’. \textit{African affairs}. 52. 206. 45-54. (see p.45)
\item Bauer Dissent on Development. pp.411-14.
\end{enumerate}
7.3 The Beginnings of Commercial Production

In the Gold Coast Colony, African producers began the continuous output of cocoa in 1890. This they did spontaneously, having already participated in the export production of rubber and palm oil. By contrast, commercial crop production in Southern Rhodesia was based on maize monoculture until 1910. In 1915, maize still accounted for over 92% of Southern Rhodesian land cultivated. By 1921, about 80% of the area planted was devoted to maize while tobacco, the next largest crop, accounted for just 3.28% of the area planted.\(^{521}\) This means that thirty years after the arrival of the Pioneer Column, Europeans had still not scored much success in agriculture. To increase the value of land, the British South Africa Company encouraged research into crops for export. After colonial status in 1923, the government continued these efforts, helping farmers to secure markets. The first significant increases in maize yields came from the introduction of high-yielding imported seed, though little fertilizer was applied until 1916. Output expanded after port facilities were expanded at the Mozambican port of Beira and the BSAC undertook to sell maize in England. Producers were paid from any point on the line of rail the full market price less a marketing margin. By 1911, 35,668 tonnes were produced and 2,121 tonnes of maize and 864 tonnes of meal exported. Grading started in 1913 to improve the quality of maize.\(^{522}\)

By the early 1920s in the Gold Coast, motor lorries, many of them owned by Africans, provided a system of feeder transport to railways and the new harbour at Takoradi. The increasing competitiveness of lorry transport (lorry rates fell hugely from 2s 9d per ton mile to 6d during the 1920s)\(^{523}\) posed a dilemma for the colonial government, whose investment in expensive infrastructure, serving expatriate mining interests, was ignored by many cocoa farmers, though the contribution of the Sekondi railway to cocoa farming, especially in Asante, should not be underestimated. In an unusually drastic measure, cocoa carriage was prohibited along

---

\(^{521}\) Muir 'Economic'.

\(^{522}\) Ibid.

\(^{523}\) Kay, Ed. Political. p.23.
certain roads that competed directly with the railways. In other ways too, the attitude of colonial officials towards the rapid development of the cocoa industry seemed ambiguous, as the Department of Agriculture criticised the methods of cultivation developed by Ghanaian farmers, whom it accused of being ‘lazy, careless of the future of the industry and indifferent to the quality of their crop’. This attitude, found commonly in colonial archives, was the subject of debate during the deliberations of the West African Lands Committee, as discussed in Chapter Three (see Appendix 2 for excerpt).

Competition for labour became most acute during the post-World War I cocoa boom years from 1919 to 1929, when the colonial government, under Sir Gordon Guggisberg, the only governor to draw up a ten-year development plan, decided on a policy of diversification. But since this was towards other crops with the same pattern of world market price fluctuations as cocoa, these schemes could not survive the collapse of world trade in the 1930s, whereas cocoa did. The main difficulty of diversification was to attract labour away from the cocoa industry, whose comparative advantage came from its very high productivity compared to all other export crops. As cocoa prosperity increased, so too did labourers’ wages. Since the colonial government could not raise funds in London and feared potential strong opposition to both increased cocoa taxes and the expansion of expatriate business, diversification policies remained insignificant in the development of the colony.

Until the enactment of the Maize Control Act in 1931, maize marketing in Southern Rhodesia was as free as cocoa marketing in the Gold Coast. Even after the 1890 occupation of Southern Rhodesia, Africans continued to sell or barter their grain surpluses. Those that lived near urban centres or mines hawked surplus grain in small quantities. The marketing of grain in more remote areas depended on access to traders, of which there were about 80 operating in the African Reserves throughout

524 See Ibid. 25.
525 Ibid. p.15.
the Colony by 1931. By contrast, European maize was marketed mainly through a few large cooperatives.

### 7.4 The Depression Years and Beyond

#### 7.4.1 Depression and competition in the settler economy

During the 1930s depression, as world maize prices fell so too did the area planted to maize in Southern Rhodesia, though not dramatically. Tobacco prices had plummeted in 1928 and many farmers lacked alternatives to maize. The government supported the industry by paying a bounty of a pound on every ton of maize and maize meal exported and gave interest-free loans to 260 European growers in 1930. As European farmers increased their political significance, they sought to keep the industry stable by manipulating the local market. Under the Maize Control Act of 1931, all extra-consumption maize was vested in the Maize Control Board, which marketed the crop locally and overseas, paying a producer price based on average realisation less the Board’s costs. The Act controlled Africans employed by Europeans, a relatively small number at this time, and all other Africans remained free to sell or barter maize to other Africans for consumption. Under a special provision for marketing African maize, approved traders who were registered as ‘trader-producers’ were permitted to buy maize from Africans in any quantity at mutually agreed prices and either bag, grade and surrender this maize to the Board or, with the Board’s approval, retain it for sale to local consumers. However, the institutionalisation of this system proved unsuccessful since European consumers in controlled areas found they could buy maize more cheaply from peasant producers.

---

527 Southern Rhodesian Government (3 October 1962). 'Evidence for Submission to the Commission of Enquiry into the Pricing and Marketing of Maize and Small Grains'. Department of Native Affairs, NAZ: RG-P/NAT 3
528 Muir 'Economic'.
529 Ibid.

195
Ironically then, discriminatory policies intended to favour European producers by leaving Africans out of state-run produce markets, created opportunities for Africans to undercut European sales and increase their market share because the cost of transacting business with Africans was lower for Europeans than the transaction costs through official channels. This is evidence that peasant production was more efficient than European production. No such problem faced the marketing boards that were to emerge in the Gold Coast because indigenous producers had consolidated their dominance in cocoa markets long before the 1930s, and because there were insufficient numbers of European planters to constitute an effective lobby.

To circumvent the problem of collusion between Europeans and Africans at the margins, the new Maize Control Act of 1934 introduced a dual producer price system with separate accounting procedures for a local and an export pool. Producers were allocated different quotas in each pool. The Local Pool was the higher-priced of the two, with local demand met at a price fixed 40% above the world market price. Quotas of up to 80% were allocated to European producers in inverse proportion to the scale of production. In this way the smaller European producer, who was seen as vulnerable, was protected from market forces. The local pool quota of African producers delivering directly to the Board was determined by the ratio of total European local quota to total European deliveries in the preceding year. The subsidised local pool price presumably acted as an incentive for Europeans to increase their output. No local pool quota was allocated to those African producers who delivered their grain through trader-producers. Since most Africans lacked transport infrastructure and facilities to deliver directly to the Board at an economic rate, this meant that most Africans received the lower export pool price less the trader-producer’s gross profit, including transport and handling charges. Prices for most African producers were therefore related directly to the low world market prices, and producers in outlying areas received less than those close to the railhead.

It was becoming uneconomic for peasants to produce for the market, as the following comment by the Chief Native Commissioner suggests:

__________________________

530 Southern Rhodesian Government ‘Evidence for Submission to the Commission of Enquiry into the Pricing and Marketing of Maize and Small Grains’.
In the opinion of many Native Commissioners, the amended provisions of the Maize Control Act have resulted in a further reduction of Native cash income, and there can be little doubt that, in some districts, surplus maize was not marketed.\textsuperscript{531}

A year later, the Maize Control Amendment Act, 1935, removed some of the discrimination in quota arrangements by allocating trader-producers a quota in the local pool of 25% of all maize surrendered. It was superseded five years later by the Maize Control Act, 1940, which retained the two-pool system but revised quotas in the local pool available to European producers. The maximum quota was set at 75% or a maximum of 350 bags. The local pool quota allocated to African producers delivering through trader-producers was fixed at 25% of the quantity surrendered or 20% of the total local pool, whichever was less. In the Native Purchase Areas, African landowners, of which there were 1,095 in 1940, were allocated a local pool of 35%.\textsuperscript{532} However since many of these African landowners chose to market their maize through the trader-producers, one can assume that the transaction costs imposed by middlemen were lower than the cost of transporting maize directly to the Board’s depots.

Now the guaranteed fixed prices payable to Africans by trader-producers were to be adjusted annually through the Native Price Equalisation Fund, established for this purpose. The 1940 Act provided for the Minister of Native Affairs to also fix prices for African-grown maize, not just European. This price was subject to the deduction of the cost of transport from the trader’s premises to the railhead. In negotiating with African producers, traders gauged what they might realise from the 25% or 20% share in the local pool and the 75% or 80% share in the export pool. African producers were divided into two classes. African landowners were permitted to deliver directly to the Board and their participation in the Local Pool was fixed at 35% of deliveries. All other African producers were required to deliver to trader-producers from whom they received the average pool realisation less the trader’s handling and transport costs.\textsuperscript{533}

\textsuperscript{531} Annual Report, 1934. Quoted in Ibid.
\textsuperscript{532} Ibid.
\textsuperscript{533} Ibid.
This complex arrangement gave rise to an equally complex system of price fixing and transport cost fixing. Almost all African producers were obliged to belong to the compulsory transport pool. Trader-producers within three miles of the railhead were given fixed prices for different grades of maize for the various groups of native producers. For trader-producers more than three miles from the railhead, various deductions from the price of maize were set in accordance with the varying distances. In his 1940 Annual Report, the Chief Native Commissioner (CNC) described this new system as ‘favourable’ for Africans, based on the criterion that it would discourage maize production in the remotest areas, which were more suited to drought-resistant small grains. The logic of this may be clearer if it is noted that small grains, such as millet and sorghum, are not only more drought-resistant, they are also more nutritious than the white maize for which consumers developed a preference. Although maize was grown in addition to small grains before Europeans arrived, many Africans switched completely to maize, which attracted a higher price.

With respect to the traders, the CNC noted:

The effect of the Maize Control Act has upset traders considerably and they refuse to buy any maize whatsoever. The price to the producer was fixed at 4/6d per bag, but the Natives refuse to sell at this price, and deal among themselves at 8/- and 10/- per bag. The traders do not like it as it curtails opportunities for a gamble with the traders generally winning.534

The impact of World War II compounded the effect of the 1930s depression on maize output. During the war years, European maize producers received war subsidies and farming bonuses. African producers received none of these and prices for their maize were determined by the Minister of Native Affairs in terms of the Native Price Equalisation Fund. Profits and losses on pooled transport operations were credited to this fund, as were profits and losses resulting from differences in the estimated and actual values of African maize. During the thirteen years from 1941 to 1954, Southern Rhodesia was able to export maize only in 1943 and 1944. But although this meant that African producer prices were unaffected by the local pool quota in all other years, the confidence of African producers had ‘unquestionably

534 Quoted in Ibid.
been shaken by the differentiation in price, grade for grade, which, when export is necessary, arises from the low quota allocation’, as the 1944 Godlonton Commission of Inquiry into Native Production and Trade in Southern Rhodesia reported. As a result, the country was importing maize at considerable cost while grain surpluses existed in African villages. But the problem was that no-one really knew how much Africans were producing.

The Commission recommended that ‘unless precise grounds of national expediency exist and can be given, no distinction be made between Europeans and Natives in determining the basis of such quotas…in respect of maize or any other crop, grade for grade.’ A political response to the Commission’s recommendations was hastened by disastrous drought in 1947, a year of record maize imports. Since commercial maize, like peasant production, is produced under rainfed conditions, even to this day, supply fluctuates from year to year. In addition to drought and the effects of price distortion, one other major cause of falling output that must not be forgotten were the accelerated evictions and land alienations of the 1940s (see below).

Under the Transport Equalisation Fund, the Department of Native Affairs introduced the principle of equalising transport costs to give all African producers the same price, irrespective of distance from the railhead. This was intended to encourage African deliveries and reduce grain imports. In 1948, the pool quota system was replaced by government guaranteed prices. As maize shortages increased the supply price, in 1949 a Native Development Fund levy was imposed on African maize sales by way of a 10% deduction from the African producer price. The funds realised would eventually finance operationalisation of the Native Land Husbandry Act of 1951, intended to improve African agriculture. By 1962, the levy on peasant maize producers was on average 2/4d a bag.

535 Godlonton Commission (1944). ‘Commission of Inquiry into Native Production and Trade in Southern Rhodesia’. Doctoral research on the Godlonton Commission has been conducted by Eira Kramer, University of Zimbabwe, 2004. 536 Ibid.
Meanwhile, the Chief Native Commissioner’s concern about the effect of favourable prices and marketing facilities for maize on small grain production was addressed in the Grain Marketing Act of 1950, which provided for the annual fixing of government-guaranteed producer prices and the controlled marketing of maize and small grains. It also provided for separate price equalisation funds for all controlled products. African-produced munga (millet), ‘kaffir corn’ (sorghum), rupoka, beans and groundnuts were now included in the operations of the transport pool, renamed the Transport Equalisation Fund. The Board could at its discretion and subject to government approval divest itself of controlled products to become the residual buyer of such products at prescribed prices.

This Act was replaced by the Grain Marketing Act of 1957, which provided for amalgamation of the renamed Grain Marketing Board of Southern Rhodesia and the Maize Control Board of Northern Rhodesia (Zambia) with consolidated amendments to the 1950 Act in terms of pricing and price stabilisation. Under the new Act of January 1958, all purchases by African cooperative societies delivering directly to the Board were exempted from compulsory handling and transport charges. This provision now included cooperatives in the Tribal Trust Lands (communal areas), not just those in the Native Purchase Areas, where African landowners had established the first African marketing cooperatives in 1956. From 1961, all African producers were permitted to deliver grains directly to the Board, thereby avoiding handling and transport deductions. Participation in the Transport Equalisation Fund was no longer compulsory for African producers, with the exception of landowners (now numbering 6,258) and members of the 438 African cooperative societies. Figure 1 shows the beginnings of a trend towards direct delivery of grains after 1955. The share of maize sold through buying agents fell from 96% in 1955 to 79% during the first eight months of 1961. By contrast, the share of maize marketed through the Grain Marketing Board (GMB) and through cooperatives rose from 4% to 12% in the case of the former and from zero to 9% in the case of the latter. The figure can be read in terms of the creeping integration of African peasants into the national economy and the fact that the marketing board addressed economy of scale problems.
The growth in cooperative marketing can be explained by the efficiency of cooperatives in undercutting the high transaction costs imposed by the Transport Equalisation Fund and by middlemen. They did this by providing economic transport services and high grading standards that guaranteed high prices. It is not clear, however, what their role was in improving access to information about official prices, since the records suggest that African producers bore resentment about the deduction of transport and marketing charges, set at a maximum of 9/- in 1962, which together with other levies were viewed as a deliberate underpayment of the equivalent producer price payable to Europeans. Though the pooling of transport charges reduced incentives for grain producers located close to the line of rail, it increased them for those in remote areas not served by cooperative societies. After participation became non-compulsory, producers could opt for direct delivery to the Board, parallel unofficial exchange with consumers, or exchange through cooperative societies. The Transport Equalisation Fund was kept on the grounds that it would encourage grain production in areas normally considered marginal or uneconomic because of their distance from the railway or consuming centres, thereby preventing overpopulation, overcropping and soil erosion in those parts of the Reserves nearest
to communication lines. Although this sounds unconvincing (areas furthest from railways and market centres were usually also areas with the least fertile land and therefore prone to erosion), nevertheless it does suggest a reason for the persistence of a parastatal marketing board into the present. For many peasant producers, the continuing legacy of the 1930 Land Apportionment Act has been isolation and a limited ability to transport produce to lucrative markets.

After 1951, African producers received guaranteed markets and prices for maize and small grains. Africans could in theory already deliver directly to the Board, but were discouraged by the high transaction costs of registration, transportation, bagging and grading of maize. Moreover, only African landowners could be paid European prices. Maize attracted high prices from the end of the war onwards because of the constant need to import. In 1946, the first Rhodesian National Front Union long-term maize price agreement was negotiated based on European producers’ costs of production. This increased the value of maize for all producers. By 1962 there were 1,700 registered traders (renamed ‘buying agents’ by the 1958 Grain Marketing Act), of which at least 1,300 were Africans. All in all, there were 2,983 registered African producers in Southern Rhodesia who received payment cheques in the same manner as non-African producers.

To maximise the cash returns from African production, from 1961 all African producers who registered, not just landowners, were permitted in theory to receive the same producer price as Europeans on direct grain deliveries to the Board. The main advantage of direct marketing was that grading was final and Africans could receive top-grade prices. Deliveries through buying agents had very rarely attracted the highest prices since agents tended to be conservative in their grading (the traders’ ‘gamble’ referred to above). Transport charges ranged from 2/- a bag in 1950/51 to 7/- a bag in 1961/62. The average distance a bag marketed ranged from 20 miles in 1949/50 when only maize was included, to 76 miles in 1958/59 when all grains were included.

537 Southern Rhodesian Government ‘Evidence for Submission to the Commission of Enquiry into the Pricing and Marketing of Maize and Small Grains’.
538 Ibid.
In contrast with this number of dizzyingly complex rule changes, the operations of the Cocoa Marketing Board in the Gold Coast can only be described as sedate. The problem of differential transport costs was never such a great problem for the Board in the Gold Coast/Ghana since Ghanaian lorry enterprise had by the 1920s reduced the cost of export transactions for cocoa producers. Moreover, cocoa producers are concentrated within one broad geographical area, the forest belt, while maize producers are spread through all areas of Zimbabwe. There was therefore a greater cohesion of interests within the cocoa sector itself. The main effect of the 1930s depression that confronted the colonial government came when cocoa farmers initiated boycotts against European firms and withheld their crop from export. The cocoa hold-ups threatened the stability of the Colony and established the industry as a force to be reckoned with, which later governments chose to ignore at their peril.

7.4.2 Cocoa hold-ups in the peasant economy

In January 1937, forecasts of a larger than expected cocoa crop in the Gold Coast combined with a lowering in American consumption brought an end to a speculative bull run in US commodity markets, leading to dampened demand from manufacturers, and a steep fall in world cocoa prices.\(^{539}\) It seems strange to think of a bull-run in the middle of worldwide recession but, indeed, higher than expected cocoa prices had seen buying firms increase their advance sales in 1936, only to face a renewed collapse in prices. Until the Great Depression prices were never lower than 30s per cwt and rose to 64s per cwt in 1927. Prices fell thereafter until December 1933. There was a gradual improvement in prices until the 1935/36 season, followed by a sudden rapid rise in the first four months of the 1936/37 crop year. This rise, linked to a boom in all commodity markets, especially in the US, was considered ‘unhealthy’ by market watchers.\(^{540}\) However, a continued increase in US consumption was predicted and this, coupled with forecasts of a small crop in the Gold Coast, encouraged speculative cocoa dealings in New York. Later forecasts of a

---


\(^{540}\) Ibid.
heavy, not short, Gold Coast crops, together with a general business slump and decline in US cocoa consumption, precipitated the price collapse from January 1937. There was a short rally between June and September as Hershey Chocolate Corporation, the world’s largest consumer of chocolate beans, tried to peg the market at 8 cents per lb (about 35s per cwt), but this was reversed at the end of September, prompting a renewed fall in prices.541

In early November 1937, European buying firms in the Gold Coast reacted to the slump by fixing prices through buying agreements, thereby hurting cocoa producers more. Inflamed by this action, many chiefs in the Gold Coast Colony and Ashanti ordered a hold-up of cocoa beans and a boycott of European goods. The action, which continued in the Gold Coast into the spring of 1938, was so effective that the Gold Coast trade was brought to a virtual standstill.542 An earlier attempt by producers to withhold cocoa in 1930/31 had been unsuccessful but the boycott of shops owned by cocoa shippers made this action different. Firms such as the United Africa Company and the Leventis Company, which together handled 88% of cocoa purchases,543 could hardly afford this loss to their import and export trade.

When the deadlock continued into the spring of 1938, the Nowell Commission was set up to investigate the protest activities, which became known as the ‘cocoa hold-ups’, and to examine the marketing of West African cocoa. The Nowell Commission reported that the unregulated marketing of West African cocoa served no-one, not least the intensely competitive European buying firms. It recommended the termination of buying agreements introduced in the Gold Coast and Nigeria in 1937. It criticised ‘undesirable practices’ in the marketing system, including the advance purchase of cocoa by African moneylenders and middlemen at fixed prices, and the use of false weights and measures by African buyers. To be fair, it noted that farmers often accepted short weights knowingly, because they found it more efficient to accept a lowering in price than find an alternative buyer. On the other side of the deal, the sub-broker found the short weight the simplest means of protection against

541 Ibid.
542 Ibid.
loss should the cocoa turn out to be defective.\textsuperscript{544} It also noted that with African and European buying firms all straining to maximise cocoa purchases and avoid losses on their advances, there were irregularities on both sides with the firms accusing the brokers of false declarations while buyers made counter-accusations of unfair practices by the firms and their agents.\textsuperscript{545} The Commission’s recommendations called for boosting the economic position and morale of producers in relation to buyers, both European and African, while recognising the legitimate interests of Africans and shippers alike.\textsuperscript{546} It recommended that ‘free competition’ be maintained in the purchase of cocoa and that ‘unnecessary expense’ in marketing should be avoided.\textsuperscript{547} Towards this end, it recommended that a licensing system could prevent the further entry of middlemen, thereby eliminating some undesirable practices. The revival and strengthening of such institutions as the office of Inspector of Weights and Measures would also help to avert future crisis.\textsuperscript{548}

These recommendations led to the creation in 1939 of what became the Cocoa Marketing Board, to stabilise prices at a level considerably more attractive than the 1937 prices. The Commission noted in its report that while the Gold Coast and Nigeria accounted for half of total world supply of cocoa,\textsuperscript{549} this did not constitute a monopoly that would enable them to dictate world prices, even if this were desirable. It noted that the largest single market for cocoa was the United States, which took 38\% of supplies and 45\% in 1936/7.\textsuperscript{550} It said governments would incur grave risks if they assumed responsibility for guaranteeing the price of a commodity that was subject to such speculative influences as cocoa. Instead it recommended a producers’ association to market the bulk of the crop, governed by a board.\textsuperscript{551}

In the event, the board was brought under the control of the state, following the outbreak of WWII. After the war there was no resistance to the continuation of board activities. The narrow range of crops gave West African price stabilisation a

\textsuperscript{544} Nowell Commission 'Report of the Commission on the Marketing of West African Cocoa'.
\textsuperscript{545} Ibid.
\textsuperscript{546} Ibid.
\textsuperscript{547} Ibid.
\textsuperscript{548} Ibid.
\textsuperscript{549} By 1925 the Gold Coast alone accounted for 44\% and together with Nigeria for 52\% of total world exports, the report noted. Ibid.
\textsuperscript{550} Ibid.
\textsuperscript{551} Ibid.
particular significance as stabilisation was needed not just as protection against slumps, but also against booms.\textsuperscript{552} The rise in the price of cocoa on world markets during 1920 from £98 a ton to an unprecedented £122 led to a kind of ‘Dutch disease’ as people deserted professional jobs and food crops to join the cocoa rush. But a drop in price to £85 by May and £39 by December brought financial ruin to many firms and individuals.\textsuperscript{553} The rationale for maintaining marketing boards then was that they would even out the worst effects of booms and slumps by withholding a portion of crop earnings in good years and topping up producer prices in bad years. Bauer had argued that boards did not significantly play this role. The main obstacle was the very high level of reserves needed to smooth out large fluctuations, for example from £234 a ton in October 1947 to £167 a ton in June 1948.\textsuperscript{554} Later, it was feared that price stabilisation could cause inflation. It was recognised, however, that the boards helped to reduce West African demands on the sterling pool of goods and that the investment of Marketing Board surpluses in British funds had resulted in a great increase in West Africa’s sterling balances.\textsuperscript{555}

### 7.4.3 Peasants and institutional change

What do these case studies say about producer power and the ability of the peasantry to effect institutional change? The case of the settler colony has provided some evidence that peasants were able to put ‘weapons of the weak’ to effective use by withdrawing their maize from the market. Nevertheless the weight of evidence suggests that the main impetus for institutional change arose from conflicts between competing European interest groups, rather than from the ability of peasants to rise up against the settler state.

Similarly, in the case of the peasant colony, it is widely acknowledged that the power of the cocoa hold-ups came from the leadership of kulak-like chiefs, the largest cocoa producers in the Gold Coast Colony and Ashanti, rather than from the smaller

\textsuperscript{552} Williams. ‘Marketing Boards’. p.49.
\textsuperscript{553} Speech by General Guggisberg, quoted in Ibid.
\textsuperscript{554} Ibid.p.50.
\textsuperscript{555} Ibid.
peasant-like producer. The system of indirect rule pursued in the Gold Coast, as in the African reserves of Southern Rhodesia, had brought chiefs onto the colonial government’s payroll, thereby guaranteeing their cooperation. Thus the 1937/38 hold-ups were a unique display of producer power and were never again repeated.

The longer-term clash of interests affecting the industry was to arise later from the conflicting needs of cocoa producers and the needs of the wider economy, which had come to rely on cocoa earnings for its development. While there was more continuity than change in the actual functioning of the Board in Ghana, its purpose came to assume a hugely increased political and economic significance. The next section considers the extent to which the economic function of marketing boards in each country was subjected to the higher callings of political ideology.

---


7.5 Ideology and Conflict

7.5.1 The cause of a ‘White Rhodesia’

In the case of the settler economy, this ideological calling was ‘the greatest good for the greatest number in the cause of the ideal of a White Rhodesia’. This point is made in the following letter discussing maize control in the early 1930s from Prime Minister G. Martin Huggins.\(^{\text{557}}\) The large and small growers referred to are all European.

17 April 1934

Dear Mr Bee,

Thank you for your letter of the 5th instant.

The subject you write about is a very difficult one. It appears to be generally conceded that some system of control is necessary, and although the large growers should be able to produce more cheaply than many of the small growers, our aim must be the greatest good for the greatest number in the cause of the ideal of a White Rhodesia.

No system of control would be justified if its effect were to maintain the large growers at the expense of the far more numerous small growers. The Government is endeavouring to devise a scheme as equitable in its effect as possible, and it is believed that the proposals now being worked upon will not inflict serious hardship on the large producers, while they will give material help to the small growers. It must be remembered that in the completed two years of control the average percentage of each grower in the local market was 21.38%.

Yours sincerely,

G. Martin Huggins

The letter is evidently a response to lobbying by Mr Bee, a large grower, for a more equitable distribution of the lucrative local pool towards larger European growers. While the smaller European farmer in 1934 was allowed to sell up to 80% of individual output on the local pool, as noted above, the letter appears to indicate that

---

\(^{\text{557}}\) NAZ S482/781/39 'Letter from Prime Minister G. Martin Huggins to Mr Edward Bee of Leopards Vlei, Salisbury, 17 April 1934'.

208
this averaged out at 21% of produce sold by each European grower in the higher-priced pool. The letter suggests strongly that market forces favour the bigger producer and that most European farmers in Southern Rhodesia were not yet strong or efficient enough to face market forces. The letter makes explicit that economic efficiency was not the goal of state policy in Southern Rhodesia. Had it been, the government would have directed earlier attention towards peasant production, whose competitiveness would have attracted a greater market share. Instead, the government devised all manner of rules to keep peasants out of business and to keep small European farmers afloat. Even productive large-scale European farmers were expected to stand aside for the least competitive of all farmers, that is the smaller European grower, (Mosley’s ‘modal farmer’, discussed in the last chapter) in the interest of attracting white settlement to Southern Rhodesia.

The fear of African competition is stated thus in an article published in the *Journal of the Royal African Society* by the assistant director of Native Lands, A.C. Jennings:

The steady progress recorded in Native agriculture always brings forward the bogey of Native competition. There is much ill-considered opinion in this respect but it is hoped the time is not far distant when the Natives will be regarded more and more as producers, helping to swell the bulk output of the country and so increasing national wealth.  

The article, which carried a short forward by Prime Minster Huggins, made the further point:

It is not always realised that a lowering of the standard of Native life brings in its train a lower standard amongst a large part of the European population.

The solution:

Let the Native by all means be encouraged to produce grains and crops not generally grown by the Europeans, for which a market exists or could

---


559 Ibid.
be developed. As the races develop each in his own area the fear or dissatisfaction concerning the activities of the other should disappear.  

When the move did come to encourage peasants to market more of their surplus, this was dictated by the need to reduce the import cost of maize and because the rise in the level of European settlement meant that European demand for maize could not be met from European supplies.

Yet although Southern Rhodesia became a self-governing colony in 1923, the British Secretary of State had the power of veto over legislation discriminating against natives. How did such a series of clearly discriminatory acts get passed? As Sir John Kennedy, Governor Major-General of Southern Rhodesia wrote to Patrick Gordon Walker in the Commonwealth Relations Office in London in justification of the Agricultural Marketing Act 1951:

> The efficient and economic collection and marketing of the relatively small individual production of the 300,000 to 400,000 African peasant producers in the Colony often calls for different methods to those which are suitable for the European with his relatively large individual production and higher degree of organisation.  

The Office was concerned about two clauses in the Bill that might invite discrimination against Africans and circulated the Bill internally for comment. In a minute dated 31 May 1951 and signed ‘Watts’, one official noted: ‘Levies on natives under the 1948 Act can be considerably higher than those contemplated for Europeans in the present Bill’. Watts noted further: ‘This is discriminatory but can be justified on the grounds that more progress is needed in African than in European production and marketing methods.’ It would be fair to say that much progress was in fact still needed at this time in European production, which had not long overtaken African grain production. Importation of expensive equipment may have made European farming methods look efficient but, as has been gleaned from the last

---

560 Ibid.
561 PRO DO 35/3671 'Letter from Sir John Kennedy, Governor Major-General of Southern Rhodesia to Patrick C. Gordon-Walker, MP, Commonwealth Relations Officer, (Commonwealth Relations Office) Downing Street, 18 October 1951'.
562 Ibid.
chapter, the average European farmer was not efficient, as Mosley acknowledged. This point can also be read into Prime Minister Huggins’ letter.

7.5.2 The Ideology of independence in the peasant economy

In the case of the peasant economy, Ghana, there was a rather different kind of ideological imperative that may have affected the marketing of cocoa after Independence in 1957. ‘Industry rather than agriculture is the means by which rapid improvement in Africa’s living standards is possible’, Prime Minister Kwame Nkrumah wrote. ‘Small-scale private farming is an obstacle to the spread of socialist ideas. It makes for conservatism and acquisitiveness and the development of a bourgeois mentality.’ Was this kind of reasoning proof of Nkrumah’s ‘socialism’? It is worth considering to what extent this reasoning explains the process by which the state later diverted surpluses from the cocoa sector into industrial projects.

During the period 1945-54, large cocoa surpluses accumulated by the Gold Coast Cocoa Marketing Board had been invested in UK government bonds. Following independence in 1957, this source of cash was expended as Nkrumah’s government sought to put in place the infrastructure necessary for industrial expansion. Farmers were squeezed to finance a huge programme of development, but the high producer prices that attracted farmers to cocoa at the turn of the century never again equalled their 1917 value, as real prices declined until about 1985. As Figure 11 (Chapter Five) showed, cocoa output rose steadily during the first four decades of the century. Although the value of exports remained more or less constant in comparison with the expansion of exports, reflecting the decline in producer prices, these prices were sufficiently high to attract increasing numbers of farmers to cocoa. In historical terms, they were the highest prices ever seen in the cocoa industry worldwide, as world demand for cocoa was still in excess of supply. This suggests that the productive capacity of cocoa enterprise was extremely high, and greatly assisted by the relatively low cost of land and labour factors.

Rimmer sees this as a notorious case of a state ‘killing the goose’. His analysis of this process focuses on the overdeveloped state, corruption, Nkrumah’s white elephants, Nkrumah’s quest for personal aggrandisement, his ‘socialism’ and his neglect of agriculture.\textsuperscript{564} These themes require some probing. If it is accepted that relatively little of the huge sums that were collected from cocoa farmers via the Cocoa Marketing Board was reinvested in private agriculture, it can be noted that after Nkrumah’s overthrow in 1966, this trend worsened. At the same time, the fact that private agriculture existed, however unsupported, is proof that Nkrumah’s economic policy was not a socialist one.

Cocoa output fell from an all-century high of 572,000 tons in 1964/65, under Nkrumah, to 334,000 tons in 1968/69, but government revenues were buoyed by rising cocoa prices and a 40% improvement in the export price index from 1966 to 1970.\textsuperscript{565} Currency overvaluation resulted in huge cedi debts by the Cocoa Marketing Board, which could neither raise producer prices adequately nor pay farmers in a timely fashion. This led eventually to low morale among cocoa farmers, the conversion of cocoa farmlands to the cultivation of alternative cash crops such as maize, plantain and cassava for which farmers received spot cash and relatively high prices, and finally declining cocoa output.\textsuperscript{566} In a country that derives more than 70% of foreign exchange earnings from cocoa,\textsuperscript{567} this could only signal crisis.

It is tempting to see the continuing existence of the marketing board in Ghana as evidence of the ‘kleptocratic’\textsuperscript{568} or ‘vampire’ state in Africa.\textsuperscript{569} It is correct to point out, as Rimmer does, that the ‘milch-cow’ status that was acquired by the board in the early post-colonial period, noted by Killick,\textsuperscript{570} actually grew over the period under review. It is also true, as Frimpong-Ansah shows, that high producer prices were a key factor in the rapid establishment of the cocoa industry. Real producer

\textsuperscript{564} Rimmer \textit{Staying}. See further Rimmer \textit{Economies}.
\textsuperscript{565} Rimmer \textit{Staying}. p.110.
\textsuperscript{566} Bank of Ghana. p.6.
\textsuperscript{567} Ibid.p.8.
\textsuperscript{570} Killick \textit{Development}. p.119.
prices never again matched the high levels of the first two decades of the twentieth century, when Ghana became the world’s leading cocoa producer. Frimpong-Ansah shows that maximum incentive prices were sustained during only two periods in the history of cocoa production, 1895-1917 and 1947-60. During these two periods, the entire tree stock that existed by the mid-1980s was built up. But despite a downward trend, producer prices remained competitive with other crops, such as maize, oil palm and rubber and Frimpong-Ansah believes the eventual decline of the industry resulted from thirty years of sub-optimal incentives and distorted prices from about 1961. He concluded that all governments contributed to the decline of the cocoa industry by means of excessive taxation.\footnote{Frimpong-Ansah \textit{Vampire}:pp.140-2.}

But in highlighting the year 1961, he joins other authors in attaching primary responsibility for Ghana’s decline to Nkrumah. Yet, as Austin points out, Nkrumah did not invent the export monopoly, which had been in place for more than a quarter of a century before cocoa output peaked.\footnote{G. Austin. (1996) 'National Poverty and the "Vampire State" in Africa: A Review Article'. \textit{Journal of International Development}. 8. 553-73. See pp. 557-8.} Moreover the peak came less than two years before Nkrumah’s overthrow. Austin notes that in neighbouring Côte d’Ivoire, cocoa output during the 1980s surpassed Ghana’s historical highs, despite the presence of a similar state monopoly. Given that the sharp decline in cocoa production occurred only after 1975 and coincided with a steep rise in the degree of overvaluation, the real enemy of Ghanaian cocoa farming was not so much the state export monopoly as the overvalued, inconvertible currency. The consequence of this policy was that even where the marketing board offered a higher price at the official exchange rate than that paid in neighbouring Cote d’Ivoire or Togo, the parallel valuation made it more lucrative to smuggle out cocoa.\footnote{Ibid.}

By 1982, the problem of currency overvaluation was so acute that the purchase of cocoa had itself become a major source of inflation. This was so because the Cocoa Marketing Board’s foreign earnings were insufficient to liquidate its debt obligations to the Bank of Ghana, which pre-financed cocoa purchases. The Board had accumulated large debts because of the artificially low value at which the pound

\footnote{571 Frimpong-Ansah \textit{Vampire}:pp.140-2.}
sterling was kept. Frimpong-Ansah estimated that short-run producer price distortion reached its peak from 1977 to 1980 and cost the cocoa industry between 33% and 40% of output a year. Long-run direct and indirect distortions also peaked during this period, costing the industry 51.5% of output. The very long-run adverse effects peaked in 1978 and 1984 and cost the industry 62.6% in output. He believes that with very long-run incentives, the industry would have reached peak production of about 757,000 tons in 1983 instead of the 296,000 tons it actually realised. In addition, he estimated that about 34% of the estimated tree stock may have been destroyed or abandoned from the late 1970s with a loss to the state and the economy that outweighed the revenues gained through higher taxation.\textsuperscript{574}

Figure 17 shows the distorted effect that is produced when current prices are added to the picture of cocoa output and real prices shown earlier in Figure 14. The havoc caused by this difference between current prices and real prices explains the close fit from 1962-1981, observed in the last chapter, as cocoa farmers responded to the macro-economic situation by smuggling out their beans. Because macroeconomic policy favoured imports over exports, the Board was forced to subsidise farmers.

\textbf{Figure 17: Cocoa Output and Producer Prices, 1948-1982}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{cocoa_output_diagram.png}
\caption{Cocoa output (000 tonnes) and real prices (cedis per tonne) from 1948 to 1982.}
\end{figure}

\textit{Sources:} Ghana Policies and Programme for Structural Adjustment, October 1983, and Ghana Cocoa Board.

\textsuperscript{574} Frimpong-Ansah \textit{Vampire}.pp.146-7.
So was Nkrumah’s ideological preference for rapid industrialisation and his neglect of agriculture the cause of the cocoa industry’s eventual decline? This is a question that I put to William Ekow-Daniels, who was Deputy Attorney General and Minister of Justice in the last year of Nkrumah’s presidency, and later Minister of Interior under Hilla Limann. According to Ekow-Daniels:

It is not true to say that Nkrumah neglected agriculture. He saw it as our life blood. His idea was: if we produce tomatoes, we must set up a cannery; if we have cattle we must have a meat factory. He said: we can’t be as slow as our colonial masters; we have to run. In 1960 and 1961, when we were lifting off, it was very impressive. There were margarine factories, butter factories, vegetable oil mills, silos to produce cocoa butter, coconut processing in the Western Region, fruit canneries, a cotton mill in the north. We had Volta corned beef with meat from the Bolgatanga factory, Bonsa Tyre Factory with rubber produced in the Western Region. The Koreans and the Malaysians came to learn about palm oil and rubber. Like the Koreans, we wanted to do things for ourselves.575

Expressions such as ‘lifting off’ suggest the language of modernisation theorists, especially Rostow. In addition to W. Arthur-Lewis, Nkrumah was visited by many of the leading modernisation theorists of the day. According to Ekow-Daniels, Nkrumah was ‘way ahead’ of all of these theorists.576 Nevertheless, the evidence does suggest an engagement with Hirschman’s concept of linkages, albeit with little acceptance of Hirschman’s notion that development efforts should be concentrated on one sector. It also suggests that Ghana in the 1960s was a centre of learning for some of today’s leading Asian economies. In relation to the cocoa industry, Ekow-Daniels, himself a one-time recipient of a cocoa scholarship, continued:

Nkrumah didn’t despise peasants. We had cocoa scholarships and any relative of a cocoa farmer was entitled to a scholarship, even today. From 1958, the scholarships established helped the education of not just academics, but were extended to help artisans and others. At independence cocoa farmers were viewed in high esteem. Cocoa farming was very prosperous and to call them peasants is a great understatement.

576 Ibid.
Most of Ghana’s money came from cocoa farmers and Nkrumah’s idea was why not let some of the proceeds kept in Britain work for us? True to his character he said we must use some of this money to educate cocoa farmers.

At the time the coup came, we were looking at burning cocoa beans. Production was going up in 1964 and 1965, and the [world] price was going down. We tried to get Ivory Coast and others to burn excess cocoa so the price would go up, but it didn’t work out. The government’s extension policy was to spray all cocoa farms free of charge. As a result the industry was booming. We had to think of means to bring down the excess resulting from continuous spraying. This neglect of agriculture, to lay it at the door of Kwame Nkrumah I will never accept. Even after the coup the exchange rate was good for a couple of years. Our big fault was that we were trading with both the US and the USSR.577

These remarks confirm that Nkrumah was in a hurry to develop Ghana, but not the contention that he neglected the agricultural sector. On the contrary, Ekow-Daniels points to two special institutions created by Nkrumah to promote the cocoa sector. The first was a reward system of educational scholarships for cocoa farmers and their families. The second was the free spraying of cocoa farms to prevent the spread of diseases that had threatened the industry. Moreover, the evidence does not support Rimmer’s contention that Nkrumah was merely dedicated to his own self-aggrandisement. Rather, it gives hint of an external dimension to Ghana’s economic decline that Rimmer ignores. Ekow-Daniels suggests that Nkrumah tried to use his political influence in Africa to manipulate the law of supply and demand with respect to cocoa prices. The context for this is discussed next. Finally, Ekow-Daniels hints that Nkrumah’s policy of non-alignment had something to do with the 1966 coup that toppled him.578 No opinion on this matter is expressed by Rimmer though the influence of external forces in Ghana’s decline has been the topic of a forty-year debate.

From the political perspective to the business angle. I asked Nana Kankam-Boadu (1913-2005), aged ninety at the time of interview and a former Chairman and Chief Executive of the Cocoa Marketing Board, to give his version of the cocoa story. One point agreed by both men was that Prime Minister Kofi Busia’s Aliens Compliance

577 Ibid.
Order had a disastrous effect on the cocoa sector. Under the 1969 order, labourers from neighbouring country were deported and this action raised the cost of cocoa labour. But the two differed in their interpretation of Nkrumaist ideology. Kankam-Boadu joined the staff of Crown Agents in London and in 1954 became Deputy Managing Director of the Cocoa Marketing Company (London) under Sir Eric Tansley. Kankam-Boadu was the first Secretary-General of the Cocoa Producers Alliance, which was established in 1962 by five West African countries together with Brazil. The Alliance established export quotas, but cooperation broke down in 1964/65 when a large crop was produced. A downside to Africanising cocoa storage is that cocoa spoils relatively quickly when kept in the tropics. When the International Cocoa Agreement was established in 1972, export quotas were replaced with buffer stocks and these were stored in a temperate climate. This meant that cocoa marketing boards could again export all their cocoa on an annual basis. Because of the historical interest, I am reproducing here much of what Kankam-Boadu said.

Everyone wanted to emulate the cocoa farmers. The price leapt up, and from the early days of 200,000 tons a year, production went up to 570,000 tons. The quantity went up and the quality remained, hence we attracted a premium of £5 a ton above the world price. Before the government took over control of finance, the Board could decide what to give the farmers without having to tax them. By providing feeder roads, schools, clinics and so on, the Board played a valuable role and virtually became the government. The Cocoa Marketing Board had a subsidiary in London, the Cocoa Marketing Company, which sold all produce abroad. The price to farmers depended on what we could get overseas. The Board bought all cocoa at a fixed price. Before fixing this price, the Cocoa Marketing Company in England would work back from the world price and commodity movement trends. During the war, all primary commodities were sold to the outside world because Britain couldn’t feed Nigeria and all the colonies, so produce had to be sold to make the colonies feed themselves. All produce was marketed by the West African Produce Marketing Company, headed by Sir Eric Tansley. He was known as ‘Tansley the Missionary’ who was working for the producers and wouldn’t allow the price to go down. The consumers who used to play us down now got their match in the wizard of commodity trading who knew all the market tricks. After he retired in 1959/1960, it was the beginning of the disintegration of the united force that the four West

---

579 Tansley has been called the ‘key figure’ for fifteen years in the West African export marketing boards. See Laan. ‘The Selling Policies of African Export Marketing Boards’. p.374.
Around that time, Nkrumah made up his mind to bring the Company to Accra. But we trade by information. If you’re sitting in London, you’re getting minute to minute information. If you move to Accra where telecommunications and electricity break down, how do you expect the best men to come from London? But politics decided it’s our company, we can do what we like. I told the government that we were losing £25 million a year from this. With the disintegration, the Gold Coast company moved to Ghana. There was now a free-for-all on the markets. Speculators jumped in and the price fluctuated wildly. There was confusion and the government couldn’t budget properly so we started talking about a cocoa agreement, with FAO as the centre for discussions. Strangely enough, America was a member of the Cocoa Agreement so as to stop the wild fluctuations in the price. We had the benefit of their experience with many agreements. They helped us cross all the ‘t’s and dot all the ‘i’s, but when it came to signing the agreement, they said they’d have to go to Congress.

Under the Cocoa Alliance, we decided to emulate exactly what Sir Eric Tansley was doing – not a cartel to rule the world, but to control the flow of cocoa. I suggested to Nkrumah that we could use the CMB’s four floors to set up the Alliance, but Nkrumah said if we start a cocoa alliance, because we’re a premier producer, people might look at it jealously. So I went to Nigeria to ask them to house us. Brazil was very quick on the gun to do business. Nigeria as the host had to get involved, and we formed the Alliance with Cameroon, Ivory Coast and Togo before the Malaysians joined. In my opinion, it was better than the Cocoa Agreement in London, where producers and consumers together set up a fund controlled by a buffer stock management. Under the Alliance, there were no consumers and no cumbersome problem of payments, we were simply manoeuvring to keep the market afloat. The Americans told me: ‘If you go against consumers, then we’ll line up against you.’

When Nkrumah said ‘Africa must unite’, of course it’s true, but in reality what happened? We had a Cocoa Research Institute. Ghana got independence and there was no more research institute. We had a West African currency. Ghana came and started the cedi, the Nigerians got their naira. Was that unity? Britain united us and we’ve disintegrated. That’s why I’m not in politics. Why go to the platform and say we should unite when on the ground we’re disintegrating? It suited Britain to unite us. It was cheaper for them and they found it convenient. We should have just taken it, but we’ve destroyed it. Ghanaians should be grateful for the patience and commitment and the industry of the average so-called farmer He just adapted himself and learned it on the job, he wasn’t trained. If Britain saw the goodness in that and started the Marketing

---

Board to encourage them, we were on the right track. Any Ghanaian government should build on that, encourage them, don’t think for them. Britain didn’t think for them. The government shouldn’t try to borrow money to pay them, just use good sense. The CMB will say: ‘Go and spray for the farmer.’ The cocoa farmer doesn’t want you to come and spray for him. He wants the value of his labour and he’ll decide what to do.582

A number of observations about the relationship between markets and states can be drawn from this oral testimony. The first have to do with the nature of the market. The testimony suggests that markets are not as impersonal as the formalist literature would have it, that they do not work for all players equally, and that the market itself has a personality (or culture) that players must be acquainted with. This is the personality of the dominant players. These players may be the representatives of states or of independent players. The evidence suggests that market forces favour the strong and powerful and that the market is not a place for the fainthearted. It is a place for skilful game players and those who know all the ‘tricks’ do well because they know how to manipulate the market in their favour. It also suggests that market imbalance may lead to conflict and to a rebalancing of interests.

The evidence suggests further that Nkrumah, aware that the relative strength of Ghana’s cocoa producers gave them a certain degree of market power, sought to strengthen Africa’s position in the world by promoting African unity. This called for a break with colonial institutions. However, the introduction of African currencies at a time when world markets were reaching saturation in terms of Africa’s primary exports, left individual countries more, not less, vulnerable to market forces. The evidence suggests that market forces are never pure and that a small, emerging nation must seek protection from a more powerful state. The question of spraying cocoa farms, to which both men allude, touches on the question of the developmental state. How far should the state go in providing public goods? Kankam-Boadu’s comments suggests evidence of the ‘overdeveloped’ state. While it is well documented that the spraying of farms helped to stamp out cocoa diseases, more research is needed to evaluate the suggestion that cocoa farmers prefer to make their own decisions about spraying and that government intervention in this area is not welcome.

Kankam-Boadu’s comments on the cedi will be read as supporting evidence for those who see the creation of a national currency as a fatal error. It is easy to say with hindsight that nationalist attachment to a new African currency, the cedi, was responsible for Ghana’s decline. But while the franc zone has proved more stable, it does not follow that francophone countries have grown rich. It must be remembered, moreover, that Nkrumah’s nationalism and pan-Africanism were part of his charismatic appeal and that his ideas created great excitement, as well as consternation, as the interviews conducted show. Nkrumah was a talented and savvy politician who understood the laws of economics and the dangers of his political position. In seeking the diversification that had eluded Governor Guggisberg, moreover, he understood, like the Rhodesians, that ideology was an essential motivator of economic development.

From the two sets of evidence presented on the peasant and settler economy, it can be concluded that ideology exerted considerable influence on the character of marketing institutions, but ideology does not per se explain changes in the rules of marketing the crop, neither for cocoa nor maize. For behind the complex rule fixing in Southern Rhodesia and the creation of the marketing board in Ghana lies not ideology but social conflict, as Acemoglu would predict. Social conflict in the form of the cocoa hold-ups of 1936 and 1937 heralded the entry of monopsonistic cocoa marketing in the Gold Coast. Conflict also explains the numerous changes in the rules of marketing in Southern Rhodesia.
7.6 Social Conflict, Change and Stabilisation

7.6.1 Social differentiation in Southern Rhodesia

In Southern Rhodesia, as social differentiation increased, so too did conflict between not just Europeans and Africans, but also between emerging European interest groups, including growers, consumers, traders, millers, small farmers, big farmers and different government departments. As noted above, African marketing cooperatives were formed only in the 1950s, in contrast to the strong European cooperatives and farmers associations that emerged immediately after occupation. There had been some attempt to establish African business cooperative ventures during the 1930s depression years as part of a pan-Africanist agenda that emphasised ‘racial uplift’.583 But this had set in motion a nascent ‘class struggle’ which, West argues, was checked when the nationalist movement emerged with an agenda to overthrow white settler colonialism. African socio-economic division had grown from an expansion in the activities of individual African capitalists during the more prosperous era of World War II and beyond. And as these activities grew, the cooperative movement lost its appeal.584

Lacking representative organisations, African producers frequently resorted to ‘weapons of the weak’, and this included the refusal to adopt new farming techniques (Mosley’s ‘game against the government’), alluded to in the last chapter. But the land evictions and alienations of the 1940s created what Ranger saw as a ‘much more intense and bitter legacy of hatred and resentment’, because they now ‘undercut and rendered impossible the peasant strategy’.585 The strategy, it may be recalled from the last chapter, was to increase output and thereby resist proletarianisation. Ranger’s claim, that white farmers fought this strategy, trying ‘in everyway to undermine black production and shake labour for themselves out of the Reserves,’ is consistent with the findings of the government enquiry into marketing, discussed above. For

584 Ibid. p.264.
585 Ranger Peasant. p.46.
Ranger, the strategy spoke of a ‘peasant consciousness’ that was later to feed into the guerrilla struggle, suggesting that peasants were anything but apolitical. Yet he also argued that the attempts during the 1940s to ‘drive black peasants from markets and communications were frustrated not by African peasant action, but by the protestations of Anglican missionaries.’ This suggests that peasants lacked the collective strength used by cocoa farmers in the Gold Coast to effect change.

As various forms of intra-European conflict created the stimulus for changes in marketing arrangements, the following resolution by European growers in Umtali (now Mutare) gives a hint of the pressure that could be brought to bear on the government by some of these interests:

The Umtali District Farmers’ Association desires with all due respect to draw the attention of the Prime Minister to the fact that this Association no longer retains its confidence in the Minister of Agriculture when this Minister throws the onus of mal-administration upon the farmers of the Colony.

We are expected to sacrifice our pig and dairy herds, cut maize rations to our native labourers, supply maize to the rest of the community and carry on our agricultural work successfully at the same time.

As a body of practical farmers we are willing to assist in the alleviation of the maize shortage, each according to his individual ability; as farmers endeavouring to be self-supporting we refuse to be the pawns of autocratic bureaucracy.

This Association implores that the Maize Rationing Regulations be withdrawn but, where local Committees are appointed, these Committees be given full powers to co-opt to their numbers, and to operate within the administration of the Central Food Production Committee in order to see the Colony through this grave period of maize shortage.

An interesting feature of the letter is that it uses the language of communist ideology (‘from each according to his ability, to each according to his need,’) to assert the loyalty of farmers to collective ideals while lambasting the government for expecting too much. This is interesting in the context of the development of intra-European

---

586 Ibid. p.25.
587 Ibid. p.47.
588 NAZ S482/173/39 (16 November 1945). 'Copy of Resolution passed by Umtali District Farmers’ Association'.

222
class divisions and conflicts. At the same time the letter recalls Weber’s view of the bureaucratic state. However, it is not clear whether the charge of ‘maladministration’ includes the neglect of peasant agriculture, since white farmers were strenuous in lobbying for the curtailment of African production.

Several factors explain the rise in African output in Southern Rhodesia from the 1950s, not least the improvement in data collection. As European farmers increased diversification away from maize, this enabled a less restrictive legal framework and a less segmented market to emerge. The 1930s depression and the expansion of European immigration to Southern Rhodesia increased the demand for maize, which could not be met from European stocks. The maize shortages of the 1940s brought a reassessment of the productive potential of African producers, who would only bring their maize to the Control board ‘if the price was right’. There was a further realisation, contrary to Mosley’s conclusion that the African did not diversify, that Africans could realise a higher income by turning their maize to beer than from the discriminatory prices they were offered by the Board. These were signs of producer power, though limited.

**Table 4: Value of European Crops and Livestock, £m.**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tobacco</td>
<td>25.2</td>
<td>21.7</td>
</tr>
<tr>
<td>Maize</td>
<td>9.0</td>
<td>14.0</td>
</tr>
<tr>
<td>Cattle</td>
<td>11.5</td>
<td>10.1</td>
</tr>
<tr>
<td>Sugar</td>
<td>6.4</td>
<td>4.8</td>
</tr>
<tr>
<td>Dairy Produce</td>
<td>2.9</td>
<td>3.2</td>
</tr>
<tr>
<td>Cotton</td>
<td>1.6</td>
<td>2.7</td>
</tr>
<tr>
<td>Pigs</td>
<td>1.1</td>
<td>1.3</td>
</tr>
<tr>
<td>Tea</td>
<td>0.8</td>
<td>0.9</td>
</tr>
<tr>
<td>Potatoes</td>
<td>0.6</td>
<td>0.5</td>
</tr>
<tr>
<td>Groundnuts</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Other crops</td>
<td>2.1</td>
<td>1.9</td>
</tr>
<tr>
<td>Other livestock &amp; livestock products</td>
<td>1.3</td>
<td>1.6</td>
</tr>
</tbody>
</table>


---

590 Much can be learnt about these conflicts in Hodder-Williams *White Phimister Economic*. 
Table 5: Gross Value of African Crops and Livestock, £m.

<table>
<thead>
<tr>
<th>Crops</th>
<th>1966 £m.</th>
<th>1967 £m.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tobacco</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Maize</td>
<td>1.4</td>
<td>1.7</td>
</tr>
<tr>
<td>Groundnuts</td>
<td>0.9</td>
<td>1.1</td>
</tr>
<tr>
<td>Cotton</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Other Crops</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Total Crops</strong></td>
<td><strong>2.8</strong></td>
<td><strong>3.4</strong></td>
</tr>
<tr>
<td>Livestock</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cattle</td>
<td>1.7</td>
<td>1.5</td>
</tr>
<tr>
<td>Sheep/Goats/Pigs</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Other livestock</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Total livestock</strong></td>
<td><strong>2.3</strong></td>
<td><strong>2.1</strong></td>
</tr>
<tr>
<td><strong>Total Gross Sales</strong></td>
<td><strong>5.1</strong></td>
<td><strong>5.4</strong></td>
</tr>
<tr>
<td>Less Marketing and other costs</td>
<td>0.9</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Total Net Sales</strong></td>
<td><strong>4.2</strong></td>
<td><strong>4.4</strong></td>
</tr>
</tbody>
</table>

Source: Agricultural Marketing Authority, 1968, p.10.

After Southern Rhodesia’s illegal Unilateral Declaration of Independence (UDI) from Britain in 1965, the country embarked on an industrialisation strategy based initially on agro-industrial crops, including tobacco, sugar and cotton. The effect of sanctions stimulated a much more intense drive for diversification in the agricultural sector. During the UDI period to the late 1970s, import substitution industrialisation policies allowed the creation of strong backward and forward linkages between agriculture, secondary industry, mining and commerce. The effect of this on industrialisation will be demonstrated in the next chapters. However, as sanctions hit exports, output of tobacco and sugar declined markedly, but were offset by a 55% increase in maize, a safe haven, and cotton (see Table 4).

In 1967, the total value of agricultural production, at £92.8m, reached a new record. This represented an increase of 4.5% increase above the previous record of £88.8m in 1966. The increase came about despite a continuous decline in tobacco, now one of the country’s most important crops, and sugar, also of considerable importance. The value of tobacco output, at £21.7m, fell by almost 14% from 1966.

---

to its lowest level in twelve years. This followed the loss of the UK market for Virginia flue-cured tobacco in Nov 1965.\textsuperscript{592} Sugar values also fell 25\% from 1966 to their lowest level in five years as a result of both sanctions and depressed world market conditions. The fall in value of these two crops alone amounted to £5.1m. Together with the cattle industry, which had been forced to destock because of 1967 drought conditions, losing £1.5m in value, the fall in value of the three commodities amounted to £6.6m. However, a huge switch to other crops, including £5m added to the old friend, maize, and £1.1m to cotton, improved the balance. There was an additional £300,000 rise in the value of dairy produce, £200,000 in pig production and £100,000 in tea production.

During this period, the value of marketed African output also expanded in scope, but at a fraction of the European level, the value of groundnuts being the sole exception. The cash income of Africans from sales of agricultural produce amounted to a gross total of £5.4m in 1967, about one-twentieth of the European total. However, the figures do not capture crops traded among Africans. The increase in African cash income derived from crops increased by 21\%, from £2.8m in 1966 to £3.4m in 1967. Of this, the greater part was accounted for by maize, at £0.3m. a mere fraction of the £9m to £10m that the Agricultural Marketing Authority estimated was produced by Africans annually,\textsuperscript{593} followed by groundnuts (£0.2m) and cotton (£0.1m). Cotton income at £0.2m was double the figure attained in each of the three preceding three years, but income from cattle fell by £0.2m due to the heavy slaughterings imposed by drought.\textsuperscript{594}

Table 5 shows that marketing and related cost deductions amounted to a hefty one-fifth of marketed output, whereas no deductions are shown in the European table. However, the simultaneous increase in the value of maize for both Europeans and Africans suggests that participation in the market was becoming less of a zero-sum game. Diversification increased the wealth of European farmers, enabling them to expand both maize and the range of crops grown. European immigration had slowed

\textsuperscript{592} Ibid. pp.1-2.
\textsuperscript{593} Ibid. pp.4-5.
\textsuperscript{594} Economic Review of the Agricultural Industry of Rhodesia (1968).
down and with the ‘ideal of a White Rhodesia’ envisaged by Prime Minister Huggins in 1934 now seeming unattainable, Africans would eventually have to be considered as more than a mere factor input. But serious conflict over land was yet to emerge, and up until the 1970s, Rhodesians were free to create institutions that allowed Europeans to hold all the cards. In the end it was guerrilla war, rather than producer power, that brought an end to the era of segmented markets.

After independence in 1980, the Grain Marketing Board expanded its network of depots and collection points, as part of government efforts to promote the production and marketing of maize and other grains in communal and resettlement areas. The combination of pre-planting prices for producers and expanded rural infrastructure resulted in a tripling of maize marketed by communal farmers to overtake commercial maize production. By the end of the 1980s, inflation had overtaken producer price increases and many commercial farmers switched to more lucrative non-food crops. From a peak of 280,000 hectares in 1981, the area of commercial farmland given to maize fell to 110,000 hectares.

7.6.2 Revolution and stabilisation in Ghana

While Zimbabwe’s pre-independence civil war is beyond the scope of this chapter, Ghana’s experiment with revolution had something to do with the marketing of cocoa. The producer power displayed in the late 1930s was never again repeated, but several lessons can be drawn from the December 31st 1981 Revolution, almost half a century later. The ‘revolution’ occurred just a month after a rise in the producer price from £120 to £360 per 30 kilos in November 1981. The cocoa price increase was intended as an incentive to producers, but the Limann government’s fear of the political consequences of currency devaluation meant that the CMB could not afford to pay farmers. At the time of the November 1981 increase, the world price of cocoa averaged £1,247 a tonne. The exchange rate of £1 = £5.18 gave the CMB an export

595 NAZ S482/173/39 ‘Umtali Resolution’.  
revenue of $6,459 a tonne. The increase meant the CMB had to pay the producer $12,000 a tonne. Added to this were the high overhead costs of $6,000 a tonne, bringing the total cost to the CMB to $18,000 a tonne. The CMB thus incurred a deficit of $11,500 on each tonne and this rose above $12,000 during 1982 as the world price declined.\textsuperscript{597} The large deficit not only constrained the ability of the board to pay attractive producer prices, but also forced it to rely on a system of deferred payment to farmers.

Yet the ‘revolution’ came not from outraged producers, but from a group of junior officers led by Flt-Lt Jerry Rawlings, who had led an earlier uprising in 1979, returning power to an elected civilian government after three months. To support the revolution, people’s defence committees and workers’ defence committees were put in place all over the country, and People’s Shops became emblematic of the new revolutionary institutions. But a historically bad drought in 1982/83 and bushfires that swept across the countryside meant there was a short supply of all foodstuffs and the shops remained largely empty. The flogging of market women, accused of \textit{kalabule} (hoarding and profiteering) had the effect of worsening the supply situation. The expulsion of close to two million Ghanaians from Nigeria compounded the crisis.

One of the first tasks of revolution had been to send students to evacuate cocoa from the hinterland and ironically it was the economics of cocoa that put the revolution to an early rest. The collapse of infrastructure, as much as low prices, had hindered the delivery of cocoa to the market. Those that could not smuggle their cocoa beans to neighbouring countries simply left the crop to rot on trees. During 1981/82, cocoa production hit an all-time low of 222,000 tonnes, amounting to 13.1\% of world production. This compared with 37.5\% in 1964/65, when production was at its height.\textsuperscript{598} Yet cocoa still accounted for more than 70\% of foreign exchange earnings and the new revolutionary government was quickly running out of funds. It turned to the Eastern bloc and to Libya, but with little result. In a very short time the revolution that was envisaged as a people’s revolt against the architects of economic

\textsuperscript{597} Bank of Ghana. p.18.  
\textsuperscript{598} Ibid. p.17.
decline became one of the institutionalisation of IMF/World Bank reforms. The Cocoa Marketing Board, renamed Cocobod, was expanded to service food farmers. Under structural adjustment from 1983, the work of the marketing board has been rationalised, but its key functions have remained intact.

Like the Cocobod in Ghana, the GMB has remained in place, even as other loss-making parastatals have been commercialised under liberalisation. A lesson was learnt in 1991 when the government, acting on advice from the World Bank, sold its entire buffer stock of maize, only to face Zimbabwe’s worst recorded drought. Deregulation of marketing led to establishment of the Zimbabwean Agricultural Exchange (Zimace) during the mid-1990s. This has taken the marketing of various commodities out of state hands, but the GMB remains a buyer of last resort.

Rimmer, following Kwame Arhin, thought that the reason Ghanaian cocoa farmers surveyed in the early 1970s did not complain about producer prices was because ‘a decade of independence had reduced [them] to helpless dependence.’ This speculative conclusion was drawn from a survey in which the worst criticism by farmers was that the board could ‘do more for them’. The conclusion fit the Arhin/Rimmer story of ‘blatant politicisation of the board by the CPP government between 1951 and 1966’. A simpler and more testable conclusion, and one that confirms Acemoglu’s hypothesis, is that there was little conflict, and therefore no change, because farmers knew the board was on their side.

---

599 This writer was enrolled at the University of Ghana during 1982/1983 and witnessed some of these developments.
600 Mikell Cocoa and Chaos in Ghana. p.264.
603 Ibid.
604 Convention People’s Party led by Kwame Nkrumah.
7.7 Conclusion

This chapter examined evidence on crop marketing in the two case study countries and found that government intervention in agricultural export markets has not always been economically inefficient. Where the boards have failed to reduce transaction costs for producers and state intervention has not therefore been economically efficient, the outcome too has sometimes been politically inefficient.

State ideology affected the operations of the boards, but did not by itself produce institutional change. By contrast, socio-economic differentiation produced conflicts over the marketing of major crops in both the peasant and settler economies and such conflicts provided the stimulus for institutional change. Marketing boards were established in response to these conflicts. In the settler colony the leading agricultural board was faced with a greater succession of conflicts than faced the board in the peasant export colony. As a result, the board changed its rules more frequently in the former type of economy.

The chapter found that in both types of economy, African producers had little power to effect institutional change. Producer power was exercised most commonly through such activities as withdrawing maize from the market, ignoring government attempts to improve husbandry, smuggling cocoa beans or leaving them to rot on trees. Though these activities were more in the nature of ‘weapons of the weak’ than a forceful display of producer power, they did nevertheless damage the economy to a degree that led to social conflict, and this in turn produced the stimulus for change. This effect was clearer in the case of the peasant colony than in the settler colony. In the latter, the market was segmented. There were relatively free and highly regulated segments, and there was consolidation and integration over time. Integration did not occur without social conflict. Land alienation provided the greatest stimulus for change.

Archival and oral evidence gave some sense of the character of the market and why the state exists. The evidence suggested that the market rewards strong players who best understand its culture and its rules. In new institutionalist terms, it can be affirmed that the state exists to reduce the transaction costs of producers who cannot
get their produce onto the world market at a cheaper cost. In Leninist terms, it exists because differences between competing economic interests cannot be resolved. Both of these reasons suggest that any call for less state, more market is against the interests of peasant producers in Africa.

Returning to Acemoglu’s thesis, the evidence studied in this chapter suggests that the reason Europeans created ‘better’ institutions to protect their property rights in settler economies than in peasant export economies can in part be traced to the role of social conflict in historical change. Where Europeans settled, the process of social differentiation accelerated and there was heightened conflict between competing economic sections. Where Europeans failed to settle, differentiation proceeded at a slower pace and there was less stimulus for change.
CHAPTER EIGHT

8 Two Paths to African Industrialisation

This chapter looks at the two paths to industrialisation pursued in the peasant and settler economies. A key distinction between them is that large-scale manufacturing industry is more developed in the latter. In common is that they experienced their greatest rate of industrial expansion after formal independence in Ghana and illegal independence (UDI) in Rhodesia. How did this occur simultaneously under two such different states, one ostensibly pursuing left-wing policies and the other right-wing?

The chapter examines the capitalist-politician models identified through Iliffe’s Gerschenkronian method. Like Sender and Smith subsequently, Iliffe sees the state as a catalyst of African economic development, and the first consideration of this chapter is his idea that the ‘socialist’ model favoured by Nkrumah and Nyerere placed little faith in the private sector. According to Iliffe: ‘Nkrumah believed that private enterprise was incapable of modernising Ghana at the breakneck speed which he envisaged.’ Unlike Rimmer then, Iliffe does not dispute that what Nkrumah sought was economic development, rather than ‘self-aggrandisement’. Moreover, Iliffe accepts that Nkrumah never attempted to nationalise foreign enterprises. He does claim, though, that Nkrumah ‘deliberately confined local capitalism to small-scale operations while building up a massively expensive state sector.’ Iliffe thought that during the period from the early 1960s to the early 1980s, the burden of supporting the ‘overdeveloped state’ had ‘very largely ruined Ghana’s productive economy.’ Iliffe contends that Ghana was a ‘relatively wealthy colony poised for capitalist development until turned in the opposite direction, almost entirely by the will of one man.’ This is in keeping with one of Killick’s statements about Nkrumah: ‘He wanted a revolution; instead he got a shambles. He introduced capital and modern technology; but the technology was inappropriate and much of the

605 Iliffe Emergence. pp. 64ff.
606 Sender and Smith Development.
607 Iliffe Emergence. p.77.
608 Ibid.
609 Iliffe Emergence. p.78.
610 Ibid. pp.77-8.
611 Ibid. p.78.
investment was money down the drain. Yet these views seem at odds with the facts on cocoa production, examined in the last chapters, which show that twentieth century production peaked not long before Nkrumah was overthrown, as well as with some of the oral evidence received there. Iliffe’s model therefore needs some probing.

The second of Iliffe’s models is the ‘parasitic capitalism’ associated with such countries as Zaire, Zambia, Liberia and Côte d’Ivoire, and need not much concern this thesis. The third model, Iliffe said, held the greatest promise for African development, but, only South Africa, Kenya and Nigeria had embraced ‘nurture capitalism’. Nurture capitalism, associated with late nineteenth-century Japan, used nationalism to achieve rapid ‘modernisation’. This, again, is a Gerschenkronian idea. Gerschenkron argued that to overcome stagnation in a backward country required more than the promise of a better allocation of resources, cheaper prices, or even higher profits. Innovating entrepreneurs needed ‘faith in a golden age ahead’. In late-industrialising France it was Saint-Simonian socialism, not Bonapartism or laissez-faire, that lent this spiritual flag to capitalist ideas. In conditions of Russian ‘absolute’ backwardness, a yet more potent ideology was needed for the rapid industrialisation of the 1890s, thus the orthodox Marxist concept of the iron law of historical development was embraced, long before the 1917 Bolshevik Revolution.

Iliffe said an important country to watch for signs of nurture capitalism would be Zimbabwe, because of its ‘strong capitalist institutions created by a local white bourgeoisie’ that was ‘anxious to find black allies’. Before examining the independence effect in the two case study countries, the next sections look at the early history of manufacturing and the move towards protectionism. In the one country, colonial rule followed the usual pattern with an administration appointed from and responsible to the imperial government. In the other country, by contrast, a form of settler self-government was accorded less than full independence (a pattern shared with South Africa), but far greater privileges than were enjoyed by white

---

612 Killick Development. p.195.
613 Iliffe Emergence. pp.80-1.
614 Ibid. pp.82-3.
616 Iliffe Emergence. p.43.
settlers in Kenya. Yet in both, following World War II, there is a shift from *laissez-faire* and a restructuring of economies away from the primary extraction of minerals and agricultural produce towards secondary industrial development. Iliffe explains this shift in terms of a move by colonial governments to diversify economies, a parallel move by Europeans in settler economies to win greater autonomy, a competitive strategy by rival international companies to establish subsidiaries behind protective tariff barriers in the colonies, and the structural change stimulated by the increased use of synthetics in manufacturing processes.\(^{617}\) In the post-World War II era, moreover, the advent of Keynesian economics created an intellectual climate that favoured greater state intervention in economic development.

This chapter considers the factors that enabled the Rhodesian state to override natural comparative advantage more successfully than in the case of Ghana. Because of the controversy in the literature over Nkrumah’s industrial strategy and because of Nkrumah’s Africa-wide agenda, the balance of evidence in this chapter is tipped towards Ghana.

\(^{617}\) Ibid. p.65
8.1 The Early History of Large-Scale Manufacturing

The beginnings of a bulk market manufacturing industry in Zimbabwe can be traced to the establishment as early as the 1890s of several foundry and engineering concerns to service the mining industry, and the emergence of Southern Rhodesian pioneer processing and packaging industries. Other early activities included a brewery established in Salisbury (Harare) in 1899, small tobacco processing factories in Bulawayo and Umtali (Mutare) from 1907 and the establishment of creameries in Bulawayo and Gwelo (Gweru) in 1909 and 1913 respectively.618 The outbreak of war in Europe in 1914 created opportunities for further limited development, but substantial expansion only occurred during the 1930s depression and during the Second World War.619

In the Gold Coast, the effects of World War II also led to a rise in investment. Fixed investment and government consumption rose against private consumption, due in part to inflows of colonial foreign aid from the UK and direct foreign investment in mining and large-scale manufacturing. However, it was primarily in the 1940s that development became accepted as official responsibility, resulting in higher government expenditure on capital formation and current goods and services. Despite buoyant export earnings, the capacity for productive expenditure remained limited, Rimmer argues, and the large cocoa surpluses accumulated by the Gold Coast Cocoa Marketing Board during the period 1945-54 were invested in UK government bonds.620

Neo-Marxist theories of economic imperialism explain the unwillingness to spend surpluses in terms of Africa’s incorporation into an economic system designed to guarantee a source of cheap raw materials and foodstuffs to metropolitan centres, thereby offsetting declining productivity or averting commercial crisis in Europe. Rimmer counters this argument by saying that Africa’s contribution to international trade lacked quantitative importance in the world economy and that the continent has

---

619 Ibid.
620 Rimmer Economies. p.228.
been an insignificant destination for capital flows and migration.\textsuperscript{621} He argues that the absence of large-scale manufacturing in colonial territories resulted not so much from official discouragement as that the principles of comparative advantage made it cheaper to obtain most manufactures from abroad than to produce them locally.

But, as Rimmer conceded, in the name of comparative advantage, economic surpluses were drained and this prevented investment in export industries, while fluctuations in the prices of primary products made it impossible to plan economic growth effectively. The absence of a substantial manufacturing sector deprived economies of opportunities for acquiring technical knowledge, education and skills. And, as Rimmer acknowledged: ‘the consequences of thus exercising economic rationality were economies that appeared unbalanced, lopsided or structurally distorted, and whose malformation was held to reduce their performance below what might have been attained and strongly to inhibit their further growth.’\textsuperscript{622}

Sir Gordon Guggisberg is unique as the only Gold Coast governor to draw up a development plan, a ten-year programme that proposed public expenditure of £24m from 1920-1930 to help stabilise the economy following the post-war worldwide boom and slump. This, and his qualities of ‘idealism, moral fervour, and shrewd practical foresight’\textsuperscript{623} qualify him to be considered as one of the earliest nurturers of capitalism in Africa. Guggisberg’s greatest achievements included Takoradi harbour, the construction of roads and completion of the Accra-Kumase railway, Korle Bu hospital and Achimota School.\textsuperscript{624} He however left the Gold Coast in 1927, when only half the level of projected development expenditure had been reached.\textsuperscript{625} Guggisberg’s plan sought to expand infrastructural development of harbours, railways and road, and cheapen the cost of transportation. This was intended to stimulate new production, reduce dependence on cocoa, prevent a recurrence of the 1920 trade slump that had followed the post-war boom, and increase the overall trade

\textsuperscript{621} Ibid. p.228.
\textsuperscript{622} Ibid. p.229.
\textsuperscript{624} Ibid.
\textsuperscript{625} Kay, Ed. \textit{Political.} pp.41-2.
of the colony. Notwithstanding his warnings about ‘all the eggs in one basket’, the one ingredient of Iliffe’s nurture capitalism lacking in Guggisberg’s programme was nationalism. To obtain support from London for his development plan Guggisberg promised ‘the most rigid economy’.

This suggests that in its relationship with the imperial government in London the government in the colony wielded less influence and therefore had less ability to effect structural change than was apparent in the Salisbury/London relationship during the same decade. But there is also a sense that the colonial government was keeping private enterprise at bay. A committee appointed by the Secretary of State for the Colonies to report on private enterprise found ‘little reason to suppose that private firms will be found willing to finance, construct and operate railways unaided by Government in the present state of development of Tropical Africa.’ It reported a ‘shyness on the part of British enterprise towards the Tropical African colonies and protectorates.’ In this regard, it contrasted:

…the meagre achievements of British enterprise in Tropical Africa on the one hand and on the other the striking results which it show in many parts of South America to which British capital has flowed freely, particularly for such enterprises as the construction of railways. Of the various reasons for apparent neglect of territories under the British flag which have been suggested to us, they note that in some quarters there appears to exist an impression more or less vague, but none the less real, that private enterprise is not welcome to the administrators of the territories concerned; that the system of Crown Colony government tends to obstruct rather than smoothen the way for the would-be concessionaire.

This ‘impression’, which would have been shaped by the Crown government’s conscious decision to support the peasant option by preventing the alienation of land in the Gold Coast to Europeans, as discussed in earlier chapters, does not convey a sense of a dynamic capitalism. Serious concern for industrial development came only in 1948 when, in the context of an African boycott of European firms to protest the high prices of imported goods in the Gold Coast, the Watson Commission was
appointed to look at trading conditions in the colony and assess the government’s handling of African grievances. ‘At every turn we were pressed with the cry of industrialisation,’ the Commission reported, and attributed this to a ‘vague desire for something that promised wealth and higher standards of life.’ It continued:

Apart from the possibilities of a hydro-electric scheme… the establishment of any heavy industry on the Gold Coast capable of finding an export market must remain a dream. With an enervating climate in the torrid zone, lacking coal and other basic minerals, the prospect is so barren that not even the greatest enthusiast could suggest to us a method of accomplishment.629

Nevertheless, the Commission conceded that there was scope for some development of secondary industries, which it suggested should be run as cooperative units, coordinated by the newly established Industrial Development Corporation. It recommended that secondary industries should aim primarily to supply the needs of the home market. Four potential industries that merited consideration in the Commission’s view were: (i) fish canning; (ii) utility and other furniture; (iii) native cloth weaving; (iv) vegetable oil refining, and soap making.630

Southern Rhodesian nationalism too was long in developing and any desire to nurture capitalism was yet to challenge the theory of comparative advantage, which held sway in the early part of the century. However, laissez-faire was compromised by the desire to attract the ‘right sort of settler’. Such selectivity militated against the British South Africa Company’s desire to increase the settler population rapidly so as to augment the price of land. As Hodder-Williams put it, though capital lay in Britain, the right skills were in South Africa. The Company’s imperially-minded directors looked down on Afrikaners, yet found it difficult to induce aristocratic Englishmen to invest their capital in the sandy soils of the highveld, even if land was cheap.631 The context for a shift away from identification with British interests towards the development of a nationalist Rhodesian consciousness is discussed in the next section.

630 Ibid. p.78.
631 Hodder-Williams White..
8.2 Self-Government

Historiographies of peasant and settler economies suggest that self-government is the first criterion for mass-market industrialisation. Early industrialisation in Southern Rhodesia took place within the context of settler self-government from 1923. This followed the October 1922 referendum, which gave settlers a choice between Union with South Africa, favoured by the British government, or ‘Responsible Government’, which the settlers chose. Thereafter Southern Rhodesia came under the Dominions Office, while the Gold Coast continued to be run by the Colonial Office. Although Southern Rhodesia was still a colony, its near-dominion status gave it an independence, similar to South Africa’s, that enabled it to pursue industrialisation at the expense of British interests, and in competition with its other two industrial rivals, South Africa and Kenya, Hodder-Williams showed. Similarly, Kilby thought European settlers were in a better position than their competitors abroad to respond quickly to emerging opportunities, and used their political leverage on colonial governments to extract state support for industrial enterprises. Self-government gave Southern Rhodesia’s settlers stronger leverage than, for instance, Kenya’s.

The experience of the depression years brought greater state support for secondary industry to overcome the heavy reliance on primary products. These had seen a fall in national income from £13.9m in 1929 to £8.7m in 1931 as commodity prices plunged and global markets contracted. This, combined with the internal effects of cotton failure and an outbreak of foot-and-mouth disease that disrupted cattle exports, put hundreds of farms out of business, creating a new phenomenon of white unemployed. The Reform Party’s victory in the 1933 election resulted in active promotion of industrialisation, but the party was riven, Phimister says, by conflict over the country’s relationship to international capital. It was replaced a year later by the United Party. The new Prime Minister, Godfrey Huggins, advocated pragmatic

---

635 Ibid.
accommodation with old allies in London and Pretoria. But this did not deter a change in industrial policy towards state protection for the Rhodesian Iron and Steel Industry, threatened by closure in 1938, and its subsequent nationalisation in 1942.\footnote{Ibid.}

As imports from advanced capitalist countries fell away during World War II, the state established a cotton spinning industry, and purchased the railway system in 1947. Thereafter, it scaled down its activities in the face of strong opposition to nationalisation by industrialists.\footnote{Ibid} This suggests either that the state had overreached itself, or that it had already fulfilled its role as a catalyst in this area of economic endeavour. By 1948, manufacturing was second only to settler agriculture as a source of the Colony’s income, though large companies, mostly foreign-owned, increasingly dominated production. Under a Customs Agreement signed with South Africa in November 1948, Southern Rhodesian manufactures were granted free access to the South African market. The subsequent establishment of the South African Customs Union allowed the two countries the benefits of a preferential trade agreement, while complying with the provisions of the newly established General Agreement on Trade and Tariffs. But with the new exposure to foreign competition that this engendered, Phimister argues that there was little incentive to develop Southern Rhodesia’s undercapitalised capital goods sector. From 1947 onwards, foreign investment was increasingly drawn to industries such as food processing and light consumer goods which offered the greatest advantage over imports in national and regional markets, usurping settler capital.\footnote{Phimister \textit{Economic}. pp.250-8.}

Self-government in the Gold Coast began effectively in 1951, when Kwame Nkrumah, the imprisoned leader of the Convention People’s Party earned his release after winning the first of three precolonial electoral victories to become Leader of Government Business.\footnote{D. Austin (1964). \textit{Politics in Ghana 1946-1960}.} This occurred six years before formal independence. Following a period of rapid growth during the 1940s, the 1950s saw an expansion in human resource development. Health facilities expanded and enrolments more than doubled in primary, secondary and tertiary levels. This gave the country the highest-

\footnote{Ibid.}
ranked educational system, the best supply of skilled labour and the most efficiently-run public service of the West African region, though absolute statistics remained low.

Nkrumah envisaged a shift from investment in social overheads capital in favour of directly productive activities. Thus the 1950s too saw an expansion in the activities of the Industrial Development Corporation, which created a number of publicly owned commercial enterprises. The major exception to the new strategy was the construction of Africa’s largest man-made dam under the Volta River Project, intended to stimulate industrial growth through the generation of hydro-electric power and an aluminium smelter. Given the very heavy demand for electricity associated with aluminium production, this project was the greatest sign that Nkrumah was thinking big. It was financed, after much persuasion and also much compromise on Nkrumah’s part, by US investors, Kaiser Aluminium. This is discussed further below. This massive project, which Rimmer calls a ‘white elephant’ though it was first envisaged as a colonial project, was the greatest symbol of Nkrumah’s aspirations not just for Ghana but for a united Africa.
8.3 The Move towards Protectionism

The autonomy that the settler colony enjoyed relative to the peasant colony is reflected in its earlier move to protectionism. Tariffs aimed at protecting local industries and raising revenues appeared only during the 1950s in the Gold Coast, but several decades earlier in Southern Rhodesia. Prior to the 1920s, Rhodesian tariffs were designed to raise revenue and promote primary exports under customs agreements negotiated with the Cape Colony in 1899 and South Africa after 1910. But Southern Rhodesian customs revenues were hit by South Africa’s 1925 Tariff Act, which promoted the development of secondary industry at the expense of regional free trade. Although Southern Rhodesian manufacturers demanded similar protection, the government continued to resist such a move.641 However, when the sterling zone was created and Salisbury came off the gold standard in October 1931, Southern Rhodesian industry benefited from the lost competitiveness of its powerful southern neighbour, as South African currency appreciation against sterling made exports more expensive. By the time Pretoria came off the standard in early 1933, several South African manufacturing firms had established subsidiaries north of the border, enabling Southern Rhodesia to increase its manufactured exports.642

From this point on, Southern Rhodesia looked more likely than the Gold Coast to achieve self-sustaining growth. The institutions put in place to bring about structural change, the path that the Rhodesians took from primary extraction to processing and manufacturing and eventually supplying overseas markets, and the reasons, ultimately, for the failure of large-scale manufacturing in both settler and peasant economies are a key concern of this thesis.

During the depression years, Southern Rhodesia experienced the greatest industrial growth of the equatorial and central African region, where reduced profit margins resulting from the recession stimulated more processing, rather than less. This occurred because the cost of processing in Africa using cheaper energy, land and

642 Ibid. p.246.
labour could substantially reduce transport costs, particularly in the mineral ore and timber sectors. Industrial expansion occurred in the areas of export processing of chrome and asbestos, the two main minerals after gold. These offered a ‘natural’ opportunity to add value, thus the country was able to play to its comparative advantage. Expansion also occurred in the production of agricultural goods, as well as in the import substitution of intermediate goods. As elsewhere in Africa, Clarence-Smith contended, the choice of simple intermediate goods over light consumer goods was conditioned by pressure from metropolitan interests to prevent the emergence of a rival consumer goods industry in the colonies. The cotton textile industry developed in two stages. Though there was a thriving garments industry, the cotton industry was geared initially towards supplying overseas markets with raw material. This was the result of the demand by textile firms in Europe for protection of their lucrative trade. Subordinated to these demands, textile mills only came later. The choice of intermediate goods was also a consequence of export-led growth in economies with limited internal markets. Value-adding export processing in turn stimulated demand for intermediate goods, creating a backward linkage. The booming gold mining sector provided an internal market for pumps, pipes and various metal goods and machinery. By the end of the 1930s, there was a rapid expansion even in areas that had suffered from reduced demand during the recession, notably cement and other building materials and the chemical industry, including fertilizer, insecticides and cattle dip. Industrialisation was then both a function of meeting the demands of overseas markets, and creating internal linkages to supply the limited domestic needs.

The recession brought a disruption in supplies to import-substituting industries producing intermediate goods, strengthening the protectionist lobby. But companies that switched to manufacturing consumer goods primarily for the African mass market performed well. Clarence-Smith suggests that African incomes were much less sensitive to the effects of recession than those of settlers as African cultivators expanded their volume of output to compensate for any decline in the terms of trade.

643 Clarence-Smith 'Effects'. p.170.
644 Ibid.
Soap did particularly well during the 1930s, as the low capital intensity of soap works and the local availability of inputs presented few barriers to entry.\textsuperscript{646}

8.4 The Independence Effect

The period from the late 1950s to the early 1980s was the period of aggressive state interventionism and inward-looking industrialisation, not only in Africa. This section looks at the impact of independence on industrial development in the two case-study countries.

8.4.1 UDI and the impact of sanctions in Rhodesia, 1965-1979

Rhodesia’s attempts to negotiate formal independence were rebuffed by Britain, who insisted that independence must be the outcome of universal suffrage. As the negotiations stalled, the moderate Rhodesian Front prime minister, Winston Field, was replaced by the more hardline Ian Smith. Minutes of the 1964-65 negotiations in London reveal Smith as an artful politician and a cunning negotiator bent on convincing his counterparts in London that while elections were desirable, they could under no circumstances be extended to the majority black population, a simple peasantry, whose unflinching loyalty to his government was marred only by its intellectual disability, rendering it unable to cope with the electoral process.\textsuperscript{647} This argument failed to convince the Commonwealth Office and Smith’s November 1965 Unilateral Declaration of Independence (UDI), illegal under international law, resulted in the immediate imposition of sanctions by Britain, followed by Commonwealth and United Nations sanctions. Early sanctions included expulsion from the sterling zone, loss of Commonwealth trade preferences on exports, a freeze

\textsuperscript{646} Ibid. pp.191-3.
\textsuperscript{647} Southern Rhodesia (November 1965). 'Documents relating to the negotiations between the United Kingdom and Southern Rhodesian Governments, November 1963-November 1965'. London.
on Rhodesian financial and gold resources in London, an embargo on oil and petroleum imports, and a ban on tobacco and sugar exports to Britain.\textsuperscript{648}

The immediate effect of sanctions was a 37\% fall in exports and a 30\% fall in imports in 1966. In spite of this, GDP fell by only 2.6\%, while GNP declined just 1.9\% in the same year.\textsuperscript{649} This suggests that the trade sector was very small prior to UDI. Contrary to expectations that the economy would soon buckle under the impact of sanctions, manufacturing grew an average 9\% a year from 1966 to 1974. During this period, substantial diversification occurred in various sub-sectors including metals and metal products, chemical, textiles and clothing, and foodstuffs. 1968 saw a surge in activity as all sectors increased their output, in particular the textiles sector, where the volume of output rose by 47\%. The value of manufacturing output in 1969 was 14\% higher than in 1968, which in turn was 13\% higher than the previous year. A period of ten years was to lapse before sanctions could do anything to dampen the boom.\textsuperscript{650}

Pangeti suggests a number of factors accounting for the failure of economic sanctions in the short-term. These included the timing of sanctions during a boom period in the economy and the existence of excess infrastructural capacity and investments from the era of Southern Rhodesia’s pre-1963 federation with what became Zambia and Malawi. Other factors were the opportunities for import substitution that the restriction of imports created, and the fact that the government was able to turn financial sanctions to its advantage by quickly withdrawing most of its foreign exchange reserves and defaulting on loans after the freeze was imposed. In addition, the staggered and piecemeal nature of sanctions, the upsurge in nationalism that they inspired, and the sanctions-busting activities of a wide range of countries also strengthened Rhodesian economic resilience.\textsuperscript{651}

Part of this resilience, and its unsustainability, is explained by prominent Rhodesian agriculturalist and industrialist, C.G. Tracey thus:

\textsuperscript{649} Ibid. \\
\textsuperscript{650} Ibid. pp.51-79. \\
\textsuperscript{651} Ibid. pp.57-61.
Industrialisation was stimulated by UDI because under sanctions if you wanted something, you either did without it or made it yourself, for example you got a foundry going. The biggest industrialisation took place then. Yet it was built on a flimsy foundation. When sanctions finished, the men making parts for John Deere couldn’t compete with John Deere.652

UDI had occurred during an upsurge of activity in the Southern Rhodesian economy. By this time, the Rhodesian economy was already substantially diversified. By 1963, the manufacturing sector contributed 18% of GDP and 13% of formal employment, though a fall in new investment, resulting from uncertainty over the country’s future, and excess manufacturing capacity meant that industry was operating at only 60% of its capacity. By 1965, manufacturing accounted for 19.7% of GDP. Membership of the Central African Federation (CAF), though short-lived, had resulted in high growth, due to a combination of strong demand for Southern Rhodesian goods, high tobacco and mineral prices, the availability of cheap African labour, and inflows of capital and skilled manpower from Europe. In addition, the CAF created an outlet for the excess industrial capacity. In the aftermath of sanctions, the economy was able to fall back on investments and excess infrastructural investments accumulated during the Federation years. Also related to the timing, Southern Rhodesia had in 1964 successfully negotiated a preferential trade agreement with South Africa that covered 75% of its exports to that country. The preferential rates of duty obtained, coinciding with the Exchange Control Act introduced in 1964, cushioned manufacturers from the short-term effects of sanctions.653

Sanctions on exports to Rhodesia had the effect of turning the economy inwards. Shortages of imports led to excess domestic demand, which in turn created opportunities for diversification and genuine import substitution. Before long, the country’s leaders were trumpeting the start of a Rhodesian ‘industrial revolution’. In the immediate aftermath of sanctions manufacturing firms experienced a fall in operating profits in 1965 and 1966. Output fell in such sectors as transport equipment, chemicals and petroleum products, drinks and tobacco, metals and metal

products, paper and printing, wood and furniture, and foodstuffs. However, this was offset by rising output in clothing and footwear and non-metallic minerals. Import substitution created linkages between economic sectors.

Most investment during UDI was directed to the mining sector, particularly targeted for sanctions-busting activities, earning the country foreign exchange for capital imports for manufacturing and agriculture. As integration between primary and manufacturing sectors tightened, by 1980 44% of agricultural output was destined as inputs to manufacturing, compared to just 13% in 1965. Facing import restrictions, agriculture in turn increased its inputs from the manufacturing sector. These inputs included machinery, transport and equipment, chemicals, stockfeed and fertilizer. A process of structural change was set in motion as agriculture shifted from production of export crops to that of industrial and food crops for light manufacturing and food processing. Cotton production, notably, expanded 800% between 1965 and 1972. As a result of this diversification, the manufacturing sector’s contribution to GDP rose to 25.2% in 1974, from 19.7% in 1965. However, diversification to industrial crops, requiring heavy financial inputs, increased the indebtedness of farmers by 98% over the same period.

Over the long-term, however, sanctions combined with other factors to whittle down economic performance and the country experienced a slowdown from 1974 to 1979. The impact of this slowdown on the manufacturing sector was felt most in the sub-sectors producing consumer goods, non-metallic minerals, transport equipment, wood and furniture, paper and printing, as well as the construction industry and its suppliers.

Reasons suggested by various authors for the economic decline include the effects of the protracted liberation war in the 1970s, the global crisis that spread from the developed capitalist countries, and the underconsumption crisis emanating from discriminatory policies against the black population, coupled with the limits of an import substitution strategy in a small domestic market. Other factors include

---

654 Ibid.
656 Ibid. p.65.
overheating as the economy struggled to sustain its earlier boom, over-production and over-accumulation, and the effects of exogenous factors such as inclement weather and the oil price hikes. To this list, Pangeti adds a shift in the geo-political situation as Mozambican independence led to the closing of its border with Rhodesia, strengthening the impact of sanctions.657

Zimbabwe’s experience of sanctions suggests strongly that the impact of external factors was mediated by internal conditions. Where there are strong reasons to resist them, the motivation is keen, and economic conditions conducive, sanctions can have the opposite of the desired effect, strengthening rather than crippling the economy. At the same time, it can be seen, that sanctions proved effective in the long-run, but only as part of a bundle of factors that operated together to weaken the economy, and reinforced each other once the economy had lost its earlier resilience.

8.4.2 Ghana: the ‘overdeveloped’ state?

Post-independence Ghana has been viewed in the literature as a notorious case of accelerated industrialisation. Objecting to what he saw as Ghana’s treatment as a dumping ground for other countries’ manufactures, Nkrumah sought to speed up development by maintaining a high investment rate to transform productive structures and achieve diversification into large-scale manufacturing and service industries. Nkrumah’s Seven-Year Development Plan for the period 1963/64 to 1969/70 explicitly rejected the use of laissez-faire market mechanisms, and sought structural transformation through central planning. Industrialisation was to be achieved through state participation, high levels of investment, manufacture of import substitutes, import and foreign exchange controls, industrial licensing and price controls.658

657 Ibid. p.68.
Financing of the ‘big push’ was to come from taxation and, if the failure of cocoa prices to rise above the projected average of £G190 a ton\(^{659}\) should make it necessary, through deficit financing. The plan allocated £67m from central government to ‘transform’ agriculture, and suggested that private farmers should ‘invest another £110m of their own money to expand and modernise their farms’.\(^{660}\)

However, as the public sector expanded, the country accumulated debts and what Rimmer considered to be inappropriate productive capacity that were to act as a drag on economic growth.\(^{661}\) Once seen as the ‘model colony’, Ghana rather quickly came to be viewed as a classic case of the ‘overdeveloped’ state. Rimmer apportioned most blame for the failure of the ‘big push’ to Nkrumah’s ‘socialist’ policies, combined with the rent-seeking tendencies associated with state intervention and other endogenous factors. Killick on the other hand emphasised the influence of development economics. He argued: ‘Many of the things which Nkrumah and his successors tried to do were rather accurate reflections of policies which economists had been urging upon the third world for some time’.\(^{662}\) He saw Ghana as a ‘case study in applied development economics’.\(^{663}\) How can this difference in perspective be resolved?

Certainly, Nkrumah’s faith in socialism as the ideology that could best promote development was symbolised in the 1961 launch of the Ideological Institute at Winneba, attended by then Soviet leader, Nikolai Brezhnev. And certainly, too, his development plans argued the case for centralised planning rather than *laissez-faire* economics. Yet, his plans more closely reflected the views of mainstream development economists at the time than those of Soviet economics. Nkrumah had visited the Soviet Union and was impressed by what he saw there. But then which other country could boast recent investment rates in excess of 20% a year? Several authors, including Iliffe, have argued that Nkrumah was hostile towards the development of private enterprise in Ghana. Yet his public statements show no hostility to foreign direct investment, which he promised to deal with on a ‘sound

---

659 The figure projected in the Seven-Year Development Plan, 1963/64-1969/70.
660 Government of Ghana ‘Seven-Year Development Plan: A Brief Outline’.
661 Rimmer *Economies*.
663 Ibid.
common-sense basis. A local industrialist, Akua Adusei-Herbstein, points out that there was in any case little private sector for Nkrumah to rely on. She said:

During Nkrumah’s time, the private sector wasn’t developed, but look at the ideology at the time. The USSR had developed using state capital. So had Japan. Who had the capital to do Akosombo Dam, Tema Harbour, the motorway, big infrastructure, schools? How many private sector people would have gone into tertiary education? It was all the state – water supply, electricity, even housing. Shelter, food and clothing. No private sector had the money for housing. Food should be half-state, half-private, but the government must play a big supporting role and help to export the surplus.

Coming from an industrialist, Adusei-Herbstein’s views provide an interesting demarcation of the optimum responsibilities of state and private sectors in an emerging economy. William Ekow-Daniels, who was deputy attorney general and minister of justice in Nkrumah’s cabinet in 1965, explains the ambiguity in Nkrumah’s political leanings in terms of his desire to maximise Ghana’s opportunities.

Universities in the UK had restricted access. You had to be top class people to go there. Nkrumah decided if Britain wouldn’t give access, we would go to the USSR and to Cuba. The Americans thought we were going to the enemy camp.

Ekow-Daniels added:

The Americans knew that Nkrumah had great influence over the whole of the African continent. Yet Nkrumah said: ‘We’re still open to you.’ He had no paranoia about the Americans. He appreciated their knowledge. But he knew we must catch up. He made the Ghanaian proud, Africans proud. To be a Ghanaian, you had red carpet treatment. The air of freedom here inspired Nyerere, Nkomo and others to go to their countries and show their people freedom.

This draws attention to Nkrumah’s Pan-Africanist ideology, which will be discussed below. With regard to his development policies, Legislative Assembly debates from the time Nkrumah entered the colonial administration as Leader of Government

Business in 1951 give an insight into the feelings of politicians across the political spectrum that development spending should be accelerated. In the following extract, W.E.A. Ofori Atta, responds to a statement on expenditure by the Minister for Communications and Works, Kojo Botsio, cautioning about the costs associated with the expansion of postal services.

A year or so ago, we invited a very learned Economist, Professor Lewis, to look into the problem of industrialisation in this country. When he came, he recommended to our Government that the highest priority should be given to Agriculture and the Public Services. The Professor mentioned public services because you cannot really develop industrially if you have no communications—postal services, telecommunications, telephones and things of that nature. Where these services are primitive, we cannot progress industrially…And therefore, if we are serious about industrialisation, if we are serious about developing this country, if we accept Professor Lewis’ recommendations that we should extend these services, then I say that the Government’s policy as announced today, that we should restrict these services, is very backward, very primitive, very unprogressive, very wicked and it should be withdrawn.667

In the Legislative Assembly Debates of 17th February 1954, Kofi Busia, who went on to become Ghana’s Prime Minister in 1969, suggests that in the interests of economic development cocoa farmers should be paid a higher price, thereby assisting capital accumulation for industrial development. However, the following question put by him to the Minister of Commerce and Industry, Komla Gbedemah, also suggests that few Schumpeterian catalysts had emerged from the colonial period:

In the Report to which the Minister referred, Professor Lewis also indicated that one of the difficulties which local industries are faced with is the question of entrepreneurship or managerial ability. And here again, I would like to ask what the Government intend doing in that regard. I would like to suggest for consideration that one of the ways in which this must be met is to build up a team of business contractors who could go round inspecting and advising local businessmen on the organisation and operation of their businesses. If necessary, a small fee could be charged for this to make the people feel that they are paying for it. It is an important matter and I would like to hear the Minister on the subject when he sums up.668

Busia’s suggestion lends weight to Adusei-Herbstein’s point that there was not yet a private sector to start up local industries or to which to hand industries pioneered by the state. The next section takes a closer look at state planning.

8.4.3 Applying modernisation theory to Nkrumah’s big push

The second five-year development plan from 1959 was scrapped in 1961 as being unequal to the task, and work began on the new Seven-Year Development Plan (7YP), described in the foreword by Nkrumah as the ‘blueprint for the future progress and development of Ghana’. The plan was launched in 1963 following its endorsement at a conference attended by leading lights in the field of development economics, including Dudley Seers, W. Arthur Lewis, Nicholas Kaldor and Albert Hirschman.\(^{669}\) However, his former cabinet minister, William Ekow-Daniels, believes that Nkrumah was ‘way ahead’ of all of these advisors.\(^{670}\) The stated goal of the 7YP was to revolutionise both agriculture and industry through the use of science and technology, while overseeing a shift in labour from agriculture to industry, which would then become the mainstay of the economy. Above all, the 7YP was an exercise in persuasion. However, it was persuasion aimed not so much at conversion to socialism as to ideas that were very much the concern of mainstream economists in the 1950s and 1960s, when Keynesian economics had in any case blurred the distinction between capitalist laissez-faire and socialist centralised planning. Thus the plan’s preoccupation with raising productivity in agriculture and engineering a shift in the allocation of labour from ‘backward’ or ‘stagnant’ agriculture to ‘modern’ industry represented a specific engagement with the ideas of Rostow and Lewis, rather than with the long-term goal of socialist transformation.

The idea of raising the investment rate through enforced domestic savings and international aid was very much a staple of mainstream development economic thinking of the time. Centralised planning was seen as a welcome antidote to the indirect allocative mechanism of prices, then seen as a poor guide to investment

\(^{669}\) Killick Development. p.53.
decisions. Export markets were seen as unpromising for primary products, hence the need to supply home markets and substitute for imports. Protection against import competition, either nationally or regionally, through customs unions, was therefore seen as efficacious.

Much of the blueprint for development came from Lewis’s report, *Industrialisation and the Gold Coast*. This was published in 1953, the year Lewis became Nkrumah’s economic advisor. A year previously, Nkrumah had sought the advice of economists Claud Ross and Dudley Seers. They emphasised four limitations to industrialisation in the Gold Coast. First, that the fragile economy lacked the normal checks on an inflationary wave of spending and would therefore overrespond. Secondly, that the low levels of agricultural productivity and poor potential limited all non-agricultural sectors. Thirdly, that the ‘primitive’ methods in agriculture were a short-term constraint while the lack of soil and other research would prove a long-term problem. Fourthly, that there were insufficient skills and inadequate domestic savings for viable industrialisation. According to Jonathan Frimpong-Ansah, these views proved distasteful to Nkrumah, who then turned to Lewis for guidance.671

Yet Lewis’s report on industrialisation cannot be described as an enthusiastic endorsement of the virtues of industrialisation for the Gold Coast economy. In the first place, he stressed the need for increased productivity in food production as a foremost priority. Productivity changes in agriculture were needed to increase the surplus that farmers could offer in return for manufactures, thereby expanding the domestic market. In addition, increased productivity would reduce the proportion of the population needed for food production and thereby release labour for the manufacturing sector. He summarised this argument in the following terms: ‘…industrialisation for a home market can make little progress unless agriculture is progressing vigorously at the same time, to provide both the market for industry, and industry’s labour supply. If agriculture is stagnant, industry cannot grow’. Lewis believed that improvements in agricultural productivity in the Gold Coast merely

reflected a higher world price of cocoa after WW II. 672 Because of this: ‘Very many years will have elapsed before it becomes economical for the government to transfer any large part of its resources towards industrialisation, and away from the more urgent priorities of agricultural productivity and the public services,’ Lewis concluded.

Nevertheless, his report incorporated a short list of industries for which conditions were ‘favourable’ and a slightly longer list of industries for which they were ‘marginal’. Lewis believed that the raw materials that showed the best promise for export industries were bauxite, timber, cocoa and oilseeds. For the home market, ‘favourable’ industries were oil expressing, canned fruit and vegetables, salt, beer, bricks and tiles, cement, glass, lime, industrial alcohol, miscellaneous chemicals, and wood products. Lewis explained that this list was short because the Gold Coast lacked many industrial raw materials.

The list of ‘marginal’ industries was not much longer, because the demand for consumer goods other than textiles was small. The list comprised biscuits, soap, confectionary, cigarettes, boots and shoes, hats and caps, shirts, knitwear, weaving cotton and rayon, jute bags, foundry products, candles, paints and colours, travelling bags, and rubber manufactures. Lewis expected this list, based on a profile of Gold Coast imports and existing industries, to grow with a rising standard of living. With the exception of rubber, deemed marginal because of small demand, all other industries in the list were based on imported raw materials that lose no weight in the process of manufacturing. However, the differing requirements of skill, capital and fuel meant that some would succeed without assistance, while some would need ‘nursing’, and others would need continuing subsidies. Thus Lewis accepted as a given that import substitution would require some protection, though the level required would vary from industry to industry. He noted that the supply of aluminium and cheap power from the Volta River scheme, once realised, would stimulate the development of foundry products and chemical manufactures. 673

672 Lewis Report on Industrialisation and the Gold Coast, p.2.
673 Ibid. pp.3-7.
While Lewis’s emphasis on ‘nursing’ industries invokes the concept of nurture capitalism, of considerable interest to this research are whether he recognised the potential of cotton to create economic linkages. Lewis acknowledged that industrialisation for the home markets ‘usually begins with the manufacture of textiles, since consumers at low income levels spend more upon textiles than upon all other manufactures combined.’\(^{674}\) In spite of this, he classed cloth, particularly printed cloth, as a ‘very marginal case’. In the absence of a spinning industry, weaving using imported yarns could provide a point of entry for unskilled labour, with spinning to be contemplated only when the weaving side of the industry was well established.

Weaving also had the advantage of requiring less by way of atmospheric controls than spinning. Nevertheless, cloth manufacture was considered ‘very marginal’ because though demand was high enough to support printing works, the Gold Coast could claim no labour advantage since much of its trade was not with Britain, but with India and Japan, where wages were also low, or lower, presumably, in the Indian case. It can be seen that Gold Coast industrialisation presented something of a challenge to Lewis, who went on to develop the theory that industrialisation would flourish where there were ‘unlimited supplies of labour’.\(^{675}\) This was not the case in either the Gold Coast or Southern Rhodesia.

But while conceding that some industrialisation was possible, Lewis suggested that the second priority after agriculture should be public services, and that the government would do more for the cause of industrialisation by investing in public services than in factories. He concluded, nevertheless, that it would ‘be wrong to postpone the establishment of any industry which could flourish after a short teething period’,\(^{676}\) but recommended that the government ‘support industries which can be established without large or continuing subsidies, and whose proprietors are willing to train and employ Africans in senior posts.’ Lewis felt strongly that while foreign enterprise (knowledge and capital) should not be excluded in industrialisation, it was desirable that foreign firms should open up managerial positions to local people. He

---

\(^{674}\) Ibid. p.5.

\(^{675}\) Lewis. 'Economic'.

\(^{676}\) Ibid. p.22.
urged the government to decide on what terms foreign capital would be acceptable, to quickly announce the terms, and thereafter abide by them.

The view that Nkrumah saw no role for the private sector is not borne out in the figures on expenditure planning, which took into good account the role that private (mainly cocoa) investment would have in economic development, notwithstanding his preference for cooperative and state-led development. The 7YP envisaged expenditure of £G130m a year, of which about £G68m a year would come from central government, with the remainder, just over a half, to come from private investment, both foreign and local. The plan promised greater emphasis on ‘productive’ sectors, namely industry, mining, agriculture, forestry and fishing, with 37% of the planned £G476m of government investment over the plan period to be spent on productive sectors, compared with just under 10% in previous plans. It may be noted that Guggisberg’s 10YP allocated just 1% of expenditure to agriculture.677 This, and the institution of the 1963 Capital Investment Act, suggests that Nkrumah was more pragmatic than is often remarked.

During the period 1950 to 1958, manufacturing output amounted to 4% of GNP, rising to 12% during 1962 to 1965. However, the fact that during the same periods manufacturing employment as a percentage of total employment rose just 1 percentage point, from 7% to 8% has been cited as a sign of state failure.678 From 1962 to 1966, there was a 70% increase in the share of output of enterprises wholly or partly owned by the state, accounting for almost one-third of gross manufacturing output.679 Studies have demonstrated that as much as a quarter of manufacturing output was undertaken at a net loss of foreign exchange. Steel’s sample of forty Ghanaian firms showed that only six were efficient in the sense that they could transform domestic resources into foreign exchange at a rate equal to or less than the official value of foreign exchange, valued at one-third higher than the shadow exchange rate. Few industries showed signs of achieving competitiveness and ‘temporary’ protective measures seemed permanent.

679 Killick Development. p.204.
Much of the analysis of the failure of large-scale manufacturing has found it difficult to go beyond the concept of predatory state. For instance Frimpong-Ansah says that development ‘failed’ because public policy:

[F]ailed to recognise the structural impediments to accelerated development inherent in unproductive and fragmented peasant agriculture and instead has excessively taxed the cocoa industry, in particular, to finance the interests of the [predatory] coalition under the guise of development. This policy has not only failed to achieve development but has also destroyed the cocoa industry which would otherwise have provided the saving for a more moderate pace of development. The lack of recognition of this structural impediment by successive governments has been a contributory factor in the major decline of the economy that has occurred.680

In relating the failure of Nkrumah’s policies to the economic base laid down by the colonial government before him, Frimpong-Ansah suggests a problem of path dependence. Economic fragility lay in such factors as a weak productive base for food crop agriculture, the problems associated with a single dominant crop and the lack of diversification and deconcentration, as well as the weakness of public services, he said.681 For though Ghana at the time of decolonisation enjoyed healthy external financial reserves, the relatively advanced primary agricultural and mineral export sectors that provided these reserves concealed structural weaknesses. This, Frimpong-Ansah believes, was the fatal flaw in an economy that gave the superficial appearance of readiness for economic ‘take-off’. Thus, far from providing a marker of economic success, the impressive financial reserves inherited at independence ‘gave the incoming indigenous politicians the means to conceive aggressive modernisation at a rate incompatible with the weak structural base.’682 As industrialisation was the principal objective of modernisation and agriculture remained fragmented and underdeveloped, Frimpong-Ansah argues that the government had by the end of the 1950s pushed the country’s financial resources to their limits, priming the economy for stagnation and decline.

681 Ibid.
682 Ibid. p.145.
Again, the picture painted by Frimpong-Ansah does not correspond to the picture of the cocoa industry found earlier in this. The statistics do not support the argument that Nkrumah ‘destroyed’ the cocoa industry. Moreover, if we take the figures on cocoa production as perhaps the best indicator of the state of capitalism in Ghana, it can be argued that Nkrumah went the furthest in nurturing capitalism. Killick noted that Ghana’s economy was not in any case highly protectionist. The attribution of economic ‘failure’ to Nkrumah seems to give insufficient weight to the creation of social capital – for instance primary and middle school enrolments increased from 271,954 in 1950 to 664,332 in 1960 -- and the extent to which Nkrumah nurtured capitalist development through the creation of physical infrastructure, even if his record on pioneered industries is disputed. Like Guggisberg’s more modest achievements, Nkrumah’s legacies, termed ‘white elephants’ by Rimmer, are still counted. It is instructive to note, moreover, that much of the excess infrastructural capacity created by the Rhodesians during the 1950s saw the country through the difficult sanctions years, serving a similar role as that which came to be played by Nkrumah’s £100m Volta River dam.

8.4.4 Ideology as a motivator for industrialisation

When we compare the two types of ‘big push’ that occurred in the settler and peasant economies, a common theme that seems to stand out is the relationship between ideology and industrialisation. We have seen that Nkrumah surrounded himself with the world’s leading development economists. In a more understated way, Rhodesians too courted attention from leading modernisation theorists. Although Rostow never visited Rhodesia, he received visits from Rhodesian industrialists. C.G. Tracey, a prominent Rhodesian agriculturist and industrialist visited Rostow at the US State Department in the early 1960s, to discuss an initiative to improve African farming that he claims was ‘showing up the government’. Tracey’s initiative is interesting.

683 Killick Development. p.203.
684 Kay, Ed. Political. p.408
for what it shows about the supply side of entrepreneurial development. It also provides an important demonstration that settler society was not uniformly racist.

I talked to some of my banking friends, industrialists and the like. We said we’ve got four resources – people, land, capital and skills. But in terms of the communal areas there’s no catalyst to bring them together. My compatriots were deep thinkers. We asked ourselves how can we possibly develop this country when a whole part of the country is making no contribution to the fiscus? What is the government doing about it? Nothing.686

According to Tracey, who was born in Southern Rhodesia in 1923, land apportionment created a situation in which ‘on one side of the fence were tobacco growers doing extraordinarily well while one metre away on the other side of the fence were the tribal trust lands doing hopelessly for several reasons. You can call it apartheid, though it wasn’t quite as bad.’687

The group formed a non-profit organisation, the African Farming Development, which provided free tractor services and help with making seed beds to black farmers. According to Tracey: ‘There was nothing commercial about it, just wonderful human relations. It was a complete blueprint. By geometrical progression, two became six became eighteen. I said we’ve started something we can’t stop.’ And the motivation for this initiative? ‘If you want more business you need to get the communal lands continually growing.’

Strikingly, Tracey uses language invoking Rostow, (‘the powerful arithmetic of compound interest’),688 whom he visited at the US State Department in 1963 or 1964. He said:

WW Rostow became for us the great help in America. He never visited us, but he helped in telling people about what we were doing and other people came to see us. We started getting support from England.689

686 Ibid. 28 August 2004
687 Ibid.
689 Tracey. 28 August 2004.
But, Tracey said, the project was brought to a halt when the right-wing Ian Smith came to power. Tracey’s evidence reinforces not only the sense that racial discrimination limited Rhodesian/Zimbabwean industrialisation, but also the idea that economic development requires a self-conscious catalyst, be it from the private or state sector. The evidence of this chapter suggests, moreover, the importance of ideology in creating such a catalyst. Unfortunately the ideology that won the day in Rhodesia was that of racism.

As important as any of the economic factors that enabled Rhodesia to circumvent sanctions was its refusal to die. In Southern Rhodesia, renamed Rhodesia after UDI, Ian Smith’s recurring theme of the ‘great betrayal’ provided some of the motivation for Rhodesians to go it alone.\(^{690}\) The ‘betrayal’ referred to Britain’s refusal to countenance the continuing disenfranchisement of Africans at a time when most of the continent had already decolonised. Smith saw this as a betrayal of white Rhodesian interests and therefore a betrayal of Britain’s ‘kith and kin’. As Rhodesians girded themselves, the idea that they were creating their own industrial revolution would have invoked the pioneering spirit of the early settlers.

In 1949, at the other end of the continent, Nkrumah had promised his supporters: ‘If we get self-government we’ll transform the Gold Coast into a paradise in ten years. Seek ye first the political kingdom, and all things will be added unto you.’ His 1951 development plan was originally designed to run for ten years, and was executed in half that time. The money came not from donor funding, but from Ghana’s own resources. The finance package for the plan, which advocated the ‘latest scientific methods’, comprised £110m from cocoa export duties, £7m from CMB loans, and just £3m from external aid, mainly from colonial development and welfare funds.\(^{691}\) How was such acceleration possible? And why was Nkrumah berated as a socialist when his policies were in reality closer to the mainstream in development thinking at the time? For although Nkrumah called himself a socialist, the only way to sustain an argument that his policies were ‘socialist’ would be to attribute to him an orthodox Marxist understanding that socialism would have to follow capitalist development.


\(^{691}\) Greenstreet 1973: 41 cited in Rimmer \textit{Staying}.
In the early years of Nkrumah, however, his ‘socialism’ was probably synonymous with anti-colonialism. This comes out in his February 1954 statement to the Legislative Assembly on the government’s ‘attitude to the employment of Communists in the Public Service’. In the Statement, Nkrumah, the Leader of Government Business (Prime Minister) announces that much of the Gold Coast public service will be closed to active Communists. Quoting UK Prime Minister Clement Attlee, Nkrumah explains that this is to avoid a problem of conflicting loyalties to an ‘alien Power or a foreign Agency which seeks to bring our country under its domination.’ He expresses concern that ‘large quantities of pamphlets and magazines’ sent from abroad could be designed to ‘stir up trouble which may obstruct or destroy our movement in this country for self-government’. He further states that the measures are intended not to dictate what views people should hold but to ‘protect our people from the insidious attack of those who, at the very time when we are freeing ourselves from one form of imperialism, seek to undermine and destroy us or to bind us to another which would swiftly undo all the work that has been done in recent years to foster the growth of the Gold Coast as a free and independent nation.’

The full statement, which may be seen as anti-communist, is contained in the Appendices in view of the considerable literature blaming Nkrumah’s ‘socialism’ for Ghana’s decline. While this literature feeds on a stereotypical and incomplete view of Nkrumah, the argument can nevertheless be made that while Nkrumah did not in any strict sense introduce socialism in Ghana, the fact that his policies were perceived as ‘socialist’ did have repercussions for the economy. A very clear example of this can be found in the very unfavourable terms on which Kaiser Aluminium conditioned its involvement in the Volta River scheme. While the original plans envisaged an integrated project that would make use of Ghanaian bauxite and thereby help to link mining and manufacturing sectors, in the end Kaiser agreed to go ahead with the scheme only with the proviso that they would obtain the raw bauxite from nearby Guinea. In a BBC documentary, officials of Kaiser

693 Ibid. p.980.
694 Ibid.
695 Ibid. p.982.
Aluminium claimed that though the corporation was well aware of the high quality of Ghanaian bauxite, this condition was secured on the basis of concern that a fully integrated project might one day tempt Nkrumah to nationalise it.\footnote{BBC Documentary. \textit{Pandora's Box: Black Power.}}

It seems evident that Nkrumah saw Pan-Africanism as a building block to socialism. However, he was pragmatic enough to work within a capitalist framework for developing Ghana’s productive forces. This was not inconsistent with the ideology of ‘African Socialism’ espoused by almost all African leaders in the postcolonial period, which can be explained not only in terms of communalistic African values, but also with reference to Gerschenkron’s point about ideology as a motivator for industrialisation in a backward economy.\footnote{Gerschenkron \textit{Economic.} pp.23-6.} Nkrumah and Ian Smith could draw on a common language of nationalism or on the mantras of modernisation, reflected in expressions such as ‘progress’, ‘take-off’, ‘lift-off’, ‘industrial revolution’. But in addition, each could draw on an even more potent article of faith. Pan-Africanism, the ideology embraced by Nkrumah during his twelve years studying in New York, Philadelphia and London, could conjure an even more compelling \textit{Zeitgeist} than nationalism. ‘The independence of Ghana is meaningless without the total liberation of the African continent’, are the stirring words often quoted from Nkrumah’s speech on 6 March 1957, when Ghana became the first sub-Saharan African country to achieve full political independence. And socialism, with its appeal to a wider internationalist spirit and potential to muster greater power against ‘neo-colonialism’\footnote{See K. Nkrumah (1966). \textit{Neo-Colonialism: The Last Stage of Imperialism.}} would eventually provide a yet more forceful theme than Pan-Africanism to an Nkrumah forced into exile in Guinea. In the last years of Nkrumah, there was a greater tendency towards repressive measures. The introduction of compulsory savings, recommended by Polish economist, Nicolas Kaldor, was particularly detested.\footnote{Adusei-Herstein. \textit{Interview, 20 January 2005.}} The perception that Nkrumah was becoming a dictator probably hastened his CIA-supported downfall.\footnote{The CIA’s involvement in the 1966 coup is discussed by former CIA officer John Stockwell in a BBC documentary. See BBC Documentary. \textit{Pandora's Box: Black Power.}} Nevertheless, ‘socialism’ was more ideology than policy, and it was pan-Africanism that truly defined Nkrumah.\footnote{For the greatest expression of his Pan-Africanism, see Nkrumah \textit{Africa Must Unite.}}
In Southern Rhodesia, where could an equally potent ideology be found that could instil a sense of unity and purpose while maintaining a distance from notions of African brotherhood? It was found when the ‘benevolent paternalism’ of the early colonial period gave way to racial bigotry from the 1950s. Reinforcing this ideology, the UDI period from 1965 to 1979 gave rise to a kind of ultra-nationalism that turned import substitution into a form of political and economic resistance to international pressure for democratic reform. Where racial discrimination had been used as a competitive weapon to eliminate rural African competition in the interwar years, Rhodesian nationalism now rallied the country’s white producers against a hostile world.

8.4.5 Zimbabwean indigenisation and redistribution

Indigenisation of the Zimbabwean economy has taken place in a context not simply of late industrialisation and late capitalism, but also of late independence. This occurred after the protracted guerrilla struggle of the 1970s. Only in Namibia (1990) and South Africa (1994) has political independence come later, Eritrea (1993) being the other exception. This context means that Zimbabwe’s drive to nurture capitalism by means of protectionist policies for a new black elite, together with massive investment in social overheads, has put it out of step with international trends. Whereas other countries in Africa were moving towards economic liberalisation from the early 1980s, Zimbabwean independence in 1980 saw a huge expansion in public sector activity. This was needed to redress the social inequities inherited from the colonial and UDI eras and to speed up human capital formation.

Education, demographic and health indicators all improved dramatically during the decade after independence. Primary school enrolments doubled from 1,236,694 pupils in 1979 to 2,120,565 in 1990. The expansion in secondary school education was even more dramatic. From 73,105 pupils in 197 schools in 1979, secondary school enrolment grew to 673,256 pupils in 1,512 schools in 1990. Investments in

702 For an account of these years, which are beyond the scope of this thesis, see Kriger.
social capital were coupled by massive investment in rural water, sanitation and health infrastructure.

However, after impressive growth rates of 11% in 1980 and 13% in 1981, GDP slowed, impacting on the policies of redistribution. From 1980-1990, GDP growth averaged 2.7% a year, against population growth of 3.1% a year. By 1989 unemployment had reached 26%. The policies put in place after independence successfully redressed some of the most glaring social inequities, but the emphasis on redistribution rather than expansion, and on the public sector rather than private enterprise and initiative contributed to stagnation. Economic decline was also associated with concern about the government’s high fiscal deficits, uncertain access to the foreign exchange allocation system, and the high cost of doing business in Zimbabwe’s highly regulated business environment. Structural adjustment from the start of the 1990s saw the lifting of subsidies and the introduction of cost recovery measures in health and education. The cutbacks impacted on the government’s ability to invest in business extension services. The debate over ‘economic indigenisation’ or ‘black empowerment’ gave rise to some cynicism that the government was focusing on a few black business elites rather than on the transfer of skills and know-how to small and medium scale enterprises.

UNDP’s first Human Development Report for Zimbabwe in 1998 found that high levels of protection in the form of blanket import controls from 1965 to 1991 resulted in the slow growth of average real wages in manufacturing and that this partly offset the gains from the growth in employment. However, trade liberalisation from 1990 to 1996 resulted in a fall of more than one third in average real wages in manufacturing. The study showed that under protectionist policies from 1965 to 1990, manufacturing

---

output increased by 5% annually, while employment grew by 3.6% a year and real wages by 1.5%. By contrast, under structural adjustment, output, employment and real average earnings all declined. Deindustrialisation occurred, with MVA’s share of GDP at current prices falling from 20.5% in 1990 to 17.1% in 1996. This suggests that structural adjustment policies favoured by the IMF/World Bank do not go far enough to address structural economic problems.

8.5 Conclusion

The challenges of creating a manufacturing industry saw the two paths to industrialisation reflected in the peasant and settler options converge into one statist path during the course of the twentieth century. The evidence so far suggests that industries in the settler economy enjoyed a higher degree of state protection than in the peasant economy. In both case study countries, a strong ideology served the cause of accelerated development. In reality, Nkrumah’s ‘socialism’ amounted to the grafting of a socialistic ideological superstructure on an emergent capitalist base. The evidence suggests that the superstructure did not hurt the emergence of capitalism and probably accelerated it.

This chapter found that while no particular ideology favours industrialisation, any ideology that reinforces a feeling of self-belief can serve to promote rapid development. Without the combination of strong leader and strong ideology, industrialisation would have probably been less rapid, irrespective of peasant-settler differences. Despite allegiance to markedly different political ideologies, the two countries pursued similar economic policies. These entailed a race towards mass production, though the evidence suggests that Rhodesia’s racial politics, though they did sometimes give way to economic imperatives, in the long term undermined this goal.

---

In both countries, industrial policy was in line with the tenets espoused by the leading modernisation theorists of the day, some of whom had visited the Gold Coast as advisors, while others had given advice to industrialists in Rhodesia. And, as the next chapter shows, the shift away from modernisation theories and towards economic liberalisation came within a period of ten years in the two countries, regardless of peasant-settler differences. For a closer look at the difficulties of nurturing capitalism under late twentieth century conditions, the chapter goes inside one of the sectors hardest hit by liberalisation in both countries, the textiles sector.
CHAPTER NINE

9 Industrialisation with ‘Borrowed’ Technology: A Tale of Two Firms

This chapter examines the model of industrial development using ‘borrowed’ technology that was described in the last chapter. There a number of characteristics of industrialisation in settler and peasant economies were identified. In settler economies, manufacturers get a head start on those in peasant colonies because their greater autonomy means they can more easily override UK objections to competition in the colonies. Nevertheless, the form of colonialism does not significantly alter the scope and pattern of industrial development. Irrespective of peasant-settler differences, in both types of economy large-scale manufacturers enjoy subsidies and other forms of state protection and this helps to accelerate industrialisation. Why does this not lead to self-sustaining growth? To understand this question, the chapter goes inside the large-scale textiles manufacturing sector.

Textile companies were particularly vulnerable to the impact of structural adjustment in each country, irrespective of peasant-settler differences. This chapter focuses on two firms that survived adjustment, one in each country. They are Zimbabwe Spinners and Weavers (Spinweave), formerly Gatooma Textiles, and Ghana Textile Printing (GTP), renamed Tex Styles in January 2005. The two firms have been chosen for their rich histories. Both are involved in the production of grey baft (unbleached calico), dyed fabrics and garments. Since its inception the main business of GTP has been bleaching, dyeing, printing and finishing waxprint textile fabrics for sale to an almost exclusively African market. It now also produces fashion-conscious garments in African print. Spinweave exports yarn spun from locally grown cotton and produces a variety of fabrics, sheeting, garments and knitwear for a domestic, regional and European market.

The chapter draws on original data derived from company reports collected in Zimbabwe and Ghana, supplemented by secondary material on manufacturing. The records are supplemented by primary evidence collected in interviews with company officials and with a key informant associated with the industry in each of the peasant and settler economies. In both countries the weaknesses of the textiles sectors were
exposed during structural adjustment. This is in contrast to some other economic sub-sectors where the macro-economic discipline underpinning the reform programme has resulted in growth of output. By examining company records in the period leading up to structural adjustment and in the aftermath of reforms and talking to company officials and industrialists, this chapter seeks to draw lessons about the problems of industrialisation in African economies and the challenges of adjustment. The chapter ends with some views on the small-scale alternative.

9.1 The Structural Adjustment Context

While Ghana has been adjusting under economic reforms since 1983, Zimbabwe, after a brief flirtation with the IMF in 1983, embarked upon a comprehensive structural adjustment programme only in 1990/1991. The programme was suspended in 1995. In both countries, the adoption of structural adjustment measures followed a long period of political instability and economic decline. In Ghana, comprehensive economic reforms began only after Flight Lieutenant Jerry Rawlings returned to power on the eve of 1982, following a brief interregnum in 1979. That his military government was able to keep international opinion on its side for an entire decade suggested recognition that only such a charismatic strongman could force measures that had come to be associated in the public mind with intolerable hardships. Prime Minister Busia’s 44% devaluation in December 1971 was followed by his overthrow by General Acheampong a few months later. Rawlings himself survived a series of coup attempts from late 1982 on.

711 Ibid.p.3.
714 During 1982/1983 this writer was enrolled at the University of Ghana and was almost caught in crossfire during the June 19 1983 coup attempt. For an insight into the political motivation for some of these coup attempts, see Hutchful Ghana's Adjustment Experience.
By the end of 1982, Rawlings was moving away from experimentation with unorthodox methods of economic redress. These were epitomised during the first Rawlings ‘revolution’ by the razing of central Accra’s Makola market, and later by the mobilisation of students to evacuate cocoa from areas where infrastructure had collapsed during the 1970s decline. Rawlings’s ‘second coming’ brought the institutionalisation of People’s Defence Committees and Workers’ Defence Committees, later renamed Committees for the Defence of the Revolution. These organs of people’s power organised the distribution of increasingly scarce goods and, in an unusual case noted in this chapter, organised the takeover of a factory. As events became increasingly chaotic and with the balance of payments running dangerously low, Rawlings parted ways with some of his radical associates and turned to Washington after Eastern bloc countries and Libya failed to respond to appeals for assistance.\footnote{For a discussion of the complex debates preceding the turnabout, see Ibid., pp.37-40.} 1983 saw the launch of a four-year Economic Recovery Programme aimed at increasing exports and reducing balance of payments deficits and external debt arrears. Stabilisation measures included devaluations, monetary control, producer price increases and a lifting of price controls including on fuel.\footnote{See Ibid. p.56.} Economic growth was targeted at 5-5.5% a year.\footnote{Aryeetey, Harrigan and Nissanke, Eds. Economic Reforms in Ghana. p.7.} A three-year, $41bn rehabilitation programme covered physical infrastructure, energy, domestic-oriented manufacturing and agriculture, and export-oriented cocoa, gold and timber. In the manufacturing sector, raw materials, spare parts and equipment were to be provided to industries designated as priority ones because they provided essential consumer goods, generated government revenue, saved foreign exchange or were labour intensive and could generate employment. From 1983, the state-owned manufacturing sector began shedding jobs. The government’s aim was to raise capacity utilisation in manufacturing to 50% in 1984 and 75% in 1985. Manufacturing output rose by 11.3% in 1984 and 13.7% in 1985, though from a low base.\footnote{D.A. Amanor-Wilks (1987). ““Urban Bias” and Urban Protest in Ghana, 1970-1985”. M.A. Dissertation. School of Oriental and African Studies, University of London.} From 1986, manufacturing was to take the lion’s share of foreign exchange allocated through the new auction system.
At about this time in Zimbabwe, recession in 1983 led to the successful negotiation of a Z$375m eighteen-month standby credit from the IMF. In return, Zimbabwe was expected to cut development programmes and subsidies, raise interest rates, tighten monetary policy and introduce demand management. In 1984 the standby was suspended as the government failed to meet targets for credit and budget reduction. In 1985, the World Bank disbursed a US$70m credit to establish an export revolving fund. Extension of the credit was refused when Zimbabwe declined to liberalise trade. However, in May 1989, a new investment code addressed restrictions that had endured through the 1980s. In February 1990, price controls were eased. In July, the government announced it would de-emphasise expenditure on social services in favour of ‘material productive sectors’ such as agriculture, mining and manufacturing.\footnote{719} It would do this by replacing import control and foreign currency allocation systems with a more liberal system of general licensing and tariffs. It would also cut the civil service, phase out subsidies to parastatals, and introduce cost recovery measures in health and education. In October 1990, a selected number of imported inputs were placed on the new Open General Import Licence (OGIL) system. In January 1991, the government unveiled its ‘Framework for Economic Reform, 1991-1995’, the key document outlining its economic structural adjustment programme (ESAP) The OGIL range was expanded in July 1991 and by the end of the year it included 15% of all inputs. During 1991, prices were decontrolled on domestically produced goods.\footnote{720}

Zimbabwe’s manufacturing sector performed poorly during the ESAP years from 1990-95. Between 1991 and 1995, manufacturing output declined by 4.7% a year between 1991 and 1995 against a 1980 base year, and 5.5% using 1990 as the base. During this period, formal employment declined by 1.7%, representing 19,000 jobs lost, most of them in the textiles sector.\footnote{721} The sector accounted for 10.4% of total manufacturing output in 1982 and 9% of total manufacturing employment. By 1993 the industry was the fourth largest employer in the manufacturing sector, accounting for 13% of manufacturing employment.\footnote{722}
Whereas Ghana’s textile sector employed 25,000 in 1977, this had declined to 7,000 in 1997, 7,000 in 1995, 5,000 in 2000 and 2,961 by March 2005.\textsuperscript{723} By contrast Zimbabwe’s textile industry grew from 17,000 employed in 1982 to 24,000 in 1993,\textsuperscript{724} but this growth declined following liberalisation. Sachikonye says firms that had grown the fastest were ‘penalised by astronomical interest rates which strangled them.’\textsuperscript{725}

Several factors account for the poor ESAP performance. In the first place, the earnest phase of implementation of ESAP policies coincided with the big 1991/92 drought, the worst in the country’s history. Recurrent droughts in 1994 and 1995 impeded economic recovery. During 1992, agricultural output fell by 25%, leading to an 8% decline in GDP. Reduced farm incomes strained government coffers as expenditure was diverted to distributing food relief, and disrupted economic activity. Industry was starved of raw materials and foreign exchange from agricultural exports. Industry also suffered from a decline in rural income and a shrinking in domestic markets. The decline in domestic demand was exacerbated by a contraction of foreign markets due to global recession. On the external front, the difficulties were compounded in 1992 when South Africa imposed punitive tariffs on Zimbabwean imports, affecting something like a quarter of all Zimbabwean manufactured exports. Zimbabwean manufacturers complained that while the South African government had hiked tariffs, its manufacturers were taking advantage of an export subsidy to dump products on the Zimbabwean market, thereby undercutting a wide range of Zimbabwean manufactures, including clothing, textiles, car batteries, chemicals and footwear.\textsuperscript{726}

On the domestic front, industry benefited from suspension of minimum wage regulations, but suffered from other consequences of deregulation. Manufacturers were directly affected by liberalisation of interest rates and exchange rates, and indirectly affected by the withdrawal of subsidies on food and other basic goods, and

\textsuperscript{724} Sachikonye Restructuring or De-Industrialising? Zimbabwe's Textile and Metal Industries Under Adjustment. p.31.
\textsuperscript{725} Ibid. p.35.
\textsuperscript{726} Mlambo, E.S. and Phimister Zimbabwe. pp.112-21.
price controls, since these reduced local incomes. The Zimbabwean dollar was devalued several times during the ESAP period, including by 50% in September 1991. The devaluations raised the value of exports, but increased the cost of imported inputs, raising overall production costs. Interest rates rose to more than 30% over the ESAP period, placing the cost of borrowing beyond the reach of many industries. Inflation, already high at 17.3% in 1990, rose to 28.1% in 1991, soaring to an unprecedented 45% in 1992. Exposed to greater competition, and unable to cope with the new economic conditions, many companies retrenched workers, or closed down altogether. Among the large companies that folded were Cone Textiles, with a loss of 6,000 jobs, Industrial Steel and Pipe, and Bayer Zimbabwe, a leading chemicals manufacturer. During 1992, the country lost an estimated 7,000 agricultural jobs, 10,000 textile jobs and 1,170 public sector jobs, reducing aggregate demand. During the twelve months to June 1993, manufacturing output fell 19.8%. Among the sectors most affected, transport equipment declined by 36%, textiles and ginning by 26.6%, chemical and petroleum products by 24.4%, and foodstuffs by 11.1%. During 1994, the number of textile firms fell from 280 to 193. While the labour force grew by 4.1% from under the ESAP period, formal employment grew by just 1.7%. Real incomes declined by 35% during the period July 1991 to July 1992. By March 1994, incomes were estimated to be worth 68% of their 1990 value.\footnote{Ibid.}

Worryingly, Sachikonye argues that industrial efficiency was relatively high for such a highly protected sector and that speedy liberalisation was therefore unwarranted,\footnote{Sachikonye Restructuring or De-Industrialising? Zimbabwe's Textile and Metal Industries Under Adjustment. p.20.} a point acknowledged by the World Bank.\footnote{World Bank (1995). Zimbabwe: Achieving Shared Growth.p.128.} Yet in countries such as Ghana, the fact that liberalisation clearly followed a decline in manufacturing\footnote{Aryetey, Harrigan and Nissanke, Eds. Economic Reforms in Ghana.p.7; 24-5.} has suggested problems in the large-scale model to a considerable body of economists. Some have called for comparisons to be drawn with the small-scale sector. For instance, Dawson drew attention to the ‘explosion’ of small-scale manufacturing development during the ‘long depression’ of the 1970s in the Suame industrial area of Kumase, Ghana’s

\footnote{Ibid.}
\footnote{Sachikonye Restructuring or De-Industrialising? Zimbabwe's Textile and Metal Industries Under Adjustment. p.20.}
\footnote{Aryetey, Harrigan and Nissanke, Eds. Economic Reforms in Ghana.p.7; 24-5.}
second city. During this period, the number of people engaged in the small industry sector (industries employing fewer than 30 workers) grew from 337,000 in 1970 to 533,000 in 1984. This gave Ghana one of Africa’s ‘largest and most sophisticated small industry sectors,’ Dawson says, with activities ranging from food processing, wood-work, weaving and tailoring to vehicle repair, and the manufacturing of cement blocks, cosmetics and machines. Dawson’s study postulated that the crisis in large-scale industry resulted in a transfer of technology and skills from larger to smaller enterprises. Imported inputs and, to a lesser degree raw materials, were also rechannelled to small firms that succeeded in capturing product markets vacated by large companies. These claims will be tested against the record of two large-scale textiles manufacturing firms, representing the peasant-settler divide.

---

731 Dawson 'Development'. p.173.
732 Ibid.
9.2 History of the Two Firms

The first *distinction* between textile firms in the peasant and settler economies studied is that whereas large scale textile firms are established independently in the latter, in the former the state launches this development. The first *similarity* is that in both types of economy, textiles development occurs within a framework of state support. Whereas Ghana Textile Printing (GTP) was a post-colonial project launched by the Ghanaian state in 1966, with 750,000 shares valued at £750,000,\(^{733}\) Gatooma Textiles, with a twenty-two year head start on GTP, was incorporated in Southern Rhodesia in 1944 with authorised capital of £250,000 divided into 250,000 shares of £1 each.\(^{734}\) This supports one of the propositions of this thesis, that settlers in Southern Rhodesia were able to use their greater autonomy to launch secondary industry relatively early.

Once little more than a hunting ground for a few mining prospectors, Gatooma was the only town in Southern Rhodesia that grew around the railway rather than the other way around.\(^{735}\) So determined were the early Gatooma residents to put themselves on the map that they lit fires on the newly constructed rail track to force the train to make a stop. Gatooma quickly became the centre of Rhodesia’s cotton-spinning and textiles industry. Once dubbed ‘Golden Gatooma’, by 1925 it was known as ‘Cottonopolis’. Early experiments in growing cotton and the launching with government encouragement of the Hartley District Co-operative Ginnery Ltd established Gatooma as the ‘Lancashire of Rhodesia’. Despite the outbreak of WWII, in 1942-3 a Cotton Spinning Mill and warehouse were erected in Gatooma and the government extended its Cotton Plant Breeding and Research Station. The Southern Rhodesian cotton industry survived both the Federal government’s privatisation of the cotton mills and the signing of a trade agreement with the Union of South Africa. This reinforced the claim of the Cotton Research and Industry Board in 1940 that cotton-spinning in Rhodesia was a ‘practical and economic proposition, that Rhodesian-grown cotton was highly suitable, and that Rhodesian Africans could

\(^{733}\) Ghana Textile Printing Company (14 January 1967). ‘Returns of Particulars of the Company under Section 27 (1) of the Companies Code on Incorporation’.
\(^{734}\) S-ZIM 6845 Gatooma Textiles Rpt of Board of Directors, for year ended 31 March 1962.
easily be trained to operate a spinning plant. World War II increased the demand for cotton yarns in both Rhodesia and South Africa, stimulating the establishment of numerous industries in Gatooma (Kadoma), Bulawayo and Salisbury (Harare), all relying on yarn spun in Gatooma. With the impressive range of textile goods produced in Gatooma by the 1950s, Rhodesia’s ability to overcome sanctions in the clothing and textile fields has been attributed to the early work in Gatooma to establish cotton as a basic crop for both European and African farmers.

Similarly to Gatooma Textiles’ close association with industrial development in Zimbabwe, the history of Ghana Textile Printing (GTP) in many way mirrors Ghana’s chequered postcolonial history. The company was founded in 1960 when the state-owned Industrial Development Corporation and two European firms agreed to build a textile print works at Tema, a brand new city envisioned by Nkrumah as Ghana’s industrial heartland. Factory construction began in 1963. In July 1964, the Ghana government and the UK’s Unilever agreed to swap 49% of shares in GTP and Lever Brothers. GTP was incorporated in Ghana on 17 January 1966, just a month before Nkrumah was overthrown in the first of a series of military coups that came to dominate Ghanaian politics until the early 1980s. This means although the company’s launch was pioneered by Nkrumah, he cannot be accused of having ruined it. The company started manufacturing in 1966 as a joint venture then called Ghana Textiles Manufacturing Works, with the value of authorised shares amounting to £750,000.

The three partners in the venture were the state, Britain’s Unilever, who had management control, and Gamma Holdings of Holland, through its subsidiary, Vlisco. In 1976, the Ghana government acquired an additional 4% equity under the terms of the Investment Policy Decree, bringing its total holding to 55%. In 1996, the company decided to increase its registered capital to 1,400,000 shares of no par value with the creation of 650,000 new shares.

---

736 Ibid.
737 Ibid.
738 GTP records and personal communication by Kofi Boateng, Group Financial Director, 12 January 2005.
741 GTP financial statements for the year ended 31 December 1995, p. 2.
After a period of workers administration (see below), on 6 November 1992 a memorandum of understanding was signed between the government and offshore shareholders and the rights of offshore shareholders were restored. On 4 March 1993, a new GTP board was inaugurated. On 20 May 1994 offshore shareholders acquired an additional 25% equity, making 70% in total. On 1 June 1994, Unilever resumed management control with Dutch textile manufacturer Gamma Holding (Vlisco) as its technical partner and joint shareholder. At this point Unilever, whose core business is not textiles, decided to divest. In February 1996, Gamma Holding (Vlisco) acquired an additional 17% from Unilever, putting Unilever and Gamma at par with 31.27%. In May 1996, the creation of 650,000 new shares led to Gamma owning a majority 54% shareholding and on 1 January 1997, Gamma Holdings took over the management contract. Shareholding now stood at Gamma 54.23%, Unilever 16.75%, Government of Ghana 16.07%, with Truebrook, a significant shareholder from 1994, at 12.95%. A year later on 1 January 1998, the picture changed as Gamma Holding bought all remaining Unilever shares, bringing the shareholding structure to Gamma 70.98%, Government of Ghana 16.07% and Truebrook 12.95% (see Table 6).742

Table 6: Changes in GTP Shareholding Structure, 1964-2002

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Ghanaian</td>
<td>51</td>
<td>55</td>
<td>55</td>
<td>30</td>
<td>30</td>
<td>16.07</td>
</tr>
<tr>
<td>Lever Brothers</td>
<td>British</td>
<td>49</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gamma Holdings/Vlisco</td>
<td>Dutch</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>14</td>
<td>14</td>
<td>70.98</td>
</tr>
<tr>
<td>CWA Holdings</td>
<td>British</td>
<td>30</td>
<td>30</td>
<td>48</td>
<td>48</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Textiles Holdings</td>
<td>British</td>
<td>7</td>
<td>7</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Truebrook</td>
<td>British</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total percentage</td>
<td></td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Total number of shares</td>
<td></td>
<td>750,000</td>
<td>750,000</td>
<td>750,000</td>
<td>750,000</td>
<td>750,000</td>
<td>1,400,000</td>
</tr>
</tbody>
</table>

Note: Total Textiles and Truebrook appear to be related.

By 2005, GTP was one of just three large textile companies in Ghana, the other two being Akosombo Textiles (Chinese-owned) and Printex (Lebanese-owned). This supports Iliffe’s finding that manufacturing firms in Africa have been mostly foreign-owned. However, an analysis of changes in GTP’s ownership structure provides an interesting commentary on Iliffe’s observation that Nkrumah had no faith in the

742 GTP records and, personal communication by Kofi Boateng.
Ghanaian private sector. Table 6 shows a change in GTP’s ownership structure from 1964, when it was 51% state-owned to 1976, when the post-Nkrumah state increased its share to 54%, the fruits of Acheampong’s indigenisation drive. By 2001, the state’s share had dropped to 16%. Although the private sector now owned the remaining 84% of shares, none of this was Ghanaian-owned. This appears to lend some weight to Akua Adusei-Herbstein’s argument that the reason Nkrumah could not trust the private sector to deliver development was because ‘there was no private sector to speak of’. Given, moreover, that this is more than a quarter of a century after Nkrumah’s overthrow, it is fair to conclude that Nkrumah’s faith in statist policies was at least a partial reflection of the fact that Ghana had come out of the colonial era with modest social overheads and a private sector with equally modest means. This is borne out by Boserup’s discussion of shortages of African high-level and middle-level manpower and a suggestion by the ILO in 1964 that it would be twenty years before Africans would be available to fill the occupations requiring a university degree. GTP’s history suggests that, outside the agricultural sector, entrepreneurial talent was still to be nurtured, and that state substitution was a reflection of this gap.

In the settler colony, archival records on Gatooma’s early history suggest that entrepreneurs sought substantial state support, but that the state was more ambiguous in its support for manufacturers than for agriculturalists. Whereas in Chapter Seven we saw Prime Minister Godfrey Huggins pledging unequivocal support for the modal settler farmer, no matter his low level of efficiency, in the post-war period, and now ‘Sir Godfrey’, we find him holding would-be manufacturers at arms length.

The records give insights into disagreements between local manufacturers, the newly-formed Industrial Development Commission (IDC), a government body, and central government, showing that settler society was not monolithic. Some of these disagreements were deeply felt, as when the secretary of Gatooma Textiles accused

---

743 Iliffe Emergence. p.77.
744 Oral interview. See Chapter Eight.
745 Boserup Women’s Role in Economic Development. p.133.
the IDC Chairman of treachery, remarking bitterly: ‘If there is any question of our Company being sold out to big business in Lancashire, or anywhere else, negotiations should be conducted by us alone.’

Prompting this outburst was the IDC’s decision to deny Gatooma Textiles assistance on the grounds that the basis for launching it was ‘hopelessly inadequate’ (see Appendix 4 for full text). At issue was the claim that two years after promising loans of £50,000 to Gatooma entrepreneurs willing to launch a weaving industry in the district, government bodies had begun negotiating with a rival Lancashire firm, Calico Printers Association. Gatooma Textiles representatives made their feelings known:

Shareholders have put their money into this Company because it is a local Company, with promise of being a profitable investment for this District, which has no Industries, and for the Country as a whole.

The fact that it is now proposed to encourage large English interests, while assistance is withheld form the Southern Rhodesian Company already established, is a direct threat to the latter’s existence. Nothing said by the Chairman of the Industrial Development Commission alleviates this threat. On being pressed on this point, the Chairman adopted the Pontius Pilate attitude.

The vigour of the Gatooma arguments was matched in the government response, which denied that the Ministry of Finance had promised such loans. In a letter, Fereday, the Minister of Commerce and Industries, said Gatooma’s directors were ‘groping in the dark’ and lacked ‘sufficient technical knowledge for the highly specialised industry which you seek to establish.’ Moreover, Minister Fereday warned the secretary of Gatooma Textiles:

If you are determined to proceed with your venture without being in possession of efficient technical advice and the necessary knowledge for such a business, then I suggest you are courting disaster.

---

748 Ibid: Letter dated Aug 28 1945 from Secretary of Gatooma Textiles Limited, E. Bath, to the Prime Minister’s secretary.
749 Ibid.
750 Ibid. 25 Sept 1945 response to Secretary of Gatooma Textiles from Minister of Commerce and Industries, Mr. Fereday.
751 Ibid.
Subsequently, a letter by Gatooma textiles Chairman of Directors, J.J. Conway, seeking an audience with Prime Minister Huggins met the following curt response:

With reference to your interview with me, I confirm that there is no intention on the part of the Government to establish Weaving Mills. It is a matter we consider should be undertaken by private enterprise.

There is some evidence to suggest that this is a position to which the IDC was pushing government. The IDC background paper commends the results achieved by the Government Cotton Station at Gatooma and the Cotton Board, but criticises the government for monopolising the spinning of cotton yarn. It elaborated its position thus:

Modern capitalism, which is being more and more affected by government action in all parts of the world, will in general only make substantial investments provided it can be assured of a reasonable limit being placed on government interference on socialistic lines. The only practical way that capital can see of ensuring this, is by setting up co-partnership agreements as between that capital and the government concerned. Calico Printers adheres to this general rule…The Commission is satisfied that once this factory is under way, its products will compete so keenly with those of Gatooma Textiles, that it is only a question of time before the latter is put out of business unless subsidized or heavily protected, neither of which is desirable for a business so closely connected with the cost of living, and native living in particular.

The evidence surrounding Gatooma’s launch is interesting for what it reveals about the willingness of the Southern Rhodesian state to substitute for missing prerequisites when development alternatives were lacking, and to prefer the least-cost, least-risk alternative once available. From the point of view of the manufacturers, it is also interesting for what it reveals about the weaknesses of private sector African development in the post-war period and the kinds of substitutions that Nkrumah’s government would have been forced to make in its bid for industrial development in Ghana. The evidence shows moreover, that it was not only Nkrumah who looked

---

752 Ibid. 17 Jan 1946, J.J. Conway, Chairman of Directors, to Sir Godfrey Huggins, P.M.
753 Ibid. 24 Jan 1946, P.M. Huggins to J.J. Conway, cc Mr Fereday.
754 S482/180/42 'Textile'. See Appendix 4 for full text.
beyond the local private sector to develop industries. In Southern Rhodesia, too, the IDC saw cotton manufacturing as ‘very tightly organised and controlled on a worldwide scale’ and thought therefore that its development should be put in the hands of ‘foreign capital (British if possible) and foreign brains and organisation’, rather than local enterprises such as Gatooma Textiles. Finally, the evidence makes a positive statement about the value of persistence, given that Gatooma succeeded in launching itself in the 1940s and is still in existence.

9.3 Big Plant, More Labour

A second characteristic of these two firms is that irrespective of peasant-settler differences they both use big plant. Yet they are also big on labour. GTP had 750 employees in early 2005. Together with its subsidiaries Juapong Textiles and Premium African Textiles (Woodin), the group had a total of 2000 workers. Gatooma’s 1982 report mentioned more than 400 employees in company housing, without saying how many remained unhoused. By 1981, the Gatooma group comprised Glendale Spinning Mill, Kadoma Weaving and Finishing Division, and subsidiary companies including Protex Clothing and Richard Strathmore sales agent. Now Zimbabwe Spinners and Weavers, it remains one of the larger textile firms.

The emphasis on big plant confirms another of Gerschenkron’s generalisations about late industrialisation. Because most factory equipment is purchased overseas, and manufactured domestically, Amsden’s expression, ‘borrowed’ technology, seems apt. Borrowed technology implies that the manufacturing process relies on the heavy importation of machinery to maintain a competitive edge. Businesses that do

755 Ibid.
757 Chairman’s Review by C.G. Tracey, 22 March 1982, p.4.
758 Sachikonye Restructuring or De-Industrialising? Zimbabwe’s Textile and Metal Industries Under Adjustment, p.47.
760 See Amsden ‘A Theory of Government Intervention in Late Industrialisation’.
not continually update technology and maintain equipment find it difficult to keep up with consumer trends.

Interestingly, the timing of Gatooma’s incorporation in 1944, at the end of WWII, meant that it was forced to begin operations with technology from the UK that was second-hand and outdated, for which company reports appear apologetic.\footnote{Chairman’s Report for the financial year ended 31\textsuperscript{st} March 1969, p. 12.} However, the fact that the company was able to pay its first dividend in 1948 and diversify from production of unbleached calico with the purchase of a second-hand dyehouse in 1949,\footnote{Ibid.} suggests that the savings from purchasing used equipment may have been a blessing in disguise. As confidence grew, the 1965 annual report described a special programme of ‘modernisation and expansion’, requiring ‘courage and forethought’.\footnote{Gatooma Textiles, 1965: Chairman’s Report.} During 1965, for instance, the company purchased fifty high speed automatic looms and new finishing machinery for its dyehouse, which the Chairman’s reports said would give the company’s cloths a ‘more sophisticated appeal’.\footnote{Ibid.} Yet the company reports of both firms make frequent reference to underutilised capacity.\footnote{GTP’s 1976 report (p.1) cites 75% of total wax print capacity and 66% of total production capacity.} This suggests that irrespective of peasant-settler differences regarding the sourcing of capital, textile companies all face difficulties finding adequate markets for their output. This point will be returned to below.

Killick said an alternative strategy to Nkrumah’s should be one that ‘seeks always for the highest degree of labour intensity consistent with economic efficiency.’\footnote{Killick \textit{Development}. p.350.} Amsden, however, warned that cheap labour is no longer an advantage for late, late industrialisers.\footnote{Amsden ‘A Theory of Government Intervention in Late Industrialisation’.} Interestingly, a tour of GTP’s factory at Tema, ten miles from Ghana’s capital Accra, shows that some indigenous labour-intensive batik processes have been grafted onto the capital-intensive textile printing process.\footnote{I am grateful to GTP Technical Director, Gerard van Damme, for providing a tour of the factory.} This provides an opportunity to study the relationship between capital and labour. Capital-intensive automated processes comprise fixating, dewaxing, washing and drying, of which dewaxing is the most expensive. Lest there be any doubts about its commitment to

\begin{footnotesize}
\begin{footnotes}
\item \footnote{Chairman’s Report for the financial year ended 31\textsuperscript{st} March 1969, p. 12.}
\item \footnote{Ibid.}
\item \footnote{Gatooma Textiles, 1965: Chairman’s Report.}
\item \footnote{Ibid.}
\item \footnote{GTP’s 1976 report (p.1) cites 75% of total wax print capacity and 66% of total production capacity.}
\item \footnote{Killick \textit{Development}. p.350.}
\item \footnote{Amsden ‘A Theory of Government Intervention in Late Industrialisation’.}
\item \footnote{I am grateful to GTP Technical Director, Gerard van Damme, for providing a tour of the factory.}
\end{footnotes}
\end{footnotesize}
upgrading technology, GTP’s 2000 report states that: ‘The company continued to lay the foundation for its future growth by investing in its technology and plant capacity with capital investment of 16.3 billion.’ Production begins with bleaching of the gray baft, which is produced by Juapong Textiles, part of the GTP group. The cloth is then washed to remove the starch and prepare it for printing. Copper rollers place wax on both sides of the cloth. Replacing parts on the merceviser and automated drier is expensive and maintenance costs alone amount to 1.8m euros a year.

By contrast, the dyeing processes, including stamping and indigo dyeing, are completely manual and here production of the wax print is comparable to indigenous batik-making. Manual dyeing of the indigo is done in trucks on wheels with the dyeing vat lowered into a bath. The process of crackling or bubbling to partially remove the wax is also mainly manual. A semi-manual operator is responsible for the right amount of water, cloth, etc. Whereas Chinese copycat products skip this very labour-intensive process and print the bubbles on the cloth, fixing all colours at once, in the GTP factory all the colour blocks are made by hand, which makes every yard distinct. Colour blocking is done on sixty-six different tables, with blockers using up to eight blocks on a cloth. From the finishing beam, cloths may be returned for a second colour. Finally the cloth is folded into pieces of six or twelve yards, then baled and marketed.

According to GTP’s human resources manager:

The technology used here is labour not capital intensive, therefore the skills needed are fairly low-level, it’s more brawn than brain. Just a few people are very technical in the area of engineering and maintenance. For lots of things we do you don’t have to reinvent the wheel.

This shows that manufacturing firms can be flexible. But, confusingly, such local adaptation does not necessarily reduce costs. According to GTP Technical Director Gerard van Damme:

It’s difficult to manufacture and expensive. We’re unique in the world. The investment for stamping machines is too expensive here because we strive for a very high quality product. Our Chinese competitors are automated, which brings a lower quality. The main problem is that the quality they bring onto the Ghanaian market is accepted by the Ghanaian consumer. The question now is whether to stick to our quality.\textsuperscript{771}

This is confusing if the point of preferring labour is to reduce costs. At Vliscos’s factory in Holland, where the labour costs are higher, this process has been automated since 1970. In Ghana by contrast, while the automation of indigo dyeing would be extremely costly, the Ghanaian market in any case shows a preference for hand-blocking. The technique is particularly labour-intensive because the process is repeated with each new colour added. A capital-intensive technology would add all colours at once. Group Financial Director Boateng estimates the cost of labour at about 20\% of the balance sheet.\textsuperscript{772} But without a comparative figure for Gatooma, it is hard to make sense of the relationship between capital and labour, or to evaluate Amsden’s point about labour.\textsuperscript{773}

Because of the uniqueness of its product, GTP may be considered a case of genuine import substitution rather than reproduction.\textsuperscript{774} But the reason for its uniqueness appears to be that it is akin to an expensive form of hand finishing that appeals to a small rich African middle class. Chinese copies remove the labour-intensive element, making the product cheaper and increasingly pricing GTP out of the mass market, despite cultural preferences. This example appears to support the labour theory of value, while suggesting that the distinction between capital and labour is not always clear cut. Judged by the example, labour-intensive processes make manufacturing more, not less expensive. Where economies of scale can be achieved, it may be cheaper to produce for mass markets using borrowed technology than by increasing the labour content. This suggests that big plant may provide a more efficient route to industrialisation than the small-scale model, provided other variables are also efficient.

\textsuperscript{771} Interview, G. Van Damme. Tema. 2 February 2005.
\textsuperscript{772} Interview, Tema, 2 February 2005.
\textsuperscript{773} Amsden ‘A Theory of Government Intervention in Late Industrialisation’.
\textsuperscript{774} See Mytelka. ‘Unfulfilled Promise’.
9.4 The Protectionist Route

Essentially, two types of substitution activity were targeted for reform after liberalisation from the 1980s in Ghana and the 1990s in Zimbabwe. These were import substitution and currency overvaluation. By maintaining overvalued currencies, tropical African states reduced the cost of importing capital equipment for local industrialists, but effectively taxed exporters. Moreover, overvaluation made foreign currency scarce. The GTP accounts show few signs of special protection, confirming Killick’s opinion that Nkrumah did not create a highly protectionist economy.\textsuperscript{775} By contrast the Gatooma records show regular government support. For instance the 1972 report says:

‘The government made a wise decision in providing funds to cushion the effect on the textile industry of the higher prices being paid to farmers for raw cotton. This action assists all sections of the textile industry, including garment manufacturers, to retain their export markets despite the difference in parity between Rhodesian and South African currencies resulting from the devaluation of the Rand…’\textsuperscript{776}

Similarly, in 1973 the report expressed satisfaction that ‘additional currency was made available for replacement machinery’.\textsuperscript{777}

The downturn for Gatooma Textiles came in 1978, following a year the Chairman’s review describes as ‘one of the most difficult in [the] company’s history.’\textsuperscript{778} This came after South Africa increased customs duties in November 1977, reducing Gatooma’s volume turnover and removing optimism that the reserve of production capacity built up in previous years could improve the company’s prospects. The difficulties were compounded by increased yarn prices from April 1977, as well as the rising cost of dyes and chemicals.\textsuperscript{779}

\textsuperscript{776} S.J. Knight, Chairman’ Review, 19 June 1972, p.5.
\textsuperscript{777} Ibid. 5 June 1973, p.3. See further 4 June 1976 report, p.5.
\textsuperscript{778} Gatooma Textiles, Chairman’s Review, 22 August 1978, p.4.
\textsuperscript{779} Ibid.
In Ghana, exchange controls began with Nkrumah’s creation of an autonomous monetary system. Rimmer sees this as the source of domestic inflation and an overvalued inconvertible currency, although these problems became remarkable only from 1975, nine years after Nkrumah was overthrown. In a parallel situation, the change from the Rhodesian pound to the Rhodesian dollar also led to currency overvaluation, but it is only from the 1990s and in particular from the 2000s that the problem appears uncontrollable, although the effect of sanctions on the currency during the UDI period did affect textile manufacturers, as will be seen in the next section.

Frequent currency depreciation favours exporters in both countries, but poses problems for capital-heavy textiles manufacturers facing a shrinkage in their export markets and higher import costs to maintain and update machinery. The GTP accounts show that exchange laws have had a heavy negative impact on the results. For most years the operating results are good, but this is a statutory result. As a result, the company results show that from 1980 to 2005, the company declared no dividend. From that time the reports show the state’s shareholding being gradually reduced. Prior to 1980, although the company declared dividends each year, these appear to have remained unpaid every year since 1968/69, with the exception of the 1971/72 financial year. By 1982 the directors’ report described prospects as ‘bleak’. It blamed the company’s heavy losses on a lack of raw materials, particularly printers greycloth, resulting from the inadequate import licensing, which meant that the company produced only 21% (5.8m metres) of its installed capacity of 27m metres. The directors were clear about the source of GTP’s problems: ‘Unrealistic selling prices established by the Prices and Incomes Board have meant that the Company has been unable to recoup the escalating costs of maintaining plant and equipment, feeding workers and meetings its other operational expenditure.’

As a result, GTP had had to resort to borrowing at ‘extremely high’ interest rates, the report said. Though less strident in its criticism of government policy, the 1976 report also carries the suggestion that price controls were hurting business. It said the

---

780 Rimmer *Economies*.
783 Ibid.
784 Ibid.
company was able to maintain a profitable position after its application for a price review to the Prices and Incomes Board was approved.\textsuperscript{785} Thereafter the GTP accounts make clear that only the repeated rolling over of loans from Vlisco’s parent company Gamma Holdings make it a going concern.

In both countries manufacturers welcomed economic liberalisation. Some even campaigned for it, as the evidence above corroborates. But more than two decades later, adjustment has not improved the ability of textile firms to declare dividends or made them sufficiently competitive to face international competition.

### 9.5 Effects of Competition

Another characteristic reviewed here that these two firms have in common, irrespective of peasant-settler differences, relates to the perception of unfair competition. Manufacturers in both types of economy cry that the playing field is not even and that the protectionist policies enjoyed by importing firms is putting them out of business.

The companies face two forms of product competition. The first is from second hand garments that have flooded the markets of both countries under trade liberalisation. This is understood to have cost thousands of jobs in Zimbabwe\textsuperscript{786} and even the casual observer can see that the numbers of Ghanaians wearing garments sewn from colourful Ghanaian cotton waxprints have declined visibly since structural adjustment began twenty years ago. GTP officials predict that in another twenty years, ready-made garments will be the norm. Already trends have changed to the extent that many people only buy cloth (as Ghanaians refer to the waxprint) for special occasions.\textsuperscript{787} However, the main source of competition now is from the influx of cheap copy-cat goods from East Asia and in particular from China. GTP officials

---

\textsuperscript{785} GTP Balance Sheet and Profit & Loss Account, 30 September 1976, p.1.

\textsuperscript{786} Sachikonye \textit{Restructuring or De-Industrialising? Zimbabwe’s Textile and Metal Industries Under Adjustment}, p.41.

\textsuperscript{787} K. Boateng, 2 February 2005.
say there are about 27 firms in China doing what Ghanaian textile manufacturers do.\textsuperscript{788} Pakistan is another big competitor.\textsuperscript{789}

Since 1992, Zimbabwean manufacturers have fought unsuccessfully for the renewal of a preferential tariff agreement with South Africa, the main export market. After stalling for a period of some years, South Africa says that any new agreement will have to be renegotiated within a WTO framework. The difficulties with South Africa are long-standing and appear to be related to the anxiety the republic faced in relation to rapid Rhodesian industrialisation under UDI. According to CG Tracey, a former cotton grower and one-time chairman of Gatooma Textiles:

South Africa suddenly regarded us as a threat and imposed protective tariffs. They had big industries and the tariffs against us meant a cut in our margins, or we had to reduce productivity. Our margins were cut because after UDI we had to go to the farthest market, to the US. Our company got into serious financial difficulties. The dollar started to devalue and our company went bankrupt.\textsuperscript{790}

On the other hand, the greatest threat facing GTP, whose biggest market is at home, is from Chinese copies of its brand. Many of these imports are smuggled into the country, thereby evading duty and VAT. Manufacturers complain that the playing field is not level. Because of their inability to get redress from the government, GTP officials say the future is ‘bleak’. During 2004 and again in 2005, Juapong Textiles, the GTP spinning and weaving subsidiary, was forced to close down temporarily, affecting 1200 jobs. This had partly to do with problems in the cotton industry.

If the government doesn’t do something about protecting industries, because of the cheap products coming from China, it would be cheaper to import everything, put our brand on it and sell it. It could be the scenario in ten years time because the Chinese copies are improving and they are half the price. They carry a fake GTP label and ‘made in Ghana’ label.\textsuperscript{791}

So serious is the threat of illegal imports, that textile companies have come together to finance an action group to combat smuggling, led by the government.

\textsuperscript{788} K. Boateng. Tema. 2005.  
\textsuperscript{789} Quartey ‘The Textiles and Clothing Industry in Ghana’. p.136.  
\textsuperscript{790} C.G. Tracey. Interviewed 26 August 2 004.  
\textsuperscript{791} K. Boateng. Interviewed 2 February 2005.
Association of Ghana Industries meets representatives of the Ministry of Trade regularly. But the government has so far resisted demands by Ghanaian textile manufacturers that illegally imported goods be seized and burnt, as is the response in Côte d’Ivoire.

Our government has said informally that they can’t do that. If at least they would pay all duties we would be on a level playing field. Private individuals and Chinese individuals previously used to use Ghanaians to do that. Now they’ve come and opened wholesale stores themselves. They’ve driven the Ghanaian middlemen out of business. They have access to cheap production so they’re more harmful than the Lebanese.792

The increased competition has brought some positive spin-offs. In Zimbabwe, coping mechanisms have included diversification into new markets. Large firms like Spinweave have also coped by exporting at a loss.793 GTP on the other hand has responded to the Chinese copies by paying more attention to creativity. ‘We’re churning out designs every quarter. By the time they copy it, that design would have been dead,’ says Boateng. Each year in addition to these, GTP comes out with a collection of designs with a special theme for the year, launched at fashion shows. However, the trendy Woodin designs make up a relatively small proportion of GTP’s portfolio. The company’s prestige is still largely associated with its high quality classic waxprint designs.

Here we use a lot of labour. If you decide to change it in favour of capital, eg robots etc, the technology would be very complex. The initial capital would be big and maintenance would be big, for instance if you’re talking about computers. The best thing is for the government just to protect these areas we have, to protect the usage of manpower in these processes. Here the costs are lower than in Europe. Only the Chinese do it cheaper. The government should protect our industries like Nigeria. Because they’ve got muscle no-one can talk.

The informal sector cannot do what GTP is doing. You would need lots of capital and there is no big market for what they do. In tie and dye the colours are not fast enough, they fade. They even rely on us for the basic cloth. We make cloth at Juapong, but the Chinese imports are cheaper so

792 K. Bayitse, GTP Human Resources Manager. Interview. 2 February 2005.
793 Sachikonye Restructuring or De-Industrialising? Zimbabwe’s Textile and Metal Industries Under Adjustment. p.47.
most companies are importing. There’s no market for their goods because of the mindset. They can have a lot of variety, but people think ‘adzoa yankey’ [a mocking nickname for tie and dye]. It has a lower level association. The waxprint proper in the past was used as a store of wealth. The more expensive it is, the more the quality, the more durable it is. 794

The evidence suggests that the Ghanaian market prefers a cheaply produced copy of the classic waxprint to an original alternative that carries a poverty stigma. This means that the outputs of small entrepreneurs are judged by their quality, not only their price. It also suggests that the loss of protection may drive companies such as GTP to an even higher level of mechanisation.

9.6 Labour Unrest

Both the GTP and Gatooma/Zimbabwe Spinners and Weavers reports pay frequent attention to labour issues and the question of personnel development. The early 1980s saw labour action at both factories.

The first mention of labour problems at Gatooma Textiles came in the 1982 Chairman’s Review, which linked several wildeat strikes and a go-slow by senior workers to a drop in average efficiency to 72%, from 92% achieved in 1977. In the years following independence in 1980, the country was hit by a wave of strikes and demonstrations as previously disenfranchised workers gave vent to pent-up feelings.795 After independence, Gatooma Textiles changed its name to Zimbabwe Spinners and Weavers, presumably to reflect changes in the political dispensation. After 1980, the reports further reflect a more conscious statement of the need to improve the conditions of African labour.

In July 1976 in Ghana, the five large textile industries formed a ‘Like Interest Group’, with the support of the TUC, to negotiate identical terms and conditions for

794 K. Boateng, GTP Group Financial Director, 2 February 2005. Note Juapong Textiles was closed within days of this interview.
795 See Loewenson Modern.
employees. But in November 1982, within months of the December 31st revolt, workers took over the factory, seizing management control from Unilever and disenfranchising offshore shareholders. The take-over occurred after GTP declared its intention to close down the factory and lay off its workforce of 1,200. In its communication with the Ministry of Labour and Social Welfare, the GTP management said it was hamstrung by debts totalling $31m, arising from its reliance since 1979 on bank overdrafts. 796

Workers were in charge of the factory for six years until the PNDC government closed the GTP factory on the grounds of malpractice by the workers administration, appointing a management committee to run the company on 1 November 1988. 797 Company reports ceased to be deposited with the Registry of Companies following the workers’ takeover. This means that it is not possible in the present study to analyse financial records during the early structural adjustment period from 1983.

Despite deregulation, GTP officials say the activities of strong labour unions mean that the company is unable to compete with labour costs in the spinning and weaving industry in China, hence Juapong’s closure in 2005. While labour costs in China amount to the equivalent in converted RMB yuan of $800,000 per person, in Ghana the labour cost is higher. Although the amount of $800,000 corresponds to the minimum wage in 2005, the company pays social security of an additional 12.5%. In addition it provides transport to work, a canteen meal in the afternoon, and medical bills for each worker and family. Workers can attend approved hospitals. In addition they receive protective clothing. By contrast Chinese workers live in dormitories, according to GTP group finance manager Kofi Boateng.

Akosombo is owned by the Chinese and they live in dormitories. At the end of the day our labour costs are going to be more than four times that. Therefore labour is no longer an advantage for us with the strong unions always ready to negotiate.. Here [in Ghana] we’re used to a fixed monthly salary plus overtime, whereas the international norm is to be paid by the number of garments you produce. 798

797 GTP company records and personal communication by K. Boateng.
This piece of evidence, perhaps more than any, suggests why Lewis’s unlimited supplies of labour thesis has limited relevance in Africa. It is not simply that labour is less abundant than in Asia, but also that the vast difference in population size produces differences in culture, such as a dormitory culture, that can have a telling impact on cost effectiveness.

9.7 Towards the ‘Developmental’ State

A final characteristic of the two firms is a shared belief that without state support, industrialisation is doomed in Africa. One of the arguments against statist policies put by Rimmer was that ‘infant industries never grew up’. In Accra, Akua Adusei-Herbstein was dismissive of this argument:

> Industries need as long as it takes. They’ve got to survive and nobody will give us capital in the form of aid for the big push we need. The big ones are protecting their industries. If America is protecting its industry and France and Europe are protecting their agriculture, how can they come and tell us not to protect and we listen to them?”

Neither did the view resonate with industrialists in the settler economy. At the other end of the continent, CG Tracey said:

> To say that they ‘never grow’ is a political view. You can’t quantify how long it will take. Tariffs have got to be established on a better basis of goodwill. It must be recognised that new and developing countries will not develop unless they can have an initial period of establishing themselves. But the best people to establish themselves are private entrepreneurs who understand business and money, and have a profit incentive which drives them to expand their industry.

> I sympathise with the view that Rhodesia-Zimbabwe shouldn’t forever be condemned to being primary producers only, hewers of wood and carriers of water. The policies of tariffs and protection in other countries

799 Rimmer *Staying*.
800 A. Adusei-Herbstein, interviewed 7 February 2005. Adusei-Herbstein was formerly on the advisory board of the President’s Special Initiative for the Textiles Sector.
were never sufficiently aggressively handled. But importing countries could see that we were likely to put their noses out of joint, we were a threat to them. It’s exactly like the WTO debate now between importers and exporters.

Was it the right thing? We needed protection from Japanese cheap goods or anywhere else because how can an infant textile industry get on its feet? You were knocked off your feet if you didn’t have a tariff – not a punitive one but one to enable development to take place. Provided that development plans were properly budgeted and analysed, it was the right thing to do, but entrepreneurship is all about going into the risk game, business. Entrepreneurs always anticipate the future. Industrialists didn’t anticipate UDI. In the last 8-10 years people didn’t anticipate the collapse of the currency and general economic collapse. There’s some position of overcapacity. The future’s not what it used to be. 801

These pieces of evidence do not gainsay the Weberian concept of state bureaucracies as prone to rent-seeking and corruption. 802 But they do remind us that in underdeveloped countries development is ‘late development’, or as Iliffe put it: ‘African industrial capitalism is not merely African capitalism, it is late capitalism.’ 803 Whether Africa should be expected to perform in a manner that exceeds the performance of today’s advanced countries before they industrialised is a question that mainstream development economists cannot easily answer. African industrialists have few illusions about the efficiency of state institutions, yet they are clear that industrialisation cannot take place outside a framework of state support.

Edusei-Herbstein, who holds a Harvard postgraduate degree in economics, spells out the needs of industrialists thus:

If you want to industrialise, you do need government intervention, you need assistance. Market forces alone cannot do it. You need capital at lower interest rates, extension services for entrepreneurs, a trained workforce and a trained civil service and bureaucracy. If a shipment is due, you can’t afford to hang around, you have to produce on time to meet deadline. Anything that wastes my time is inefficient. If to export I need to go through ten institutions just to get licences, stamps etc, it’s giving enormous power to the civil service who don’t work…I need to know how much it’s going to cost me to send a crate. You’ve got to be

802 See Weber 1983
803 Iliffe Emergence. p.72.
above things and get things running. That leaves you even no time to think and plan.\textsuperscript{804}

In other words, the fact that governments are inefficient and rent-seeking does not mean that the state must be thrown out of development. It does suggest though that the state must learn to be effective.

This is a matter about which CG Tracey is also particularly well qualified to express an opinion, having worked both in the private and state sectors. Private sector activities included stints as chairman of Gatooma Textiles, chairman of the Rhodesia Promotional Organisation, and, during the 1960s, vice president of the National Rhodesian Farmers Union, which he says had 6,000-7,000 members. During UDI he joined the Agricultural Marketing Authority, a government parastatal, and became the first chairman of the Cotton Marketing Board.

Civil servants are good, decent, honest folk, but very stuffy. It took us a long time to recognise that there were good things in private enterprise. But we got the growers together, projected the budget for the next season. We would calculate the amount of cotton at what quality we could produce. We would pitch it at 85% and we could budget on that cheque, any extra was cream on the top. It worked very well.

Tracey’s evidence suggests that Adusei-Herbstein’s expectations are not misplaced and that the state can learn, by building partnerships, to be effective. But this brings us back to the question why the state exists. Given the competing needs of labour and manufacturers, where does the state stand? Whose interests does it represent and can these interests be reconciled?

\textsuperscript{804} Adusei-Herbstein, 21 January 2005.
9.7.1 The problem of linkages

One of the roles of the developmental state envisaged by Hirschman is to create forward and backward linkages between economic sectors. In contrast to Ghana’s very faltering experience with cotton production, Zimbabwe’s recognition of the huge potential of cotton relatively early in the 20th century contributed to a more dynamic structure of agro-industrial linkages. The records of Gatooma Textiles provide evidence that manufacturers sought to influence state policy not merely for the satisfaction of short-term needs but towards the long-term creation of an integrated economy. In the 1978 annual report, Gatooma Textiles Chairman, PJ Conway, told shareholders:

In respect of the cotton crop it would be of immense benefit to the country if, instead of exporting the bulk of the crop as raw cotton, it were converted into yarn for use by the local textile industry. The scope for job opportunities is immense if the government decides that exports of cotton should mainly be as finished garments rather than as raw cotton. The mills and clothing factories would be capable of vast expansion if given the opportunity. Your company would play a major role in such development.

The text suggests that when faced with the opportunity to improve the destiny of an economy, manufacturers will rise to the occasion, as Gerschenkron said they would.

The GTP records suggest that workers too can share this vision of a golden age. An intriguing aspect to the GTP workers takeover was the call by workers for a more integrated industrial process, linking textile manufacturing to the production of raw cotton in Ghana. This was a departure from the usual economistic concerns of trade unions, and a sign of the politicisation of Ghanaian workers. In stark contrast to the demands of the GTP workers, the Ghanaian state settled for a programme of macro-economic adjustment, misleadingly named ‘structural adjustment’ by the IMF and World Bank. This is a misnomer, because even the most effective macro-

---

805 Hirschman Strategy.
806 Chairman’s Review, Gatooma Textiles, 22 August 1978.
economic measures cannot by themselves change the structure of an economy. Only political vision can achieve that and only when it is given the muscle of political will.

9.7.2 Lessons from East Asia

Following two decades of seeming consensus on the efficacy of markets, development economists are beginning to mount arguments to bring the state back into development. Aryeetey and Harrigan are critical about the impact of adjustment on Ghana’s manufacturing sector.

Policy towards the manufacturing sector has suffered from similar shortcomings to those of the agricultural sector. The emphasis has been on liberalisation and not sufficiently on addressing the non-price variables that affect production and investment. Policy towards the industrial sector is suggestive of a naïve belief that the performance of industry, particularly manufacturing, was determined solely by the distortions emanating from the exchange-rate policy and the trade regime. It was also believed that the protectionist trade regime had encouraged inefficiency and that once increased competition was introduced through trade liberalisation the sector would become leaner and more efficient. However, years of protection and lack of competition as well as stagnation due to import strangulation had considerably weakened the production capacity of the manufacturing sector. The sector has been unable to compete effectively in the new liberalised environment because of obsolete machinery, outmoded protection practices and inadequate management techniques. It needs to be re-invigorated, and getting prices right is not enough to do the trick.808

A growing literature on the special initial conditions that existed in the East Asian tiger economies prior to their industrial ‘take off’ emphasises the high levels of equality in the areas of education, income and land ownership that existed, thanks to major land reforms.809 The geo-political significance of the emerging East Asian

808 Aryeetey, Harrigan and Nissanke, Eds. Economic Reforms in Ghana, p27.
economies at a time when the United States feared the influence of communist China meant that there was no shortage of money for industrialisation in that part of the world during the post-war period. These special conditions are unlikely to be ever replicated in African countries, or indeed anywhere else in the world.

The literature on East Asian development suggests that the outstanding feature of the ‘developmental state’ was a willingness to discipline firms that received state subsidies. In South Korea, General Park cajoled the big conglomerates to change the country’s comparative advantage, for instance by creating a ship-building industry. A good part of his success in ‘getting prices wrong’\(^{810}\) was that he had the hard-nosed business sense to get interventions right. Park used subsidies as inducements to change the structure of South Korea’s economy from primary production to production of heavy industries. He also wielded the stick, and firms that failed to meet their targets after receiving subsidies faced imprisonment.

Who in the two case study countries could have played the role of a General Park? The evidence considered in this chapter has provided a sense of how and why Nkrumah encouraged foreign firms to install big plant in partnership with the Ghanaian state. The fact that the 1966 coup occurred before GTP’s launch makes it possible to view the problems of late industrialisation without having to confront the polarisation in the literature on Nkrumah. While his policies were not in a strict sense ‘socialist’, it is possible to argue that his preoccupation with state substitution may have created a blind spot against the possibilities of also nurturing Schumpeterian catalysts. It is arguable nevertheless that the foremost need of the economy during his nine postcolonial years in power was the creation of physical and social overheads. If the lack of indigenous capital meant that Nkrumah could not fulfil the function of a Park, his reliance on multinationals such as Unilever and Kaiser Aluminium had similarities with the Singaporean model, which did go on to success.\(^{811}\)

---

\(^{810}\) See Amsden ‘A Theory of Government Intervention in Late Industrialisation’.

\(^{811}\) See Vogel *Four*. For a list of public enterprises pioneered by Nkrumah see Killick *Development*.pp.320-2.
Acheampong launched an energetic indigenisation drive, coupled with promising programmes such as Operation Feed Yourself and Operation Feed Your Industries, but, while his military regime succumbed to the weaknesses of the kleptocratic state, Gyimah-Boadi and Jeffries argue that it was above all his dream of a ‘union government’ (Unigov) that awoke the palace coup by Akuffo that unseated him.812

Rawlings was the charismatic junior officer whose moral exhortations moved people to undertake various types of voluntary work, though his populist leanings alienated some sections of the business community.813 In the early years of Rawlings, the emphasis was on ‘housekeeping’, that is summary justice for previous rulers who had brought the military into disrepute, and keeping a lid on violence.814 ‘People were literally baying for blood’, Rawlings says, and likens his two revolutions to those in eighteenth and nineteenth century Britain and France.815 There is some justification for this view. Afrifa, who led the coup against Nkrumah and who with Acheampong and Akuffo was among the three former heads of state and five other senior military officers who faced a firing squad in June 1979, once wrote to Acheampong prophetically urging that if the idea of Unigov was not abandoned ‘how about if they line us all of us up and shoot us one by one?816 In the months after December 31st 1981, Rawlings relied on the young socialists at the University of Ghana to give his revolution ideological coherence. In relation to the later period, when business confidence had been restored but not to the extent that entrepreneurs were willing to risk much capital, one might hazard a counterfactual. Where would the economy be today had Rawlings embraced a secondary role that called on him to round up businessmen and women and demand they move out of trading or rentier activities and into factory construction, in return for state subsidies and strict production targets? How this would have affected his populist following brings us back to the

813 Though see further Gyimah-Boadi and Jeffries 'Economic Reforms in Ghana'. p.48.
question why the state exists. How can it reconcile conflicting class interests to become the developmental state?

In Zimbabwe, Mugabe’s championing of black empowerment through organisations such as the Indigenous Business Development Centre and the Business Enterprise Services Association had some of the features of ‘nurture capitalism’. Mugabe is without doubt a strong leader. However, like the controversial land redistribution programme, the indigenisation programme has yet to demonstrate convincingly that its concerns go beyond support for black, political elites, notwithstanding the arrests during 2004 of prominent black businessmen, including a nephew of the president, on capital flight charges. Zimbabwe’s most successful indigenous businessman is Strive Masiyiwa, whose award-winning company Econet, now an African multinational, pioneered wireless communications in Zimbabwe. Masiyiwa once worked as a telephone engineer at the state-owned Post and Telecommunications Corporation. Notwithstanding Masiyiwa’s four-year legal battle to break the government’s telephone service monopoly, his meteoric rise (named one of the Ten Most Outstanding Young Persons of the World by the Junior Chamber International in 1999) suggests that political independence created the conditions for emergence of the African Schumpeterian catalyst. The point to this discussion is that whatever the merits or otherwise of the big push approach, its success rests on much more than capital investment.

817 See Grierson, Mead and Moyo. 'Business Linkages in Zimbabwe: Helping to Shape "Win-Win" Economic Structures'.
820 Ibid.
9.8 How Small is Beautiful?

The alternative to nurturing new industrialists and to rehabilitating old and existing industries is to prefer the small-scale model. Advocates of small-scale development say that the small volumes pooled by a large number of small-scale entrepreneurs can amount to substantial output levels. They say that small-scale industrialists are flexible and save capital.

Dawson said that the 1970s expansion that occurred in the development of the small-scale industrial sector during the 1970s paid off after the introduction of structural adjustment in the 1980s, when large-scale manufacturers declined and small-scale entrepreneurs took up the slack. He said he found no grounds for the pessimistic literature on the potential of small firms to play a key role in the economy. He found that small enterprises performed best not in low-quality, low-profit activities, but rather in those characterised by relatively high degrees of skill and sophistication. The monopoly over key productive resources supposedly enjoyed by large enterprises disintegrated as economic crisis set in and the flexibility in training employees, use of technology and individual service offered by small enterprises became more attractive than the inflexible production-line methods prevalent in the large-scale sector. Dawson thought that this pattern could be explained by the absence of a highly active and diversified large-scale capitalist sector capable of dominating resources, inputs, technology and profitable markets to the exclusion of small domestic manufacturers. But Rajiv Ball argued that Dawson’s emphasis on the collapse of large-scale industry as the key explanator of a rise in demand for small-scale manufactures overlooked the significance of entrepreneurial factors and the role of the state in facilitating the long-term accumulation of skills, capital and technology.

Critics of the small-scale sector say it is ‘backward’, static, low-tech, undynamic, that it brings insufficient income to generate a surplus, and that it is disguised

unemployment. ‘Who in the informal sector has an idea?’ says Akua Adusei-Herbstein. Perhaps she is entitled to ask that question. She is something of a role model among small-scale carpenters who told me they go to her showrooms regularly to copy her designs. However, the irregular earnings of some small-scale entrepreneurs do not allow them to vary their tools and thereby improve the choice of designs they can offer customers.\textsuperscript{823} This offsets the competitiveness they enjoy on labour costs. According to Adusei-Herbstein, a furniture manufacturer who employs 120 people:

Every country needs clothing, health and shelter. Can the informal sector provide that? They can assist, but can they be leading growth? We do need proper organised industry and services to provide those things in poor countries, especially where there’s such a big gulf between out here and there – a technological leap. We don’t want to reinvent the wheel. We need help to know what’s there. In that case we need a state role. Industry can take partly processed raw materials, for example coconut oil – cleaning and bottling it. We could help them to cultivate more acreage, provide linkages between the formal and informal sectors through sub-contracting. The same with cocoa. But we need a government or state that has the capital. Government can guarantee the capital.\textsuperscript{824}

Adusei-Herbstein offers a variety of reasons why small is not all beautiful. Her argument starts with a defence of modernisation theory:

Modernisation theory is not wrong. In this heat how many acres can you develop by manpower alone? We used to say there’s a backward supply labour curve. Pay the African as little as possible because if you pay them more they’ll withdraw their labour. Hence the South Africans are paying so little. If you pay more he’ll go and booze. You’ve got to mechanise a bit or use appropriate technology, unless you’re in the American cotton belt with slaves and you can force people to labour in the heat. How much can people clear manually in this heat? You need to reduce the labour part of the work. Even a little animal power with a plough. Or a little chainsaw. But the hoe?

I am not a believer that everything should be labour power alone. Certain things yes. But in my field using a saw would take too much time. So many people pushing timber in trolleys when a forklift would be even better. Before trolleys people had to load all by hand. If it comes bundled, a forklift can pick it up, bring it to the factory.

\textsuperscript{823} Interview with informal sector carpenter, N. Hayford. Accra. 20 January 2005.  
\textsuperscript{824} Adusei-Herbstein, 20 January 2005.
Labour costs in Asia are not lower, just more efficient. Here it is low but very inefficient. It’s uneducated, not efficient, the attitude to work is not good. If a labourer is coming from the rural areas, he gets his money and goes to farm. You need disciplined labour, like in Asia. Lots of capital has moved there and trained the labour and people themselves learnt. If you’re setting up a company in London, or Asia, you spend loads on education.

Informal sector carpenters have a bench, a saw or a plane. They’re limited in shapes and designs. A band saw can cut any shape you want. In the informal sector they copy, they don’t move. They haven’t got capital, not much electricity. They can be sitting there for the next thirty years.

It’s rubbish that the informal sector took up the slack from the collapse of big industry. You can’t meet the requirements of a growing urban population and you can’t control quality.

If you look at furniture firms, they are run by the original founders. We learn on the job. Delegating is essential, but fraught with risk because of shortages of middle management personnel. Consequently owner-managers are less effective than they might otherwise be, because they are overworked. The work of management includes order processing, production planning, quality control, production technology, costing, pricing, machine and tool maintenance, workshop layout, drying, dust extraction and compressor (for spraying), materials handling. At one stage I spent £1m on equipment.

In the olden days it was different. If you look at the antiques of Europe, a man could spend one year making one chair. He was making it for the rich.825

It is possible to draw a number of conclusions from these comments and from what has been learnt above about the two case study firms. The first conclusion is that it is not only capital that must be used efficiently. Africa’s climate makes it imperative that labour too should be used more efficiently, through mechanisation. Second, labour must be disciplined and efficient, not just cheap, and this reinforces Amsden’s idea that low labour costs are no longer an advantage for late industrialisers. Third, a key role for the developmental state is to increase investment in social overheads, especially education, so as to make labour more efficient and competitive and to increase the pool of middle management. Fourth, small scale entrepreneurs may save

capital, but this also means they lack the technology to drive new ideas, change their designs and keep up with market trends. In this regard, Adusei-Herbstein strongly disputes Dawson’s notion that small-scale entrepreneurs substituted for collapsed large-scale industries.

This chapter has illuminated some of the reasons why large-scale manufacturers in developing economies find it difficult to flourish without state support. The capital requirements for the acquisition and maintenance of borrowed technology are onerous and require government guarantees or access to European capital, as in the case of GTP. At the same time, unpolicised, undemanding labour is also scarce. The impoverishment of workers in a liberalised economy where prices are yet to fall increases the burden on firms to provide social security.

This chapter has also provided some clues why Lewis’s ‘unlimited supplies of labour’ thesis has limited relevance in Africa. In one instance, the importation of a dormitory culture from a labour-abundant part of the world to a labour-scarce one gives Chinese products a competitive edge over those produced by Ghanaian workers. Another reason to question the Lewis model stems from the finding that, despite China’s abundant labour, Chinese products undercut Ghanaian products when using borrowed technology, rather than when employing more labour.

To understand better the relationship between capital and labour, as well as to highlight the distinction between peasant and settler economies, the final chapter of this thesis enters the world of the small-scale West African textile producer.
CHAPTER TEN

10 The Kente Weavers of Asante: A Non-Settler Model of Industrial Development

This chapter focuses on a model of small-scale industrial development, the narrow-loom kente weaving industry of Asante,\textsuperscript{826} that outlived colonialism and has continued to flourish in Ghana, but has no surviving counterpart in Zimbabwe. The case study is intended to explore what the relationship is between the survival of indigenous institutions and the emergence of small-scale industry. Narrow loom weaving is widespread throughout West Africa, but few weaving traditions have equalled the high level of skill and artistry that is required for kente production, Mali’s \textit{bogalan} being a notable exception. The chapter focuses on kente as a highly specialised art form, with a view to understanding what it represents in terms of industrial development and what the conditions are for conversion from craft production to industrial manufacture for bulk markets.

The collapse of large-scale manufacturing in African countries during the 1980s gave a fillip to the appropriate technology school.\textsuperscript{827} A variant of the Schumacher ‘small is beautiful’ school,\textsuperscript{828} this body of opinion has argued that the European model of big plant and expensive technology is inappropriate to the conditions of capital scarcity, high unemployment and predominantly rural populations found in developing countries. Rather than a short-cut to economic progress, industrialisation strategies came to be seen as anti-development, imitating the western model yet incapable of bringing development to the poor. The model in vogue since the 1980s favours simple technologies or techniques that maximise the use of local resources at the least cost, and it favours the small-scale over the large-scale.

\textsuperscript{826} Here ‘Asante’ is preferred to ‘Ashanti’. The ‘sh’ sound does not exist in the Akan language group, of which Asante twi is a branch, and the use of ‘Ashanti’ may have originated from the pronunciation of the Gâ people, who inhabit Ghana’s capital, Accra. In the Gâ language, ‘s’ is substituted for by ‘sh’. Similarly, ‘Kumase’ is preferred to ‘Kumasi’. The literal meaning of Kum-ase is ‘under the ase tree’. One of the two ase trees claimed to landmark the origins of the city continues to flourish outside the Okumfuo Anokye hospital.


\textsuperscript{828} E.F. Schumacher (1974). \textit{Small is Beautiful}. 302
Through this focus on kente weavers, and taken together with the preceding chapter on the performance of large-scale textile manufacturers, the chapter considers what the prospects are for a spontaneous industrialisation emanating from the small-scale sector in Africa.

Here we have a specialised form of what may be termed ‘proto-industrialisation’ that emerged under royal state patronage during the early formation of the Asante empire in the seventeenth century to become the very expression of the culture of the political entity today known as Ghana. The classic designs of today’s kente industry were commissioned by the Asante rulers to dignify royal occasions and commemorate historical events. Some cloths, such as *Oyokoman*, could only be worn by the royal clan, the Oyoko clan. The most exclusive cloths could only be worn by the Asantehene (ruler of Asante) himself. Thus it was intervention by the royal state that created this form of specialisation enabling Bonwire to develop from an agricultural village into a craft village and eventually a small town specialising in the production of luxury kente from the earliest days of the foundation of the Asante empire in the 17th century.

Rattray, saw the classic kente designs as ‘tartans’ over which the Asante King held ‘copyright’, allocating them to great men and women and reserving some for his exclusive use.829 Today, owning a kente cloth is a badge of honour and a symbol of national unity for all Ghanaians, not just those from Asante, in the central portion of Ghana or among the Ewes in the eastern Volta Region, where an equally distinct type of kente has been produced for centuries and is the subject of a dispute over who the true originators of kente are. The classic designs formerly reserved for royalty are nowadays commissioned by all and sundry, and old cloths are available in second-hand kente markets and emerging antique markets.

Economic historians are divided over whether concepts derived from the experience of one part of the world, say the advanced capitalist economies, can be applied universally. There have been moves to replace the grand meta-narratives with game theory and other limited models. Notwithstanding these trends, this research has

found it useful to compare the experience of kente weavers in Asante with those of weavers in other parts of the world and within Ghana itself.

A key aim of this chapter is to test the applicability of various concepts from the literature on economic development to a small-scale model of indigenous industrial development in Africa, drawing on comparisons with the large-scale European model explored in the last chapter. Concepts explored through this survey of weavers include the meaning of the Schumpeterian entrepreneur, Chayanov’s concept of ‘self-exploitation’ in the peasant economy, Scott’s ‘moral economy’, Weber’s ‘whip of hunger’, Marx’s differing characterisation of peasantry and industrial worker, prices and value, the effect of culture on the rate of productivity change, the role of technological diffusion, the role of the state in a Gerschenkronian model of economic development, and the relationship between conflict and institutional change.

The chapter is divided into four main sections. The first of these introduces the survey of weavers on which this chapter is built, while the second looks at the mechanics of loom production and explores the manner of transferring weaving skills from one generation to the next. Borrowing from the literature on the role of guilds in early modern Europe, it draws inferences about the nature of precolonial Asante institutions and considers what the pattern of diffusion of skills from Bonwire to other areas of Ghana can tell us about the processes of industrial development. Section three goes into the economics of kente production. It discusses specialisation and the division of labour, and suggests that productivity must be assessed in relation to economic opportunity. It looks at capital accumulation within the context of entry costs to weaving, raw material costs and the weakening of backward linkages with raw cotton over time. The section also reflects weavers’ perceptions of value and their approach to pricing.

A key question is whether a change of technology could dynamise the kente weaving sector, or whether the resulting ‘proletarianisation’ would result in the permanent loss of this industrial art form. The section reviews a number of development initiatives centred on the introduction of broadloom technology. A very high level of specialisation means that the kente weavers of Asante have been able to retain a luxury niche market and withstand the threat of cut-price Chinese and other
imitations. Recently, the rise of African American tourism in West Africa has opened up a new and important international market for kente originating from Bonwire. The section considers the implications of a shift to mass market production, drawing on the lessons of the Harris Tweed industry in Scotland.

10.1 The Survey

This research is based on a survey of fifty-two weavers in Bonwire, one of a scattering of craft towns surrounding Kumase, the Asante capital, each with its own specialisation, for instance pottery, wood carving, chewing sticks (used as tooth brushes) and adinkra, a special cloth stamped with proverbial symbols. Bonwire is located 18km from Kumase on the Mampong road. The Asante region boasts very many weaving towns and villages. A report prepared for submission to Unesco lists 19 weaving towns alone. Of these, Bonwire and Adanwomase have a special status as home to the Asantehene’s royal weavers, and Bonwire in particular enjoys a unique reputation as the ‘heartland of Asante weaving’.830 The weaver of weavers is the Kentehene (‘kente chief’). His position is distinct from that of the Bonwirehene, who in chieftaincy matters is the administrative head of Bonwire, answerable to the Asantehene. The Kentehene selects a team of master weavers to work on cloth for the Asantehene, always in a secret place since no-one else may wear the same cloth.831

Houses in Bonwire are distinct with very long verandahs on which the yarn for weaving can be extended. This is particularly useful during the rainy season and during the hottest months when cloth woven out of doors can suffer sun and rain damage. Given, however, that it is possible to weave out of doors for months at a time without being disturbed by rain, this is one example where Africa’s geography

831 Information received from Eric Kwarteng, Secretary of Weavers Association of Bonwire. It may be noted that Ghana’s chieftaincy structures, though weakened during colonialism, continue to co-exist with the parliamentary structures introduced under colonialism.
has given small-scale weavers a natural comparative advantage over weavers in areas where rainfall occurs throughout the year.

All respondents were male. I learnt that there was only one woman actively weaving in the town, and she was away in Kumase. I learnt of two other women in the town who had been weavers, but who now only took out their looms for special occasions, such as the annual kente festival in Bonwire. In general women weavers are found only in the most established weaving households.

Only 11 weavers said they were registered. Of these, just three said they paid tax. One weaver-storekeeper said that in addition to €10,000 paid to Ejisu Juaben District Assembly, he paid Internal Revenue €300,000 a year, being the rate for small-scale entrepreneurs, and received accident cover in return.832 Because of the disproportionate number of weavers who were interviewed in weaving centres, the data on registration and taxation cannot be taken as representative since most people weave from their homes and are not expected to pay tax. No respondent who was interviewed at home said he was registered. In this sense, the majority of these small-scale entrepreneurs may be seen as ‘informal sector’ craftsmen.

Sampling was not random in a strict sense, though the ups and downs of everyday life introduced their own element of randomness. For instance, the largest concentration of weavers in Bonwire is at the Bonwire Kente Weaving Centre, which provides space for up to sixty weavers. The centre was opened as an Export Promotion Village in 2001 by the government’s Export Promotion Centre. On the day I visited the weaving centre, there were only seven weavers available for interview and all seven were captured in the survey. Most weavers had taken the day off to attend the funeral of a fellow weaver. The absence of so many weavers at one time suggests that the organisation of production in the small-scale sector is less rigid than in the large-scale manufacturing sector.833

833 It is fair to note that even in the large-scale sector, funerals-related absenteeism is part of the normative business culture in the two economies compared in the thesis, though tolerance of this culture appears to be breaking down under the weight of the AIDS epidemic in Zimbabwe, which has taken a significantly larger toll on the productive sector of the economy than in Ghana. This difference is thought to be associated with the southern African labour migration system, under which all
Because this was not a strictly random survey, it is not possible to give a definitive breakdown of category of weaver and say what percentage of Bonwire’s approximately two thousand weavers are masters, apprentices or assistants. Nevertheless, there were a number of questions about which it is possible to say that the results were significant, and there is sufficient uniformity in many of the responses to update existing knowledge of the economics of the kente industry. The lack of randomness was compensated for by numerous in-depth interviews. At the very least, this may be considered a preliminary survey, laying the groundwork for more detailed postdoctoral research, and proposing benchmarks for a testable framework in a model of institutional change.

10.1.1 Gender, age and education

Gender
Bonwire is surrounded on all sides by farms and the town has a very marked gender division of labour. Women engage in food farming, while men dominate the more lucrative kente weaving industry. When men do engage in farming, it is in high-value cash crops, notably cocoa. The reasons for this strict division appear to be both patriarchal and motivated by health considerations, as deduced from the following:

If I marry a woman and I teach her [to weave], who is going to cook for us? Then she’ll know the value of the money. Then she’ll go to work and she won’t stop to cook for a man to eat. At the same time, it’s painful at the waist. If you sit [in the loom] for a long time, it pains the women a lot.  

---

834 With the exception of Browne’s survey of 145 kente weavers at Sakorawono to the north-east of Kumase, there has been little work on the economics of kente production. Browne’s survey reported 51% of weavers as self-employed. She categorised the remainder as ‘employed’ or ‘hired’ to weave (Ibid: 34).

835 Afranie Okese, interviewed at Bonwire, 26 January 2005.
**Age**

The oldest weavers in the sample were aged 88 and 74 years. The youngest respondents were two schoolboy brothers aged 12 and 14. The oldest weaver had started weaving at age 6, becoming an accomplished weaver by age 8. The average age of respondents was 29.60 years and the modal weaver was 20 year of age. Of 50 respondents who stated the age at which they started working in the industry, 17 (33%) had begun between the ages of six and ten, 25 (48.10%) between the ages of six and 12, and 35 respondents (67.31%) between the ages of six and fifteen. Six respondents gave two ages, the age at which they started learning to weave and the age at which they started working for themselves. The difference between the two ages ranged from two years to twelve years and reflects variations in the period of apprenticeship. This will be considered below.

**Education**

Various studies of industrialisation have shown a relationship between levels of education and the absorption of industrial skills. In South Korea and Taiwan, for example, the state’s effectiveness in coordinating policies that led to growth was aided by the prior existence of a number of ‘initial’ conditions that increased the private return to capital. These included an extremely well-educated labour force relative to physical capital stock and an exceptional degree of equality in income and wealth.\(^{836}\) Weavers had an average of 9 years of education. Unsurprisingly, perhaps, the oldest weaver, 88, had the least years of education, none at all. This is unsurprising because of the limited investment in education that occurred during the colonial period. Yet, there appeared to be no definitive correlation between age of weaver and years of education. One 18-year old weaver said he also had no years of education, ‘because of money from weaving’,\(^{837}\) while two weavers aged 74 and 57 had 10 years of education each, and another weaver who was 52 said he had completed primary school at the age of 20, suggesting that the secure income opportunities emanating from Bonwire’s unique history did not dissuade weavers from catching up on education at a mature age. In total, 86.54% (45 respondents) had attended secondary school and all but one of them had completed Junior Secondary Education.

---

\(^{836}\) See for instance Amsden 'Taiwan's'. Vogel Four. Hewitt and Johnson, Eds. Industrialisation. Reid, Ed. Last.

\(^{837}\) Kweku Adumako, interviewed at Bonwire, 27 January 2005.
School (three years). One respondent had 14 years of schooling, including two years of tertiary education. The next highest level of educational attainment was 13 years, achieved by two weavers who had completed secondary school to the end of year seven. Four years of secondary school had been achieved by 38% (20 respondents), while 13% (seven) had at least six years. Several interviewees remarked that Bonwire’s specialisation in weaving brought the temptation of relatively easy income opportunity, thus one had to make an effort to become educated at all. Most weavers appeared to recognise the value of formal education.

A supplementary survey canvassed 36 consumers in Accra who were deemed more likely than the average person to be buyers of kente. This survey confirmed that the classic kente cloth is a luxury item, not affordable to the majority of Ghanaians, and only purchased a few times in a lifetime by those with middle or high incomes. At the same time, the survey of consumers revealed that kente’s recent popularity has spawned a side-industry of kente-adorned accessories including scarves, hats, slippers, stationery and a range of interior décor items. In terms of price, many of these are accessible to a larger local market, though retailed largely in tourist markets.

---

838 Respondents comprised buyers and vendors at the Arts Centre, the main crafts market in Accra, and residents at the University of Ghana. Details of the supplementary survey may be provided upon request.
10.2 Apprenticeships, Skills Transfer and Technological Diffusion

10.2.1 Asante weaving techniques

The word kente is believed to derive from the akan words kete (a woven mat) and kenten (a woven basket). Works on kente invariably note the similarity in technique, though Asante mythology has it that kente weaving was developed by two weavers after watching a spider at work on its web. As with any hand-woven cloth, the kente fabric is created by interlacing threads in a loom. What is distinct about kente is the alternation of plain warp designs with complicated weft designs and floats. To create the warp, the weaver lines up the threads according to his preferred colour scheme and striped pattern. The threads are held taut by a dragstone at one end and threaded through heddles and a beater or reed (also known as a ‘comb’) at the other. The ends of the warp are then knotted and attached to the breast beam. On a double-heddle Asante loom, the first pair of heddles (asatia) is used to weave the warp-faced stripe. The second pair (asanam) creates the weft-faced bands and supplementary weft floats. The heddles and beater are suspended on a cord from pulleys and attached to toe-treddles. These may take the form of a disc, which the weaver grips between his toes, or foot pedals. By manipulating the cord with his feet, the weaver opens the warp threads at varying intervals, enabling him to throw a shuttle back and forth through the shed created. The shuttle is loaded with a bobbin, which unwinds as the shuttle is thrown across the warp shed. As he throws the shuttle, the weaver uses the beater to pack the lines of woven thread together tightly to create a durable fabric. This process is known as woofing. As a supplement to foot-pedalling, the warp threads may be carefully picked open by hand in differing sequences and held in place by a sword stick or shed stick (a flat piece of wood) while the shuttle is thrown across the warp. This technique allows the creation of more intricate weft-faced pictogram shapes and images. As the kente is woven in one long continuous strip, it is wrapped around the breast-beam. At intervals of two yards, for a woman’s cloth, the weaver leaves a space of about two inches where he will return to cut the


840 For a description of differences in the operation of single-heddle and double-heddle looms, see Picton and Mack African Textiles.
woven cloth into precisely measured lengths, which are then stitched together to form a cloth of the desired size. Strips may be aligned to form a chequerboard pattern in the weft, one of the most distinctive characteristics of Asante kente.841

Weaving skills are passed from one generation of weavers to the next through a system of apprenticeships typically lasting one to four years. The full range of training captured in the survey was from 3 months to 10 years. The average training period was 2.6 years and the modal weaver had trained for two years. Some weavers spent a long time in apprenticeship because they wanted to learn very complicated designs. Some returned to master weavers to upgrade their skills after running their own business for a period. Longer apprenticeships of six to ten years appeared to coincide with the number of years spent in school among the youngest apprentices. Of 45 weavers who named their trainer, just four respondents (8.9%) mentioned someone outside the family. By contrast 73% (33) mentioned a family member, namely brother (11 respondents), father (10), uncle (8) and grandfather (4), while three respondents said they were taught by a friend. Eight said they were self-taught, including one weaver who had received further training from his uncle. Only one weaver said he was taught by his master. Though this contrasted with the number who said they currently had apprentices or assistants, it nevertheless suggests that the system of apprenticeships may have become more patrimonial in character over time.842 The significant proportion who said they were taught by their father contrasts with the findings of Esther Goody’s study of Daboya weavers in Gonja, to the north of Asante. She found that Daboya weavers did not teach their own sons, but effectively traded sons.843

The impression of a less patrimonial system of apprenticeships in precolonial times is borne out in a study of apprenticeships among the coastal Gã during the early part of the twentieth century. According to Quartey-Papafio’s account, the start of an apprenticeship was such a milestone in the life of a boy-child that it would be marked

841 Additional detailed descriptions of various West African weaving techniques can be found in V. Lamb (1975). West African Weaving.
842 My understanding of this issue has benefited from discussions with my colleague, Roger Feldman.
by a ceremony witnessed by the father’s relatives and elders summoned by the prospective master. The master would be approached after the father had decided on a profession for his son, typically a choice between becoming a farmer, blacksmith or trader. Each of these three represented diversification from fishing, in earlier times the main economic activity of the Nai, the pre-Gã inhabitants of today’s Accra. The range of trades increased further during the late colonial period, when demand arose for carpenters, bricklayers, masons, washermen, coopers and stone plasterers at European factories in the Bights (Nigeria, Cameroon, Congo).844

10.2.2 Rules of apprenticeship

The master’s acceptance of the new apprentice was contingent on the father’s acceptance of the former’s rules. By examining the rules of apprenticeship, one gains a keen sense of the process of institution-building that this indigenous system of apprenticeships represented. This underscores North’s definition of institutions as ‘rules’. Quartey-Papafio interpreted the rules among the Gã to mean that the position of the apprentice was akin to one of perpetual servitude. According to the rules of Gã apprenticeship outlined by Quartey-Papafio, the apprentice lived at the master’s home, receiving food, clothing and the right to use the master’s tools to learn his trade. The master was answerable for any misconduct of his ward and responsible for choosing a wife for him. Since the ward was obliged to relinquish all earnings to the master and remained dependent on the master even after marriage, the proper choice of a wife was presumably a matter of some importance for the master.

According to Quartey-Papafio, the system of perpetual servitude began to break down in the middle of the nineteenth century when apprentices were drawn to opportunities at European factories in the Bights and the rules of apprenticeship were changed to reflect the new realities, improving the terms for apprentices. Under the new regulations, the apprentice was to hand over all his earnings to his master on his first three trips to the Bights. From the proceeds of the first trip, the master would buy a drink for the apprentice’s parents. Of the proceeds from the second trip, he

would give a small portion to the parents. The earnings from the third trip would be divided into three parts, with one-third going to the ward and one-third to the parents. Thereafter the apprentice was free of all debt to his master for the acquisition of his skill.\textsuperscript{845} It might be noted that here again the division of earnings was modelled on the indigenous abusa (tripartite) system of profit-sharing, discussed by Polly Hill in the context of capital accumulation among migrant Gold Coast cocoa farmers.\textsuperscript{846} The effectiveness of the abusa system in averting conflict over the sharing of profits suggests a very strong reason for the survival of this indigenous institution into the postcolonial period.

There is a considerable literature on the mechanics of West African handicrafts textiles production, including kente, but remarkably little has been written about the social organisation of kente production. In her study of kente weaving in Sakorawono, close to Bonwire, Browne reported correctly that the master advised his apprentice, supplied the thread, sold the completed cloth and decided when an apprentice was proficient enough to weave more complex patterns. Her observation that there was no fee for training as weaving was commonly learnt within the family also accorded with my findings. But her conclusion that: ‘Although trainees are described as “apprentices”, this simply means that they are unpaid,’\textsuperscript{847} suggests that she missed the full significance of the institutional development represented in systems of apprenticeship. For one key role of the master that went unobserved by her is that although the apprentice may for the most part indeed ‘sit at looms owned by their master receiving little supervision but acquiring speed and accuracy’,\textsuperscript{848} the master’s skill in pointing out errors, enabling the trainee to undo a portion of the cloth before he has gone too far, means that it is possible to prevent much expensive wastage, for instance averting a situation where three months’ work goes to waste because no client will accept faulty work. Ennew’s study of the Harris Tweed industry in Scotland, discussed below, reinforces this point, as does EP Thompson’s study of the transformation of English weavers into workers. Thompson described as

\textsuperscript{845} Ibid.pp.420-1.  
\textsuperscript{846} Hill Gold Coast.  
\textsuperscript{847} Browne. 'Rural Industry and Appropriate Technology: The Lessons of Narrow-Loom Ashanti Weaving'. p.31.  
\textsuperscript{848} Ibid.
‘unscrupulous’ the fines exacted by employers for mistakes in weaving.\textsuperscript{849} In contrast to that situation, the system of apprenticeship in Bonwire ensures every cloth is woven to perfection.

\textbf{10.2.3 Diffusion of weaving skills}

Judged from the evidence received from older respondents in Bonwire, and from Rattray’s few observations in the 1920s,\textsuperscript{850} the system of transferring skills appears to have undergone little change. However I met few apprentices who had come from outside the town and this contrasted with the impression of larger numbers in earlier times. The oldest respondent, aged 88, said that as a young weaver he had inherited eight apprentices on his father’s death and that these had paid a lump sum fee of £25 in Gold Coast currency to come to Bonwire to learn the trade. This figure is in keeping with the sum of £32 mentioned by Quartey-Papafio as the sum payable to release an apprentice from any further obligation to the master.\textsuperscript{851}

According to the survey’s oldest respondent, apprentices would live with him for about two years, receiving only food. In return, he would buy a loom for each apprentice, teach them how to soften the yarn, roll it onto a bobbin using a wooden spool and then stretch it out from the rolling stick attached to the frame of the loom. He would start a design for them to continue and check their work constantly. Apprentices were chosen for their neat work, familiarity with designs and fast work. Within two to three years an apprentice would know the names of every design. His apprentices had all returned to their home towns to work as weavers.\textsuperscript{852}

This testimony gave an impression of both continuity and change in the industry. There was clearly continuity in the level of technology, the mechanics of weaving and the manner of passing on skills. At the same time there appeared to be change in the extent of diffusion to other weaving centres in Ghana. My sense was that the process of diffusion had slowed down, and this is something I intend to investigate

\textsuperscript{850} Rattray \textit{Religion and Art in Ashanti}.
\textsuperscript{851} Quartey-Papafio. ‘Apprenticeship amongst the Gĩs’, p.422.
\textsuperscript{852} Kojo Kwenboah, aged 88, interviewed at Bonwire, 26 January 2005.
further as it was not clear whether this had to do with the downturn in Ghana’s economic fortunes from the 1970s, which might have made it economically unviable to send or receive apprentices from afar due to the rising cost of food related to high inflation during the 1970s and 1980s, or due to falling demand for the product, or a reluctance to bring in weavers from outside due to other reasons such as quality control. According to one informant, a storekeeper who was not included in the survey:

Those who come from outside, they don’t know it [kente weaving] well, they make it rough and it will fail. We like bringing people from outside, but if they make it rough, they sell it cheap and then it spoils the work for us. Then everyone will prefer to buy cheaper things.853

Fourteen weavers in the survey (27% of the total 52 respondents) said they currently had apprentices or assistants. Of these, seven respondents had one apprentice, five had two apprentices and two respondents had three apprentices. Four respondents indicated that they had had apprentices in the past, three claiming to have trained between four and six apprentices. One said his four apprentices had come from outside Bonwire. Only one respondent said that his two apprentices currently came from another town. Among respondents who were apprentices or assistants, only three said they had come to Bonwire from elsewhere. Apprentices usually stay in the home of the master or a close relative, receiving ‘chop money’ (food money). Assistants who had graduated from apprenticeship also received a share of profits. At the time of the survey, chop money was generally fixed at ¢5,000 for each meal, making a total of ¢15,000 a day.854 However, some apprentices received ¢1,000 or ¢2,000 for each meal. Even with this amount, workers can visit ‘chop bars’ where the richest dishes are served at prices to suit the most humble pocket. It said something about the division of labour and level of specialisation in Bonwire that meals had been commoditised, presumably because most women were out at their farms all day.

When asked what attributes they looked for in an apprentice or assistant, several weavers indicated that an elementary knowledge of weaving, if not some degree of

854 A total of ¢15,000 a day, or US$1.67 at the January 2005 exchange rate of US$1=¢9000.
accomplishment was desirable in an apprentice. As explained by the Secretary of the Weavers Association: ‘[You look for] someone who’s very smart; he’ll catch the designs very quickly. Other parents just bring him or her to you and you have no choice.’\textsuperscript{855} While some respondents listed qualities including good character, humble, wise, works hard and fast, his work is neat, he knows a lot of designs, others answered along the lines of ‘as a means of sustenance’ and ‘for financial gains’. One respondent claimed that women, though good weavers, were not as fast as men and that this made them less than ideal weavers:

\begin{quote}
You look for someone fast because it’s a business. If you have a deadline, someone needs the cloth fast. If it doesn’t finish in time you’ll lose money. You help him but he has to help you too. If it finishes on time you’ll have a lot of money in your pocket.\textsuperscript{856}
\end{quote}

It is not clear why women should be slower and therefore less productive than men. It is, however, plausible that women have a lesser ability to meet client deadlines, but that this is conditioned less by their natural inability to work fast as their family responsibilities that make it difficult for them to put in any extra hours or work excessively long hours. Though high productivity, as distinct from a willingness to merely work long hours, was generally recognised as a virtue, the impression gained was that weavers expanded their output by increasing their already long hours of work.

The ideal apprentice is someone who has already learnt weaving, perhaps as a child,\textsuperscript{857} but lacks the capital to go it alone or needs to replace a loom, or upgrade skills from single to double weave, or more unusually to triple weave. This type of apprentice is ideal because the master may be in a better position to recoup his investment (capital, time, effort) before the apprentice moves on. As he progresses, such an apprentice may register his own designs and even sell them to his master. He may be rewarded for good service with the gift of his loom after some years. The

\textsuperscript{855} Interview with Eric Kwarteng, Secretary of Weavers Association of Bonwire, 26 January 2005.
\textsuperscript{856} Sylvester Okyere, Bonwire, 28 January 2005.
\textsuperscript{857} Familiarity with weaving technology begins at a very early age in Bonwire as children are given play-looms from infancy.
worst scenario for a master is when parents, in order to boost family income, withdraw a young apprentice as soon as he has learnt a little weaving.

By the end of the first year of training, most apprentices would know how to thread the spool, lay the yarn and would have produced their first single weave cloth, using a single pair of heddles. The next stage of apprenticeship is to produce a double weave cloth on a four-heddle loom. Mastery of this loom can take two to three years. The final stage of learning is the six-heddle loom. Rattray, writing in the 1920s, said that he had heard of a loom with six healds but had never seen one.858 To this day very few weavers know how to operate this complicated loom, probably because demand for the thicker triple weave cloth is not high. For apprentices of school-going age, the period of apprenticeship is often six years. Completion of apprenticeship implies the time it takes to become a master weaver, by definition someone who knows every classic design and can reproduce any pattern from a sample. Between commissions, weavers produce their own designs. There appeared to be a strong correlation between age and the type of design produced with the most mature weavers working exclusively on classic designs while younger weavers almost invariably produced their own designs. Without an assured market, the young weaver has to balance his desire to produce something simple for a quick sale with the fact that the more elaborate and labour intensive classic is where a weaver can add the greatest value.

The annual kente festival provides incentives for weavers to come up with new designs. Moral incentives, such as being declared a ‘champion weaver’, appeared as important as material incentives. One weaver aged 40 said he produced his first design for the kente festival in 1998 and since then had produced two more designs. Attractive new designs are quickly reproduced and the popularisation of designs in this manner gives a weaver prestige. Such acclaim might be seen as a substitute for the kind of monetary gain that is associated with patenting. Looking for an ‘economising explanation’, one might suppose that the transaction cost of enforcing a patent is higher than an individual weaver is willing or able to pay. Moreover, since a single weaver working alone is incapable of meeting great demand for the

858 Rattray Religion and Art in Ashanti.p.222.
reproduction of a design he creates, the popularisation of his design by others is an attractive outcome. If this supposition is correct, the kinds of property rights represented in patents are likely to remain irrelevant for as long as weavers work individually. This is an issue that I intend to investigate further.

10.2.4 The purpose of European guilds

In the literature on guilds in early modern Europe, there is a difference in opinion over whether guilds existed to enforce apprenticeship contracts, making sure apprentices did not abscond before the end of the contractual period of six years, thereby denying the master a return on his investment,\textsuperscript{859} or whether guilds existed to guarantee the quality of product.\textsuperscript{860} The picture of apprenticeships painted by Quartey-Papafio suggests very strongly that the rules encapsulated in the system of apprenticeships among the Gâ were designed to guarantee the master a maximum return on his investment.\textsuperscript{861} The lack of mention of any guild-like association might suggest that the acceptance by parents of their liability should an apprentice abscond meant that no need for any such association existed. In Bonwire, by contrast, an association of weavers does exist. Yet there was also little sense of a conflictual master-apprentice relationship. If, as Acemoglu says, social conflict determines historical change,\textsuperscript{862} echoing Marx (‘conflict is the motor of change’), and supported by North and Weingast on the role of the Glorious Revolution in bringing about a fiscal revolution in seventeenth century England,\textsuperscript{863} this might explain why there has been so little apparent change in the social organisation and economics of kente weaving since the emergence of the Asante empire in the 17\textsuperscript{th} century, and is something I intend to investigate further. The literature on ‘recurrent’ growth

\begin{footnotesize}
860 P. Wallis (2005). 'Apprentices, Training and Guilds in Preindustrial Europe, paper presented to LSE economic history seminar, June'.
861 Quartey-Papafio. 'Apprenticeship amongst the Gâs'. pp.421-2.
862 Acemoglu 'Understanding Institutions: Institutions and the Prosperity of Nations'.
\end{footnotesize}
suggests that without some big shock, proto-industrialisation can occur and recur indefinitely.  

Epstein argues that the technological diffusion created by weavers in preindustrial Europe is the key to understanding the process of industrialisation. While the pattern of diffusion in Ghana may throw some light on the controversy over where kente originated, whether Asante or Ewealand, it may also explain why proto-industrialisation does not transform itself into mass-market industrialisation. And this brings to mind an important question about institutional change. What impact did British conquest and the weakening of Asante institutions have on the weaving industry? With the Asantehene, Agyeman Prempeh I, deported to the Seychelles at the turn of the nineteenth century, the Association of Weavers, like other Asante institutions, lost its raison d’être. To what extent did this result in a dilution of rules and regulations governing the kente industry? If it could be shown that the association lost some of its enforcement mechanisms, for instance if the role of the association was, in the Epstein model, to enforce apprenticeship contracts and ensure the master secured a good return on his investment, then we would have to concur that, in this respect, Europe did indeed ‘underdevelop’ Africa.  

The evidence collected does not make it possible to either support or refute this argument. If, on the other hand, the primary role of the association was in the area of quality control, as suggested by Wallis, then we must conclude that indigenous institutions survived the impact of colonialism. The evidence collected shows that, even though institutions appear to have been weakened during the period when the Asantehene had been deported and the kente industry lost its main patron, nevertheless important institutions designed to protect the high quality of the Bonwire product have survived into the present. Goody noted that in developed apprenticeship systems the role of ‘master’ represented the institutionalisation on a non-kinship basis of the crucial roles of parent and teacher.  

Tangible proof that this development was reversed in Asante could indicate ‘the development of underdevelopment’. Alternatively, it

---

864 Jones Growth Recurring: Economic Change in World History.
865 See Rodney How Europe.
867 The term coined by André Gunder Frank.
could be a sign of efforts to achieve quality control by keeping weaving skills ‘in-house’.

10.3 The Economics of Kente Production

Would-be socialist societies share a central dilemma with what may be termed ‘pre-industrial’ or ‘proto-industrial’ societies. It is a dilemma of capital accumulation in societies where capitalism is not fully developed. The model of capitalist society promoted by free marketeers is one where the self-interested ‘utility maximising individual’ requires only the profit motive to ensure a system in which talented entrepreneurs put others to work, with the benefits ‘trickling down’ through market exchange, while a conservative democracy guarantees legal protection of individual rights and property. But economic opportunities must in the first instance exist. Without growing markets there is little demand for extra-subsistence production. Without accumulated capital, how do underdeveloped productive forces become developed? Without material incentives, how is high productivity achieved? The problem of creating non-monetary incentives is the key challenge that has faced socialist countries, all of which started as underdeveloped economies. In these countries it was believed that the economic system affects human behaviour and that under a different system people would be less materialistic and more altruistic and committed to their jobs. In the Soviet Union, however, Lenin’s introduction of ‘War Communism’ was a tactical wartime return to to material incentives to help boost the economy during the First World War, which began just a year after the 1917 Bolshevik Revolution. China’s use of moral incentives during the Cultural Revolution has been well documented, as has its decision from the 1980s to embrace a compromise known as ‘market socialism’, essentially a managed economy in which individuals are encouraged, through socialisation, to cooperate with each

868 Whereas Marx expected that socialism would be championed by the nineteenth century’s most advanced economy, Britain, it was in fact underdeveloped economies in eastern Europe and the ‘third world’ that experimented with socialism as a means to rather than an end of economic development.

other.\textsuperscript{870} Cuba, which has perhaps gone furthest in trying to create the socialist ‘new person’, a Guevaran legacy,\textsuperscript{871} has continued to alternate periodically between the use of moral and material incentives, in particular following the collapse of the Soviet Bloc and the loss of vital subsidies.\textsuperscript{872}

In the proto-industrial society of Bonwire’s kente weavers, much of the incentives dilemma has to do with the risks involved in expanding a product line from niche market to bulk market without sacrificing artistic quality or making the industry vulnerable to capitalist absorption. In an increasingly globalised world economy, these risks have increased. As of mid-2005, kente was being retailed on the Internet at up to US$1,000 a cloth. The attractiveness of such prices has exposed the industry to various forms of competition. How is such value created and what does it say about the economics of kente production? The strong political association of kente suggests that this is one instance where nationalism can be good for business. At the same time, kente’s eliteness presents a conundrum if the desire is to reach mass markets. This section looks at the scope for increasing specialisation in the kente industry. It compares the division of labour in the kente sector with that in other weaving industries. It discusses problems in the measurement of productivity and links productivity change to the growth of economic opportunities.

\subsection*{10.3.1 Specialisation and the division of labour}

Esther Goody opened her 1983 collection of essays \textit{From Craft to Industry} by discussing the attention that was paid to the question of specialisation by Adam Smith and Karl Marx. Smith was struck by the 240-fold increase in productivity that occurred, using the same technique and tools, when pin-making was broken down into 18 separate operations, each carried out by a different worker. Marx turned his enquiry on the different forms of cooperation that arose from the division of labour in this way. While Smith observed that the increased productivity in pin-making did

\textsuperscript{870} For a discussion of development options and a summary of differing perspectives in social and economic analysis, see Ibid. See further Roberts and Hite, Eds. \textit{Modernisation}.

\textsuperscript{871} Doctoral research on this topic is being conducted by Helen Yaffe, Department of Economic History, LSE.

not depend on machinery, Marx noted that the making of Swiss watches was not carried out in factories, but was based on cottage outwork.

In her study of weavers in Daboya, the centre of dyeing in Gonja, to the north of Asante, Goody reported that the organisation of production at first sight looked surprisingly like factory production. The cloth industry there had three main technologies: dyeing, weaving and the sewing of cloths, smocks and gowns. Specialisation was discernible at each stage from the supply of raw materials to the marketing of woven cloth. Each weaving section of Daboya had someone who specialised in procuring raw materials, both hand-spun cotton from distant markets and remote villages, and manufactured yarns from factories in the south. The task of laying the warp and weft was assigned to ‘bobbin boys’ (apprentices), and younger boys would take turns at winding the spools. The brewing of dye was an area of particular specialisation, undertaken regularly by just ten men in Daboya in 1974. The skeining of thread after dyeing required two men. Few men knew how to lay the desired pattern into the warp, and this task was generally performed by master weavers. Throughout the weaving, the task of filling bobbins with weft thread was delegated whenever possible. The finished cloth was sold, often by elderly middlemen, in the form of strips, funeral cloths, commissioned cloths, and embroidered smocks.873

Goody classified these tasks as unskilled, semi-skilled and highly skilled. Unskilled tasks such as washing new thread, laying skeins and bobbin winding were given to boys as young as five or six. Semi-skilled tasks such as the actual weaving, untangling warp threads and tying broken threads, were done by adolescent boys. Goody listed nine highly-skilled tasks that required a higher level of specialisation and maturity. These included setting out warping pegs, tying in the warp, measuring cloth for sale and buying hand-spun thread.874 But she concluded that the division of labour was not after all truly like a factory. Although weavers shared the same weaving yard, they represented independent economic units. The division of labour involved a mix of commercial transactions and reciprocity. ‘But the single capitalist controlling the entire enterprise, which Marx saw as the essential feature of

874 Ibid. pp.66-70.
manufacturing, is missing’, Goody pointed out. Elders played a visibly important role, but not as entrepreneurs but rather as political leaders.875

In Bonwire too, there is little sign of the emergence of the Schumpeterian super-entrepreneur, seeking handsome profits through higher productivity, and imposing greater specialisation and a more complex division of labour, beyond the gender division noted near the beginning of this chapter. Indeed the division of labour appeared less marked than among the Daboya of Goody’s study. In Bonwire, weavers who have no apprentices or assistants lay their own warps. Indeed the number of hours or days it takes a kente weaver to lay his yarn was one of the yardsticks of productivity mentioned by weavers in the sample. This could suggest that there is only a limited number of weavers that can be absorbed at the top end of this luxury market, and that the real scope for development lies not in splitting up tasks to raise productivity and expand output, but in weavers gaining greater control of the marketing and distribution of a restricted product.

One area of activity where there was evidence of greater specialisation developing over time was in the construction of looms. The looms in Rattray’s photographs appear to be made of tree poles,876 whereas I found a greater degree of carpentry in the construction of looms. Browne found that weavers in Sakorawano, a less renowned kente weaving centre near Kumase, made their own looms, portable loom parts and implements, purchasing only the reed, shuttles and breast-beam.877 By contrast, only one respondent in the survey of 52 Bonwire weavers undertaken for this thesis said he had made his own loom. It was not clear, given Ghanaian parlance, whether this meant that he had physically constructed his own loom, or merely that he had had it made, that is paid for it himself, rather than had it gifted or loaned to him. It is also not clear whether this difference in findings reflects an increase in specialisation since Browne conducted her survey in the 1980s, or whether Bonwire’s reputation as the home of royal weavers has enabled it to accumulate a level of wealth that has stimulated greater specialisation in this area.

875 Ibid. p.84.
There was some specialisation in the types of products produced with some weavers specialising as sign-writers. Often this involves the weaving of names, for instance the name of a football team or a private company commemorating a special event, into kente strips, which are sold individually rather than as cloths. Another level of specialisation evident was in the stitching together of strips to form a cloth. Although some weavers sewed their cloths together by hand, others relied on shopkeepers, some of whom busied themselves on sewing machines placed in the porch entrance to their shops. While individual weavers continue to market their cloth themselves, many also have their cloth retailed through the numerous craft shops that have sprung up in Bonwire to cater for the tourist trade, while some weavers hire assistants or send apprentices to sell their cloth at important market centres all over Ghana. In nearby Sakorawano, which received no tourist visitors, Browne noted that 45% of kente cloth was marketed by women traders, 33% by weavers themselves and 22% of cloths were in fulfilment of client orders.\(^{878}\) Although Sakorawano weavers lost out on the tourist trade attracted to Bonwire, they enjoyed year-round demand and a more consistent price structure for their output than weavers in Bonwire, who enjoyed high demand and a sharp increase in revenues during peak tourism seasons, but little demand during the rest of the year.

### 10.3.2 Hours of work and productivity

Generally, the hours of work in the kente industry are longer than in agriculture. The standard hours are from 6am to 6pm, while for farmers the standard hours are 6am to 4pm. The long hours of work in an industry requiring deep concentration to perfect geometric and colourful designs, suggests high levels of ‘self-exploitation’, as posited by Chayanov for the peasant economy.\(^{879}\) Unlike farmers who may travel some distance from their town or village to their farms, weavers live close to their looms. Only one weaver in the sample commuted to Bonwire daily.

---

\(^{878}\) Ibid.p.34.

\(^{879}\) Chayanov *The Theory of Peasant Economy*. A similar observation has been made by Esther Goody and also by Sheilagh Ogilvie in relation to weavers in early modern Europe. See Ogilvie *State*.
One weaver who worked shorter hours than most said he never took more than one break because he wanted to finish the day early, for unstated reasons. At the other end of the spectrum was a weaver-storekeeper who jumped into his loom at 3am each morning, minding his store from 8am to 6pm. The longest hours were worked by an 18-year old who had come to Bonwire from Fosu the previous year and who said he had created five of his own designs. He said he worked a seventeen-hour day, from 4am to 9pm and was planning to become a driver. The oldest respondent, 88, worked the shortest hours, but even he worked an eight-and-a-half hour day, from 8am to 4.30pm, and a six-day week. The next oldest respondent, 74, was an active sub-chief, who combined weaving with farming. This he did by alternating the months spent in each activity, with the result that he needed six months to finish a full cloth. In spite of this he remained a master weaver of high repute, producing the most exquisite designs for royal occasions.

Of the 51 respondents who gave their hours of work, 44 specified the number of days worked in a week, while seven omitted to give the number of days. I have assigned a value of six days worked to these seven since this was the value given by an overwhelming 89% (39) of the 44. Of these, two worked a five-day week and all but two said they had Sundays off for church. Of the two, one was a Seventh Day Adventist who had Saturdays off instead and the other was a storekeeper who said he worked seven days a week. This then gives an average of 66.32 hours worked each week. If we remove observations 32 and 33, the two schoolboy brothers, the average number of hours worked a week becomes 67.77, or 11.29 hours a day for six days a week. With this figure, we could derive a productivity measure by dividing time worked into the economic value of the product. However, let us instead consider the controversy over the productivity of the Indian worker.

Clarke argued that ‘chronic inefficiency of labour’ reflects a problem of local culture and environment. This followed the old hypothesis, challenged by Theodore Schultz and others, that underdevelopment is due to sociological factors. Hanson argued in response that income differentials between the two groups of countries are accounted for by modern technology rather than by cultural differences. He refuted Clarke’s

---

881 See Schultz Transforming Traditional Agriculture.
claim that the foreign worker in the cotton textiles sector did the work of six Indian workers. Hanson ran a regression of per capita product on an indicator of modern technology, Clarke’s loom-equivalents per worker, and interpreted his results to show that the efficiency of labour in developing countries compares favourably with that in industrial countries. He concluded that without advanced industrial techniques, today’s economically advanced countries would not have grown rich.882

Economists measure productivity as GDP per hours worked, that is, how much an average worker produces per hour, calculated by dividing real GDP by hours worked in the economy. My data tell me that the average kente weaver works an 11-hour day. But there is no satisfactory way of calculating what the average worker produces per hour. This is because every kente design requires a different level of effort and differences in the final asking price reflect the effort differential. Though it is quite possible to measure the efficiency ratio between the most efficient and least efficient worker, to calculate average productivity across the industry would be to misrepresent the nature of kente production. The problem is that productivity estimates do not usually capture the relationship between productivity and economic opportunity. This means that cross-country comparisons of productivity cannot tell us very much unless they measure changes in productivity levels as economic opportunities either increase or decrease. This may support revisionist models that show that productivity levels in Britain during the period leading up to the Industrial Revolution were much lower than has traditionally been thought. The revisionist literature on Europe has demonstrated that the Industrial Revolution was not the ‘big bang’ implied in orthodox accounts, but rather a story of gradual changes over a long period. New statistics show a much slower growth of industrial output and domestic savings than previously understood. Crafts and Harley showed that revolutionary changes in industrial technology were not widespread and productivity improvements contributed only modestly to the growth of GDP.883

882 Hanson. ‘Why Isn’t the Whole World Developed? A Traditional View’.
This analysis may also explain why African peasants and workers have been frequently characterised as ‘lazy’. For why increase productivity if there is no market for expanded production? The concept of productivity makes little sense in a situation where there is low demand for a product, or a poor incentives structure. Production cannot increase in a vacuum and a kente weaver cannot consume very much of his own product. The productivity of weavers therefore depends on the demands of the market. Without prior knowledge of an assured market, the kente weaver typically works on a least-effort product. This is the product that will be easiest to find a market for and the one that will give the quickest turnover, though not the highest rate of return. A higher rate of return will come from a complicated design that requires a similar quantity of yarn but a higher quality yarn and much greater effort; in other words one to which the weaver adds the most value. But without an assured market, a young weaver who has not yet built up a reputation can ill afford the time investment and will opt for what is likely to sell the fastest because it is the cheapest. In other words he targets the bottom end of the market where there are more consumers with fewer funds. At the same time, he does not compromise on the high standards that Bonwire weavers pride themselves on.

The findings underscore the point made by Polly Hill for the case of Ghanaian cocoa farmers that the only constraint to economic development was the lack of economic opportunities. The survey showed that at moments of high demand for their products, for instance on receipt of an order, say from Manhyia Palace (the Asantehene’s residence in Kumase), or for a wedding party in Accra, weavers were ready to jump into their looms, drop their non-commissioned work, and weave through the night for as long as it took to complete an order and meet their deadlines.

Protected by community values, nobody appeared to go hungry, and expanded output was occasioned not so much by the ‘whip of hunger’ as by the whip of the deadline. Productive weavers were held in high esteem in the community. Each area of Bonwire had its publicly acknowledged ‘champion’ weaver. The most highly-praised values were hard work, fast work, attention to detail and a willingness to give the job all you had. Popular weavers were those deemed to be the most productive and there

---

884 Hill. 'Review'.
seemed little evidence of ‘character flaw’. At the same time, the flexibility of working hours and the willingness to uphold community values and prioritise community obligations, such as attendance at funerals, suggests that the levels of productivity associated with factory production do not occur without high demand for products and the whip of the deadline.

Lest it be forgotten, the ‘Protestant ethic’ is not innate. EP Thompson has explained why handloom weavers in nineteenth century England resisted the factory system:

‘Reason’ is not the appropriate word, since the conflict is between two cultural modes or ways of life. We have seen that even before the advent of power the woollen weavers disliked the hand-loom factories. They resented, first, the discipline; the factory bell or hooter; the time-keeping which overrode ill-health, domestic arrangements, or the choice of more varied occupations.

This reinforces the point that it is more often economic exigency that disturbs culture, rather than the other way around.

10.3.3 Capital investment, savings and entrepreneurship

Bonwire weavers have various credit mechanisms and cooperative arrangements to facilitate graduation from apprenticeship into an entrepreneurial role. These include family support and more formal institutional mechanisms such as the company or cooperative. Grandfathers, fathers, uncles, brothers, friends and even masters may pass on old looms or buy new ones for the aspiring industrialist, on a loan basis or as a graduation present. Where the loom is owned by a family member, such as an uncle or brother, the relative pays all input costs and gives the weaver a ‘feeding fee’ or ‘chop money’ from the profits. Kept under a roof, the frame of a loom can remain intact for years and even decades, though accompanying parts such as heddles, pulleys, rolling stick, and combs need to be replaced more frequently. These parts


can be dismantled after work each day and taken indoors with the woven cloth. Because of the physical limit to how many looms can be placed on even a very long verandah, many looms are worked out of doors and exposure to sun and rain damage means they may need to be replaced every few years.

Another type of credit mechanism was the company. I encountered one such company on Bonwire High Street, Amosa & Gabi, managed by professional teachers and traders. The company had a site where space was rented out to thirteen weavers at 50,000 cedis a month each. These weavers described themselves as ‘workers’, but their responses to the survey questionnaire suggested that they worked individually, drawing on the company ‘leaders’ for support. ‘We have five or six leaders and we are the workers,’ said Badu Amankwah, aged 40. ‘We wanted the government to help us, but they didn’t. So we are doing this to help ourselves,’ he explained.

Start-up costs
When it came to their set-up costs, many weavers appeared to have very good recall. One weaver887 gave the following comparative costs for 1993, when he established his business, and January 2005, when the survey was conducted. His figures are followed by a more comprehensive list of capital inputs given by another respondent, together with their 1999 prices.888 It should be noted, however, that the cost of a loom cited for 1999 corresponded to the current price of looms quoted in the first list, and that several weavers gave the current price of a loom as 300,000 cedis at January 2005. This contrasted with the 200,000 mentioned by a storekeeper as the cost of a loom. The anomalies may arise because looms are not purchased very often in a lifetime and a weaver would not need to know the latest price, or because of the difference in price between the basic frame and the loom that is fitted with all parts necessary to begin weaving. The more elaborate the cloth to be woven, the higher the start-up costs.

888 Kwabena Kusi, interviewed 26 January 2005.
<table>
<thead>
<tr>
<th>Item</th>
<th>1993</th>
<th>January 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>¢</td>
<td>¢ (US$1 = ¢9,000)</td>
</tr>
<tr>
<td>Loom</td>
<td>55,000</td>
<td>250,000</td>
</tr>
<tr>
<td>Yarn</td>
<td>14,000</td>
<td>1m</td>
</tr>
<tr>
<td>Pair of heddles</td>
<td>2500</td>
<td>30,000</td>
</tr>
<tr>
<td>Beater (comb)</td>
<td>15,000</td>
<td>35,000</td>
</tr>
<tr>
<td>2 Shuttles</td>
<td>1500</td>
<td>5000</td>
</tr>
<tr>
<td>30 Bobbins*¢50</td>
<td>1500</td>
<td>30*500=15,000</td>
</tr>
<tr>
<td>Pulley</td>
<td>500</td>
<td>7500</td>
</tr>
<tr>
<td>Ayasedua (rolling stick)</td>
<td>dash</td>
<td>50,000</td>
</tr>
<tr>
<td>Scissors</td>
<td>150</td>
<td>2500</td>
</tr>
<tr>
<td>Candle</td>
<td>100</td>
<td>-</td>
</tr>
</tbody>
</table>

1999
¢

<table>
<thead>
<tr>
<th>Item</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yarn</td>
<td>972,000</td>
</tr>
<tr>
<td>Loom skeleton</td>
<td>250,000</td>
</tr>
<tr>
<td>Threading machine</td>
<td>200,000</td>
</tr>
<tr>
<td>Ayasiekia (rod)</td>
<td>50,000</td>
</tr>
<tr>
<td>Beater (comb)</td>
<td>50,000</td>
</tr>
<tr>
<td>Heddles</td>
<td>20,000</td>
</tr>
<tr>
<td>Pulley*2</td>
<td>10,000</td>
</tr>
<tr>
<td>Sword stick</td>
<td>5,000</td>
</tr>
<tr>
<td>Shuttle: 5,000*6</td>
<td>30,000</td>
</tr>
<tr>
<td>Bobbins: 50*¢200</td>
<td>10,000</td>
</tr>
<tr>
<td>Seat</td>
<td>5,000</td>
</tr>
<tr>
<td>Scissors</td>
<td>1,500</td>
</tr>
<tr>
<td>Candle</td>
<td>500</td>
</tr>
</tbody>
</table>

The relative cost of a loom can be measured against the monthly wage of a storekeeper’s assistant. Emmanuel Addae, 18, said he was paid ¢300,000 a month, roughly equivalent to the cost of setting up a loom. Items retailed in his shop included:889

Heddle                           ¢16,000
Beater (reed)                    ¢40,000
Krokoroa (shuttle)              ¢5,000

889 Information received from Emmanuel Addae, Bonwire, 26 January 2005.
Additional items stocked specifically for sale to carpenters, to which must be added the cost of the loom frame at €200,000, were:

- Rolling stick: €20,000
- Pulley: €15,000
- Pulley baby: €5,000

Aside from the capital stock, respondents included in their start-up costs a number of recurrent expenditure items including yarns, labour, workmanship, equipment maintenance, chop money, rent, electricity, candles (used cold and rubbed on the yarn to soften it), sewing, transport, clothing and tax. Weavers were asked to state their recurrent expenditure in any time frame they chose, daily, weekly, monthly or annual. This was difficult to do in practical terms and many weavers related costs to the type of cloth being woven at a particular time. However, the rule of thumb for many weavers was that a female cloth is generally equivalent to one month’s work while a male cloth represented two months’.

**Raw material costs**

While the cost of looms is not very onerous, the greater potential investment barrier is the cost of yarns. Browne estimated the raw material cost of a kente cloth at 60% or more for a cheaper kente, 34-40% for a more expensive type and 25% on the most expensive kente designs. In the past yarns were spun from locally produced raw cotton and dyed with plant extracts. Supply-side problems mean there is insufficient local cotton to feed the weaving industry across Ghana and the bulk of cotton is imported.

In spite of the heavy reliance on imported cotton, local cottons continue to be used in the weaving industry in the north of Ghana. As silk became the preferred yarn of classic designs, the unravelling of silk threads from imported silk scarves and silk cloths became a resourceful means of obtaining raw material, as noted by several authors from Bowdich and Rattray to the present. According to Johnson, the unravelling of silk imports occurred during the eighteenth century in Asante (and

---

perhaps as early as the seventeenth century to the north of Asante), stimulated by the
demand for red and green threads, which, unlike indigo and other dyes, could not be
produced satisfactorily by local cloth dyers. Rayon yarns are produced in factories, using imported cellulose. One storekeeper in
Bonwire said he obtained his yarns from three factories. The most popular yarn was
Livingstone, produced by Trust Tex Company in Accra, and costing ¢4,250 for a
knot of yellow yarn and ¢5,000 for green. Other manufacturers of preference were
Nnuro Kente, a new factory in Kumase, whose yarns cost ¢4,000 a knot for all
colours, and Kings Thread in Accra, whose yarns cost ¢4,250 a knot. It was not clear
whether these were factory prices or store prices, though the fact that they were
lower than the cost of yarns quoted by several weavers in the survey suggests they
were more likely to have been factory prices. Storekeeper’s assistant, Emmanuel
Addae, 18, said he sold ¢5m worth of yarn every day on behalf of his father’s
friends, who owned the store.

Many weavers start their trade by obtaining yarns on credit from the traders, who
then sell the woven cloth and pay the weaver a share of the profit. Unlike the one-off
or occasional investment in fixed capital, the various credit options available to the
new investor for the purchase and replenishment of yarn need to be kept open
indefinitely, and this requires good relationships and a supportive environment. In
this regard, the economics of kente production appear to be based on relations more
akin to peasant economy, even ‘moral economy’, than to the relations of production
in the large-scale textile sectors in Accra or Harare. Another way of seeing this is
that Bonwire weavers appeared to be more like ‘potatoes in a sack’ (a very protective
sack but containing highly individualistic petty entrepreneurs) than ‘cogs in a wheel’.

892 Emmanuel Addae, Bonwire, 26 January 2005.
Of 36 weavers who gave tangible responses to a question about how they sourced their start-up capital, 28 (77.8%) said they received their start-up capital from relatives and friends, while six said their money came from clients and traders, and just one had financed his enterprise from his own savings. One other respondent had received assistance from a combination of relatives and a client. One respondent had borrowed from a friend, paying back €7,000 every month until the debt was cleared. Some who had borrowed from relatives said they had paid back loans from their initial earnings. Among those who had received their start up capital as a ‘dash’ (gift), a few said they would one day build a house for their parents. One young weaver said his uncle had dashed him money to purchase a second-hand loom at €7,000, thread at €220,000 and heddles at €40,000. In addition, friends had dashed him pulleys and a rolling stick. One respondent who launched his business by taking advance orders said he saved €2m and set up an enterprise with four looms, each costing €150,000, and three apprentices. In addition to the cost of the four looms, his start-up expenditure included €600,000 on yarns and €200,000 to look after his apprentices. Another weaver established himself with cocoa money, having travelled to the Western Region to work as a cocoa labourer for a year. He said he had left for the cocoa farms because he felt cheated by his father. Of all 52 weavers surveyed, he was the only respondent to describe strong feelings of exploitation or to suggest any conflictual relationship between different generations of weavers.

Cotton linkages
Marion Johnson noted that cotton was first imported in order to speed up the production process, since spinning, always done with a spindle, took twice as long as the weaver needed to weave the thread. In England the response to a similar bottleneck gave rise to what Johnson termed ‘the technical innovations we call the industrial revolution.’ This contrasting of the developments in English textiles with the decline of cotton production in Ghana almost hints at entrepreneurial reasons for African underdevelopment. Yet Johnson placed greater emphasis on what

893 Charles Asante, 26 January 2005.
894 Joseph Owusu Afriyie, aged 22.
895 Odoro Samuel, 26 January 2005.
she termed in an earlier article, ‘cotton imperialism’. She paraphrased Lugard’s Nigeria policy in the following terms: ‘Crush the local weaving industry, and the raw cotton which would have been woven locally will be exported to England.’ In his own words, Lugard conceded that the volume of native cloth manufactures and their ability to compete favourably with Manchester cottons posed limitations on British cotton exports. He recommended that importation of a ‘better class of English cloth’ would ‘supersede the native, and so bring the raw cotton on to the market,’ and speculated that the thousands employed in spinning, weaving and dyeing could then become additional producers of raw cotton. In the event, however, English cotton could only compete with the local industry once discriminatory tolls were established, Johnson noted. This was despite the fact that one was produced on a handloom and the other on a supposedly technically more efficient powerloom.

Looked at from another perspective, Esther Goody suggested that what prompted the technological innovations that led to the factory production of textiles in England was not so much ‘industrial spirit’ as the outcries against the shortage of thread and, when this problem was resolved, the protests of cloth manufacturers who feared that the export of surplus thread might invite ‘dangerous competition’ from abroad. Between the introduction of the horizontal treadle loom to northern Europe from Syria, Persia or China in the tenth or eleventh century, and the innovations known as the ‘industrial revolution’ in the late eighteenth and early nineteenth centuries, there were no major inventions for several hundred years. The invention of the ‘flying shuttle’ in 1733 was the first to transform the textiles industry by making it possible for a single weaver to weave a broad cloth. But as weaving speed increased, this led to a shortage of thread.

As complaints about the thread shortages grew more insistent, in 1761 the Society for the Encouragement of Arts and Manufactures advertised prizes for the invention of a spinning machine. This led to the patenting of Arkwright’s water frame in 1769 and Hargreaves’ spinning jenny in 1770. The spinning jenny (hand operated but allowing the simultaneous spinning of multiple threads, simple and cheap to build

899 Ibid.p.184.
and taking up little space making it perfect for cottage production) quickly displaced the spinning wheel. By contrast, the water frame’s requirements for water power from water mills led to the construction of spinning mills, taking textile production out of the cottage and into centralised factories. Because the water frame spun a stronger thread, it now became possible in England to use cotton thread for the warp as well as the weft. The prototype of modern machine spinning was Crompton’s mule, combining the features of the jenny and the water frame and able to produce a thread that was both strong and fine. With a continuing surplus of thread and an expanding market for cloth, cottage weavers were recruited in numbers, resulting in an increase in the handloom sector of the textiles industry in the period leading up to the introduction of Cartwright’s powerloom, which was patented in 1785.900

This research has further sought to understand why cotton was not developed in Ghana to the same extent that it was in Zimbabwe, despite the demand for raw material throughout the long existence of the kente industry and other West African weaving traditions. Asante’s abundant forest land is not suitable for cotton and has been used instead to grow food crops and important tree crops such as cocoa and oil palm. This question took me to Tamale, the capital of Ghana’s Northern Region. This is part of the savannah belt to the north of Asante, where cotton has been grown for centuries and used to weave a plain narrow-strip fabric for everyday wear. During the early part of the twentieth century, the Empire Cotton Growing Corporation went to tremendous lengths to encourage cotton growing in British colonies. This was to guarantee an alternative to American raw cotton, which was now needed for American industrialisation.

Attempts to foster cotton development were somewhat successful in Southern Rhodesia, but less so in colonial Ghana. As the capital of the Northern protectorate, Tamale was a key centre of cotton research and experimentation by the ECGC, in association with the British Cotton Growing Association (BCGA). Ironically, the introduction of hybrid cotton varieties had the effect of reducing cotton production rather than expanding it. The understanding of this research is that farmers in villages around Tamale, capital of the Northern Region, lost interest in cotton following the

introduction of new, more labour-intensive varieties. According to a Dagomba chief interviewed at Kanveli village during the course of this research, this was because the new varieties were less easily intercropped with yam and other food crops than the indigenous Dagomba cotton and required farmers to adapt their farming calendar.\textsuperscript{901} This they were not prepared to do at the price that was being offered for raw cotton. This was moreover at a time when groundnuts, also an old crop, were fetching high prices on world markets. As the new varieties replaced the old Dagomba cotton seeds, which farmers say they can no longer procure, farmers who had grown cotton for centuries lost interest in the crop, switching to more lucrative cash crops such as groundnuts.

Post-colonial attempts to revive cotton production in Ghana are yet to meet great success. The Cotton Development Board was established in 1968 to promote cotton for local spinning industries, but had more or less collapsed by 1984 due to a combination of management problems, scarce inputs and poor macro-economic performance, according to a company report.\textsuperscript{902} The board was relaunched as the Ghana Cotton Company in 1986, and joined by nine other cotton companies in the new liberalised competitive economic environment. The aims of the new company were to address the need for cotton products of textile manufacturers and other industries and provide technical and extension services to cotton growers. These growers are all in three areas, the Northern Region, the Upper East Region and the Upper West Region. Additional objectives were to oversee the marketing, handling and transportation of seed cotton, the ginning of seed cotton and the sale of ginned cotton, as well as to set seed cotton producer prices. The Ghana Cotton Company accounts for 60% of the market share of cotton seed produced. Foreign markets comprise the UK, Italy and Switzerland.

During the five years to 2000, the increase in output of cotton seed was less than spectacular. The volume of seed produced rose from 18,000 tonnes in 1986/87 to

\textsuperscript{901} Chief Alhassan Daramani. 21 June 2003. My understanding of the reasons for the differing success of cotton development in Ghana and Zimbabwe has been reached after consulting the records of the BCGA and the ECGC, as well as archival sources in both countries and also through interviewing cotton growers and officials in Ghana and Zimbabwe.

\textsuperscript{902} Ghana Cotton Company (2002). 'Brief on the Company's Operation - Presentation to the Minister of Trade & Industries'.
37,000 in 1999/2000. Though this represented a 105% increase, the report said high market prices for food crops had seen farmers opt out of cotton production. It also said that farmers felt the price offered for cotton was too low. This was despite an increase in the price of grade one seed cotton from $900/kg in 2000/2001 to $1,650/kg in 2001/2002 and in grade two seed cotton from $799/kg to $1,320/kg. Although the report gives little sense of change over time in the prices of cotton seed, cotton production trends can be gleaned from the data on lint. Production of lint dropped from 4,000 million tonnes (mt) in 1976 to just 43mt in 1983, the year of Ghana’s big drought, but recovered to 2,500mt in 1986, climbing to 4,500mt in 1990. Over the decade, the lint production high points were 6,900mt in 1993, 8,100mt in 1997, and it peaked at 9,600mt in 1998, before falling to 8,692mt in 1999 and 7,129mt in the last year of the century. Ginning capacity at four ginneries totals 53,100mt.

Obstacles to higher productivity identified in the company report are the poaching of seed cotton, poor seed cotton quality, an 80% failure rate in credit recovery, diversion of inputs and ineffective extension services to farmers. However, the report also criticised high interest rates and the ‘unbridled trade liberalisation’ that had resulted in an influx of cheap cotton products and imports from countries with import and export subsidies. This created ‘unfair competition on the global market not only for the Cotton Companies but also for local textile firms.’ The report noted that local companies had reduced their lint cotton consumption from 10,000mt a year to 6,000mt and were suffering from underutilised capacity. It urged the government to look into the issue in terms of employment opportunity. External bottlenecks included the slump in lint prices on world markets from $1,475/mt in 1997/98 to $775/mt in 1999/2000. Other bottlenecks were the high cost of production and foreign exchange fluctuations.

From the foregoing it can be concluded that a combination of two critical factors has held back cotton development in Ghana. Cotton is a highly labour-intensive crop. My research in Zimbabwe shows that the demand for labour is concentrated on a short
six-week period when the crop must be harvested rapidly. Since this time coincides with a peak period in the farming calendar, cotton must always compete with labour for food crops. This intensity of labour demand is a major cause of child labour, which international agencies are keen to eradicate. A combination of extreme labour intensity and price unattractiveness means farmers in Ghana do not regard cotton as a safe haven. This is in contrast to Zimbabwe, where the arid conditions of many communal areas do not support a wide variety of food crops, and drought-resistant cotton provides an attractive supplement to maize, the leading staple.

**Capital accumulation and savings**

Levels of capital accumulation were very modest, even among master weavers of the highest repute, including the makers of *Otumfuo* (kingly) cloth. Returning to the analogy with peasants, this brings to mind Lipton’s observation that ‘today’s kulak may be tomorrow’s peasant’ and the belief by so-called agrarian populists, including Lipton, that differentiation, where it occurs in the peasant sector, is ephemeral. Storekeepers too complained of a lack of capital to stock shelves with the fullest range of designs to attract customers. Few weavers had savings and even long-standing weavers continued to rely on a variety of credit arrangements with storekeepers, client orders and pre-financing agreements to maintain a constant supply of yarn, all imported. This put many weavers in an unusual position, neither wage-earner nor fully self-employed, yet with a status somewhat more enviable than that of a contract worker in the agricultural sector. This sense is borne out by Browne’s study, which estimated the ratio of earnings for a self-employed and employed weaver at about 2:1 on a plain kente but 4:1 or higher on a more expensive kente. Most of the weavers in Browne’s survey worked for wages for at least five or six years, and sometimes for ten years or more, before accumulating sufficient

---


904 Lipton. 'Theory'.

905 For a review of Chayanov, Lipton and other ‘agrarian populists’, see Harriss, Ed. *Rural Development: Theories of Peasant Economy and Agrarian Change*.

906 Browne. 'Rural Industry and Appropriate Technology: The Lessons of Narrow-Loom Ashanti Weaving'. p.34.
capital to become self-employed, and 72% of weavers drew on their own savings to launch their businesses.907

Of the 36 weavers who gave a concrete estimate of the level or pattern of their savings, nine had accumulated savings of ₦1m (US$111) and over since they started weaving. This represented just fewer than 17% of the total sample of 54 weavers. The two most successful of the 36 had accumulated savings of ₦15.5m (US$1,722) and ₦15m (US$1,667). The first of these was known as a very popular designer. But even he complained about the problems of capital accumulation in Ghana and said he was saving to travel to London and work for pounds, which would make a difference to his business.908 The second most successful saver had two apprentices to whom he paid chop money and a share of profits. The apprentices, both family members, had worked for him for seven years and each produced a full set909 of cloths a month.910

At the next level of savings, six respondents had accumulated amounts ranging from ₦1m to ₦7m since they started weaving, while one said he saved ₦1m a year, but did not indicate his total savings.

Another accomplished weaver was Joseph Owusu Afriyie, twenty-two years of age and a champion weaver. Every area in Bonwire has its publicly recognised ‘champion’ and Afriyie is known as one of the fastest weavers in the town. Although he had created only one design of his own, which he sold, he weaves four combination designs each month and every year produces fifty cloths. On the day I interviewed him he was weaving a red cloth for a funeral, needing barely two hours to lay the thread. His associates noted that Afriyie can finish a man’s cloth in five days while others take two months. But in spite of his high productivity and talent, Afriyie had only ₦800,000 (US$88), saved under his pillow. This he explained in the following terms: ‘I have no assistants, I do everything myself so I can’t save money every month.’ Yet, even without assistants, Afriyie should have earnings of ₦5-10m a

907 Ibid.p.35.
909 A full set for a woman comprises three cloths, each two yards in length, of which two cloths are nine strips wide and the third, usually used as a stole or head wrap, is eight strips wide. A man’s cloth is one large piece measuring 18 strips in width, worn as a toga. The length of a strip is typically 72 inches for a female cloth and 144 inches for a male. The narrow loom produces strips of 4 to 6 inches (10-15cms).
year. He was mysterious about his reasons for not hiring assistants: ‘I can’t say why I
don’t hire assistants. For security reasons I have to keep quiet about that.’

One weaver with 18 years in the industry said he could save ₵5m a year ‘if I get good
work’, but in fact banked only ₵40,000 a month and held only ₵120,000 in savings.
The sum of ₵5m represented the amount he might earn for a man’s cloth requiring
two months to weave, while a woman’s cloth requiring 1.5 months could be retailed
at ₵3.5m. Although he had recently joined a credit union with the objective of
establishing a large kente enterprise, his insight into the problems of capital
accumulation made this prospect seem bleak:

If God is on it you can save ₵100,000. The work is hard but the money is
little. For this man’s cloth the yarn costs ₵1m, workmanship is ₵2m, profit is ₵2m. I’ll sell it for ₵6m or ₵7m. Kente is a profitable business
but if you don’t get money you can’t get money. If you don’t have ₵3m
you can’t do this cloth. Some months you can’t work because of illness,
funerals and problems. If God permits, you can work some part of the
month. After school fees, food, uniforms, clothes, books, pens, rents, I’m
saving only ₵100,000.

Not all respondents who discussed their earnings gave a statement of savings and are
therefore not included in the 36. One such respondent said he could earn anything up
to ₵120m because he employed other weavers. This respondent was unusual in that
he was both a weaver and a storekeeper and also employed three weavers, who had
served four-year apprenticeships with him. He sold the kente both in his store and at
the weaving centre. Most Bonwire weavers market their cloth directly to buyers and
also retail it through store. The respondent said he paid his employees ₵350,000 a
month, supplemented by cash and kind benefits:

At times I have to give them ‘social’. If someone comes and buys for
₽1m or ₴2m, I give them their share. If I have ₵500,000, I give them
₽300,000. I give them food three times a day. It’s a benefit.

But though this respondent was one of few who considered kente weaving a ‘very,
very good business’, his earnings were as irregular as the next. ‘At times I get

911 Interview with Joseph Owusu Afriyie, 27 January 2005.
nothing for the month but I still have to pay my employees. At times they consider me.’ This suggests that even the big ‘kulaks’ of the kente industry cultivate friendly relations with employees and apprentices, with whom they share a kind of moral economy.

Seven weavers had additional part-time economic activities. Of the seven, five combined weaving with farming and two were part-time drivers, one of the two specifying he was a lorry driver. Three of the 52 weavers surveyed ran stores in addition to weaving. A 53rd interviewee who was a full-time storekeeper provided valuable background information, but is not included in the survey since he was not engaged in weaving. Of 36 respondents who were asked what their plans were for the future, 14 (39%) indicated that they would consider leaving the industry.

Of 34 weavers who were asked about their profits, 18 (53%) of respondents stated categorically that kente was indeed a profitable business, while seven (21%) gave a categorical ‘no’, and the remainder gave qualified responses in either direction. Among those who gave a positive affirmation of the industry’s profitability were some who nevertheless said they would seek greener pastures elsewhere. One respondent illustrated his answer thus:

One thread is 6,000. I use 1.5m for a man’s full cloth every two months. The labour for this cloth is also 1.5m. So it’s 50:50 for the rayon yarns and workmanship. But 1.5m for two months’ work is not profitable. So I have no savings.914

Another respondent, who had started running his brother’s store after working as a weaver for 12 years, said it was more profitable to spend 800,000 on yarns and workmanship and contract someone else to weave a cloth that could be sold for 1.2m, yielding a profit of 400,000, less store overheads, at considerably less effort than weaving the cloth himself.915 It was the perception of some active weavers too that the traders were at the more lucrative end of the business. According to one: ‘Kente is not really profitable because the sellers get more profit. For instance if a trader brings 1.2m for a kente to be woven, after buying all the materials for the

914 Afranie Okese, 26 January 2005.
915 Appiah George, Paradise Kente Store, Bonwire, 26 January 2005.
weaver, the remaining balance of the money belongs to them.\textsuperscript{916} The implication of this was that weavers were working for subsistence only. This idea was reinforced by a number of weavers. Another commonly held idea was that kente was profitable ‘when one has his own capital.’\textsuperscript{917} One weaver-storekeeper put it thus:

Kente is profitable. Only the fact that you don’t have money. In kente job if you don’t get money you can’t get more. If you have money you can have all designs and what people want. You need €30m to expand the job and someone to help you export abroad and make contact. With €30m I would put up a structure and get boys to weave for me.\textsuperscript{918}

From the foregoing it can be stated that the great challenge facing kente industrialists, all small-scale, is how to accumulate sufficient capital to employ sufficient workers in a sector where each man seeks self-sufficiency and proletarianisation is fiercely resisted. To engage in high-value kente production requires considerable entrepreneurship. Because of the relatively high capital investment and time required to produce classic designs with the greatest returns, and the risks associated with marketing such a high-value product, many young weavers prefer to quickly turn around their own single weave and simple double weave designs for a much smaller profit margin (€100,000 or €200,000 instead of a potential €2m or €3m) in order to have an assured monthly income. Thus each weaver has to weigh the long-term desire for capital to invest in expansion against short-term needs.

\subsection{Value and pricing}

The powerful symbolism of kente motifs and the combination of colours gives a fascinating insight into the way value is created. All kente motifs have a name and a particular symbolic meaning. Many of them represent well-known Asante proverbs. Colours are also used symbolically, for instance red has political or spiritual significance, yellow is associated with wealth or fertility, green with growth and

\begin{footnotesize}
\textsuperscript{916} Kwame Adjei, 26 January 2005. \\
\textsuperscript{917} Salisie, 26 January 2005. \\
\textsuperscript{918} Robert Cudjoe, 28 January 2005.
\end{footnotesize}
vitality, and blue with harmony and love. The powerful message of the proverb, reinforced by the symbolic use of colours, has transformed kente into a powerful communication tool. An example of this is the renaming of the cloth today known as *Fathia Fata Nkrumah*, after Nkrumah’s Egyptian-born wife. The original name of the cloth was *Eti Kro Nko Agyina*, meaning ‘One man does not make a council.’

Given the move towards political intolerance that in some eyes characterised the last years of Nkrumah, this could be read as a warning to Nkrumah not to become a dictator. It is this ability to communicate powerful messages, as much as its elite associations, that explains kente’s enduring economic value and its supremacy over other hand-woven cloths. In significant ways then, kente can be seen as a vehicle for transmitting or shaping nationalist, political, spiritual and cultural ideologies.

A question to survey respondents about value gave insight into differences in pricing policy among weavers and storekeepers. Respondents were asked to describe how they calculated the value of a kente cloth. A follow-up question asked how they calculated the value of labour. This was to test whether their notions of value corresponded to the classical ‘labour theory of value’, or a neo-classical understanding of ‘what the market will bear’. No definitions were given and respondents were left to interpret the questions as they wished.

The components that respondents said determined value, in order of the frequency with which they were cited, were yarn, workmanship, labour, profit, design, time, food and food & labour. The sum of €200,000 was quoted by numerous weavers as the profit on a cloth. One package, for instance, was yarn €1.5m, food €300,000, labour €1.8m, profit €200,000. Other statements of value such as ‘how tedious the work is’ and ‘how long I sit on waist on a weaving’ appeared to carry some notion of both effort and how hazardous the work was to a weaver’s health.

A clear perception of value was given by Charles Asante, a 32-year old entrepreneur with two assistants. He said the value of kente could be boiled down to ‘thread and

---

920 Discussion with M. Odonkor. 8 January 2005.
921 Salisie, 26 January 2005.
time’. Thus the popular single weave design *Obra ye Oko* (‘Life is War’) was worth £500,000 for a male cloth and £400,000 for a female. The male cloth required fifty yarns at £5,000 a piece, totalling £250,000 and matched by workmanship valued at £250,000 for this two-week job. He added:

For this single weave cotton we’re working on now it’s £500,000. The next cloth will be double weave rayon and that will be £2m altogether. The labour is £1.2m for the three of us. The two workers will get for example £600,000 for the two, and there’s £600,000 for me. There are three types of rayon quality. For single weave we use cotton at £4,000 a yarn. Rayon costs £6,000 or £7,000 a yarn. We can’t get silk any more in the shops. In Bonwire we all use top quality yarns. Here is the home of kente. We make proper cloth here.922

Here, the insight into the sharing of profits suggests another analogy with small-scale farming, where the *abusa* (tripartite) system of profit-sharing is an indigenous institution that clearly survived the impact of colonialism. The division of income or profits into three parts is a widely acceptable informal business practice in Ghana and can be seen as an effective conflict-avoidance institutional innovation. It is possible to speculate that this institutional mechanism delayed class differentiation and class conflict and goes some way to explain why Ghana remains a far more equitable society than a former settler colony such as Zimbabwe, as reflected in the two countries’ Gini co-efficients (see section 1.3.1).

When it came to valuing labour itself, most weavers said that that depended on the design. Many weavers emphasised the differences in designs. For a six-heddle design (a triple weave, in which the design on the back of the cloth is different from the front) it can take four days just to lay the yarn. Some four-heddle designs (double weave) too are notoriously difficult, the prime example being *Edwene si Dwene so* (‘Design upon Design’). This is a contemporary remodelling of the old classic *Adwina* (‘All Designs Are Used Up’, sometimes rendered as ‘My Brain is Exhausted’), which was created out of all the motifs at the time known to Asante weavers in an effort to impress the Asante hene, and is considered one of the most prestigious kente cloths.923 But though the cost of each design is common

---

923 Ofori-Ansa ‘Kente is More than a Cloth: History and Significance of Ghana’s Kente Cloth’.
knowledge, certain unusual conditions may produce variations in pricing, as the following statement illustrates:

There are different types of kente and every kente has a cost. It’s standard and everybody knows the prices. Sometimes you have to reduce from €1.5m to €1.4m or €1.3m to pay fees etc. Similarly, every cloth has its labour. If you need a cloth in a hurry, you have to increase the labour work so you charge more. If a cloth should take three months and you need to complete it in one month, eg €300,000 for three months and you need one month, you double or triple the price.  

One of the clearest statements of value came from sub-chief Nana Kwame Gyebi, 74, who at the time of interview was working on the classic Sikafutu (‘Gold Dust’), one of the most sought-after kente designs of all times, and who said he only made expensive cloth. He valued a woman’s version of the cloth at €5m, which he broke down into €1m for the yarn, €3m for workmanship, and €1m for profit. His cloth would be retailed by his grandson at Paradise Kente Store on Bonwire High Street. Nana Gyebi calculated the value of labour thus: ‘Because of the work, because the design is too hard, it needs six months to finish this design, which is not easy, so €3m for workmanship.’ He defined workmanship as ‘for eating’ and profit as ‘savings in the bank’. These definitions help to clarify the dissatisfaction felt by many weavers over their inability to accumulate capital. In effect a high proportion of weavers in the survey were working for subsistence despite the very high levels of ‘self-exploitation’. The elaborateness of kente cloth and the high level of skill needed to weave it can be assessed from comparative estimates of cloth production among weavers of plain cloth. Marion Johnson said a skilled Hausa weaver could produce 4 yards of cloth a day worth 4s in the 1890s.  

Interestingly, there appeared to be no haggling with storekeepers over perceptions of value. According to weaver-storekeeper Robert Cudjoe:

If you want someone to weave for you, you make it in a contract way. You give them the pattern, they tell you how much they’ll collect for

924 Sylvester Okyere, interviewed at Bonwire, 28 January 2005.
925 Interview with sub-chief Nana Kwame Gyebi, Bonwire, 27 January 2005.
labour. For a single weave they collect 0.200,000 and above. For double weave, 0.800,000 to 1.1m and above. Some are 3m or 5m and above.

Similarly, storekeeper’s assistant Appiah George said:

For this cloth, *Maku Maswade* (‘My Heart’s Desire’), I spent 0.800,000 for the yarn and workmanship (contracted) and I’ll sell it for 1.2m. My profit is 0.400,000 and it’s much easier than weaving it myself.

However, the solidarity between weavers and traders to keep the price high can break down when a coach-load of tourists arrive and everyone joins the scramble to cut a fast sale. In spite of this, there appeared to be a unity of purpose to safeguard Bonwire’s reputation for high-quality kente and a further understanding by kente sellers, many of whom are themselves weavers, that the perceptions of players in the market can add considerable value to their product.

Recently a lucrative market has developed for antique kente, which was previously seen as ‘second hand’ and consequently commanded little market value. Value is being created by the growth in knowledge about kente, partially stimulated by the rise in African American tourism to West Africa, which has in turn stimulated a new form of demand for indigenous knowledge. At the same time, scarcity in the supply of silk threads in the face of competition from synthetic fibres has led to a growth in appreciation of the beauty of the old kente classics, produced with silk threads, and growing demand for old cloths. One storekeeper said he bought antique kente for 0.500,000 and retailed it at 0.800,000.\(^{927}\) Some antique pieces on display in his store had an asking price of one or two million cedis.

\(^{927}\) Discussion with Appiah George, Paradise Kente Store, 27 January 2005.
In almost every culture there is an indigenous craft cloth, for instance kimonos in Japan, silk saris in India, ponchos in South America, raffia skirts in various parts of Africa and the Pacific rim. Even in advanced economies, such as Britain, there still exist many craft industries. However, the transition from niche market to mass market appears to involve a loss of control by producers and the transfer of the bulk of revenues to those who market the product. With several weavers in the survey claiming a value for their cloth of €3m to €6m (US$330 to $660 at January 2005), confirmed by the fact that classic kente was retailing on the internet at US$400 to $1,000 during 2005, the industry has understandably attracted copy-cat interest. In addition, it has attracted some development initiatives.

**10.4.1 The problem of broadlooms**

Browne’s study of Sakorawono described two development projects – one based at the University of Science and Technology (UST), the other at the National Cultural Centre, both in Kumase – designed to ‘improve’ the technology of kente weaving by replacing narrow looms with broad looms. In the first project, weavers were trained in broadloom weaving at UST, but contrary to expectations their return to their villages did not promote the use of the broadloom. Browne found that weavers shunned the new loom, a 100-centimetre wide wooden construct adapted from an English loom by the UST’s textiles department and made by a local firm, because it cost twenty times more than the Asante narrow loom. Although loans were made available for the purchase of the loom, weavers were keen to avoid the necessary period of indebtedness. Moreover, the project envisaged new kente products, such as tea towels and table napkins, for which demand was uncertain. The second project sought to reproduce the chess-board patterns characteristic of Asante kente on a broadloom. However, the European fixed loop design meant that the loom could not produce the variety of patterns possible on the Asante loom, which allows fine and coarse heddles to be used simultaneously. Noting that the new loom brought no
improvement in artistic quality, technical efficiency, productivity or costs, Browne questioned the relevance of introducing such technology and concluded that the Asante loom is the best loom on which to weave Asante kente. A third scheme under the Ashanti Villages Craft Development Project, involved the construction of a craft centre and tourist rest centre at Sakorawono, supported by an office and showroom in Kumase. The project failed, Browne believed, because it failed to address the main problem facing weavers, that of obtaining raw materials. Instead it concentrated, futilely Browne believes, on promoting tourism to expand markets.

A recent initiative encountered during the course of this research uses the latest silk manufacturing technology from India in an integrated scheme involving farmers, labourers and weavers. The imported small-scale plant comprises two main sections, one for reeling silk cocoons, and the other for processing the yarn and weaving it. An additional section will produce natural dyes to dye the yarns. The project centres on an association of fifty farmers in five regions of Ghana, the Volta Region, Asante, the Eastern Region, Western Region and Brong Ahafo. The three northern regions are not included in the project because the mulberry tree on which silkworms and moths feed cannot grow in the northern savannah without irrigation, unlike cotton which needs little water. The consistent temperature and humidity levels required for a continuous supply of silkworms are characteristic of the southern forest belt.

The scheme is managed by the Sericulture Division of the Industrial Research Institute of the Council for Scientific and Industrial Research (CSIR). The current project, initiated by the farmers themselves in 1998, grew out of a scheme launched in 1991 to export silk cocoons to India. Prices received were unattractive and farmers submitted a proposal through the Ghanaian Ministry of Fuel & Energy to add value to their cocoons. The proposal was supported by the UN Food and Agriculture Organisation (FAO), which agreed to supply the machines to turn cocoons into silk yarns. Silkworms for the first cycle were imported from India in 2004. The equipment for this experimental stage comprised ten handlooms (all broadlooms).

together with machines for the boiling, reeling and doubling of cocoons. The boiler
generates steam to cook cocoons. The reeling machine unravels the tightly wound
silk thread that is the cocoon. The unravelled thread is very thin and fragile and
needs to be doubled or multiplied for added strength.  

Under phase one of the project, ten pilot farmers were trained in mulberry husbandry
and cocoon production. These farmers have the option to sell their cocoons to the
project or have their cocoons processed for a fee, enabling them to sell their yarns at
a higher price. A sum of US$450,000 was allocated to phase one, enabling farmers to
clear land specifically for mulberry and initiate the first cycle. Mulberry plants
produce feed for silkworms all the year round and can be harvested just three months
after planting, making them a particularly attractive crop for small-scale farmers. The
particular moth bred in this project feeds only on the mulberry plant, nothing else.

Post-commissioning activities envisaged include research and small-scale production
while a market is created. Efforts to create such a market include working with kente
designers. During this experimentation period, yarn pricing policy will take into
account production costs, but will be guided mainly by the desire to promote silk
yarns. No silk yarns have as yet been sold. A management board of farmers and other
stakeholders has been put in place to oversee implementation of the project, which
was to be financed by the FAO for a final year in 2005, and then taken over by the
Ministry, the CSIR and the farmers.

The next phase of the project envisages linking up with weavers. Towards this end,
the secretary of the Bonwire Weavers Association, Eric Kwarteng, received training
in the use of broadlooms at the project site in Accra during 2004/2005. The
technology used is a hand-operated broadloom producing cloth of one metre in
width. Project managers estimate that an experienced weaver could produce a length
of six yards in one week. It is not clear how this project will succeed in fostering the
use of broadlooms when other projects have failed, though access to silk yarns could
be a drawing card for weavers. Project managers believe the increase in productivity
would make kente affordable to Ghanaians, without putting the narrow-strip kente

weavers out of business. CSIR project manager, Joseph Amoah, sees the development as one of ‘different designs for different purposes.’

It nevertheless seems plausible to imagine that as the important backward linkage created and productivity gains arising from such a technological shift improve the viability of the kente industry, competition for kente markets would increase. Should this occur, the success of this project would inevitably pose some kind of a threat to small-scale indigenous producers. Yet within the current dominant ideology of withdrawing the state from the economy, there does not appear to be any discussion about whether some form of protection for indigenous kente producers would be desirable as part of initiatives to develop kente into a bulk market product.

In this regard, a comparison with the Harris Tweed industry in Scotland may be instructive. Like kente, Harris Tweed is a durable and aesthetically pleasing high-quality hand-woven fabric. Its status as a protected industry arose from late nineteenth century UK government initiatives to address the problem of unemployment in the seven Crofting Counties of northwestern Scotland, including the Outer Hebrides. Harris Tweed was one of the most successful of government efforts to encourage industrial growth from indigenous crafts through the development of cottage industries. The idea was to artificially stimulate the growth of a range of indigenous crafts into large or small-scale industrial enterprises, along the lines of the ‘industrial revolution’ to the south of Scotland. Paradoxically, however, protection meant retaining as many as possible of the characteristics of ‘cottage industry’. In the end weavers themselves resisted labour-saving technological improvements proposed by the modernising mills, in order to protect as many of their jobs as possible.

---

931 Interview, 1 February 2005.
932 All details for this case study of Harris Tweed are from J. Ennew (1982). 'Harris Tweed: Construction, Retention and Representation of a Cottage Industry'. From Craft to Industry: The Ethnography of Proto-Industrial Cloth Production. E.N. Goody. 166-99.
10.4.2 The lessons of Harris Tweed

Harris Tweed is a luxury textile whose exclusive production in Scotland’s Outer Hebrides is protected by legislation. Each tweed is stamped with the Harris Tweed Certification Mark (or ‘Orb Mark’). This is the absolute property of the Harris Tweed Association, which was formed in 1909 to protect the industry from mainland competition. Before stamping with a hot iron, inspectors check that each piece contains the requisite number of warp and weft threads. Weavers sign a declaration form, certifying that the cloth is woven at home, thereby meeting the criterion of a ‘cottage industry’. For the Orb Mark is not just a sign of quality, it is also the mark of a protected industry in a remote part of Britain with limited employment opportunities. Transport costs within the Hebrides mean exports cannot easily compete with goods produced more cheaply on the mainland. To overcome this problem, Harris Tweed has continued to price itself out of the market for bulk textiles, ensuring it does not compete with cheaper textiles.\(^933\)

The development of the Harris Tweed industry resulted from a mixture of state intervention, private entrepreneurship and philanthropic concern. As Ennew explains it, the link between Harris Tweed weavers and merchants developed after clearances produced a class of landless cottars and squatters with little or no access to means of agricultural subsistence. Landlessness meant crofters were unable to keep more than a few sheep, and this rendered them incapable of producing sufficient wool to feed their industry.\(^934\) State initiatives to encourage industry to move into areas of high unemployment increased from the 1920s. By 1965, the establishment of the Highlands & Islands Development Board (HIDB) represented one of the largest schemes of UK state intervention to tackle unemployment problems. The sole government body with direct power to invest in private enterprise, the HIDB was responsible for the development of the seven Crofting Counties.\(^935\)

Unlike Harris Tweed weavers, those in Asante do not suffer from landlessness or physical isolation. Nor did they appear to be deeply indebted to merchants. While

\(^{933}\) Ibid. p.171.
\(^{934}\) Ibid. pp.179-80.
both sets of weavers often relied on merchants to supply their raw material on credit against the finished product, many Harris Tweed workers did not own their own looms, which too were supplied on credit by merchants. This led to high levels of indebtedness, and was a factor in the government’s decision in 1896 to step in and break the hold of merchants. Merchants resented the government interference, but set up carding mills and spinning mills to relieve production bottlenecks. This had the effect of moving the centre of production from the island of Harris to Lewis.

The control by weavers of the production process was loosened further when the big loom, bearst-mhor was introduced in 1900. Prior to this, weavers had used the bearst-bheag, a small loom with a hand-thrown shuttle and yarn wound on sheep-trotter bones, which were used as bobbins. Quality control provided the justification for technological change. On the small loom, weavers produced narrow webs of tweed, whereas the selling organisation required a consistent quality of textile and continuity of patterns to meet market demands. The colours produced by home-dyeing were irregular because of the small pots used and large boilers were now supplied to weavers. The Congested Districts Board offered interest-free loans for improvement and purchase of new looms.

Then in 1912, the Hattersley domestic loom was introduced to the islands. Capable of weaving more intricate patterns, this loom came into general use in the 1920s. To operate the Hattersley, the weaver’s feet provide the motive power for the treadle, which works the automatic shuttle devices. Though not strictly speaking a handloom, the production of Harris Tweed on the Hattersley continued to be marketed as a ‘cottage industry’, evoking the image of an idyllic past. In reality, keeping the treadle in motion can be arduous, and the weaver’s skill is limited to tying broken threads and setting up and tying off tweeds that arrive, already warped, from the mills. As pointed out by Ennew, there is thus very little difference in skill between the operator of the single-width Hattersley, producing cloth of 29 inches wide, and the operator of a double-width, fully mechanised loom, except that the Hattersley worker minds the machine at home.\textsuperscript{936}

\textsuperscript{936} Ibid. pp.181-4.
But without the tweed industry, rural areas in the Hebrides would provide little employment and more men would have to commute to larger centres or emigrate to the mainland for work, Ennew noted. Officially the Harris Tweed workers were ‘self-employed’, but effectively they were outworkers employed by the mill on a piece-rate basis, receiving a cash income much like other workers directly employed by the mills in spinning, warping and finishing, except that weavers do not qualify for social security benefits. Mill owners exert leverage though the system of distributing tweeds and also through a system of cash fines for weaving mistakes. Serious mistakes could result in a weaver having to buy back a tweed from the mill, at a cost of £23 in 1976.937

The rationalisation of the Harris Tweed industry was halted in 1976 when a proposal to introduce double-width power weaving was rejected by weavers in a postal ballot. The development was deemed necessary because the 29 inch width of the Hattersley caused problems for machine cutting in bulk markets for women’s clothes and furnishing fabrics. This was blamed for the decline in demand for the cloth in a textile market threatened by competition from man-made fibres. The move would have removed the ambiguity of the weavers’ ‘self-employed’ status, transferring them to small factories or ‘workshops’. But permanent employment for a few would have entailed redundancy for many.

Millowners argued that the concept of Harris Tweed production was outdated and that the industry needed more rationalisation and better machinery to succeed in modern markets. Most weavers preferred to ‘spread the coin’ around the islands and argued that Harris Tweed should not try to enter bulk markets. They saw ‘modernisation’ as unnecessary, whereas holding on to the conditions of the Orb Mark would protect the industry better. Since the terms of the Orb Mark prohibited the use of power looms, the terms would have had to be adapted. However, the Board of Trade would not consent to changes in the legal definition of the Orb Mark or maintain the protected status of Harris Tweed without the support of weavers, and Harris Tweed remained a protected industry producing luxury goods.938

---

937 Ibid. p.188.
By contrast with the Harris Tweed experience, in Bonwire weavers, by keeping the technology as simple as possible, have been able to keep down the cost of owning the ‘means of production’ and this has been a major factor in their ability both to resist proletarianisation and to keep out competition from what has remained a very labour-intensive method of producing a luxury item. It therefore seems a perfectly rational decision to hang on to the labour-intensive narrow strip handloom, even in a historically labour-scarce economy.

10.4.3 The problem of competition

Browne’s study of kente weaving concluded that rural industries could flourish so long as the product made was not in competition with a manufactured alternative, and as long as raw materials were available and there was a domestic market. Based on her belief that kente weaving fulfilled these criteria, she concluded that rural industries had ‘atrophied’ in Ghana and elsewhere in Africa because of the urban bias of governments that allocated resources to the large-scale sector at the expense of the small-scale. Johnson in an earlier article argued to the contrary that very often ‘the craft product continues to sell alongside the import, and even alongside factory production within the same country.’ Interestingly, this has been the experience of kente production since the 1990s, when machine weaves and printed alternatives emerged from factories in Accra to find a less discerning market than that for hand-woven kente. This supports Johnson’s point that ‘an elite demand depends mainly on fashion, partly on political and religious attitudes, and very little on price.’ She noted that there was evidence of crafts dying out but ‘very little of the adoption of more efficient techniques’. Johnson suggested narrowloom technology persisted because it was neither primitive nor inefficient, giving a ‘strong, hard-wearing cloth with hand-spun, short staple cottons.’ However, Johnson’s conclusion that specialisation might prove less productive since narrowloom production fit a society where most people had several occupations, does not match the findings of this study, which found kente production to be the work of specialists. More pertinently, the findings show up fallacies in Browne’s argument. For the reason that kente weaving has

survived the emergence during the 1990s of both machine-woven and machine-printed alternatives, produced in factories in Accra and further afield, has less to do with government policies towards the small-scale sector as because the maintenance of the low-technology Asante narrow-stripe loom, though theoretically unsuited to West Africa’s labour-scarce factor endowments, has kept down the capital cost of kente production to a level at which competition is easily eliminated, most especially at the top end of the market. At present the only real competition in terms of consumer preference is the imitation of kente by weavers familiar with narrow-loom technology in other West African countries. Outside these specialised geographical areas, the barriers to competition in terms of both capital costs and productivity improvements appear to be holding the competition at bay. The cheaper machine weave attracted consumer attention during the 1990s, but was phased out by GTP after a few years due to falling demand. The cheaper still machine print continues to be marketed in the form of cloth and finished garments and accessories, but appears to pose no serious threat to kente producers. By contrast, the government’s liberalisation policies since the 1980s have made large-scale textile manufacturing firms vulnerable to external competition, as demonstrated in the last chapter.

10.5 Conclusions

As agents of industrialisation Bonwire weavers appear more akin to ‘potatoes in a sack’ than ‘cogs in a wheel’. Proto-industrialisation thus seems an apt descriptor of their model of economic development. Each weaver is an individual entrepreneur or aspiring entrepreneur in a protective cooperative community characterised by high levels of Chayanovian ‘self-exploitation’. The profile of the Bonwire kente weavers described in this chapter suggests a model of proto-industrialisation that is not unlike the guild associations of pre-industrial Europe. At the heart of this is a system of apprenticeships that ensures continuity in the transmission of skills from one generation to another, and is responsive to the problem of capital accumulation. There is some differentiation in the kente sector, but little sign of ‘proletarianisation’. Because kente is produced for a niche market, this seems unlikely to change, unless
the product itself changes, for instance through conversion from narrow looms to wide looms. Though the transmission of skills depends on cooperation, there is no lack of competitiveness when it comes to marketing. But though the weavers may undercut each other on their profit margins, cooperation continues in other sectors of the industry because no individual is independently able to accumulate sufficient capital to proletarianise the other and because every weaver can earn enough to resist proletarianisation. By keeping the technology simple, Bonwire weavers have been able to keep down the cost of owning the ‘means of production’ and this has been a major factor in their ability to resist proletarianisation. Specialisation has resulted in the emergence of carpenters who produce the frame of the loom. However, since the look of the frame adds no value to the final product, the decision to keep down the costs of carpentry is a rational one. The only value that could be added would be in terms of aesthetic value if a choice were made to market the weaver-at-work to visiting tourists. If this were to result in growing numbers of tourists, it would produce additional financial spin-offs.

The revisionist literature on Europe has demonstrated that the Industrial Revolution was not a ‘big bang’, but rather a story of incremental change over time. At the same time, however, the literature on ‘recurrent’ growth suggests that without some big shock, proto-industrialisation is a pattern of development that can reproduce itself indefinitely. What can produce an external shock to jolt the weavers out of this cooperative community and into a differentiated competitive capitalist mode? One possibility is through colonial or imperial conquest, but that seems a model of the past. It seems equally unlikely that even a Schumpeterian hero can take the stage to break up the cosy existence and proletarianise these individualistic entrepreneurs. Such skills cannot be acquired overnight by workers in a factory. At present, they can only be learnt with the quiescence of the community that propagates them and guards their quality jealously. But the point here is not to engage in a moral debate about whether capitalists should or should not go in, or whether Bonwire’s harmonious small-scale model should or should not be preserved. The point is to suggest that any form of change seems likely to come about as a result either of the will and ambitions of a super-entrepreneur or of the concerted actions of the state, rather than through the benign actions of an ‘invisible hand’.

356
Bonwire’s high level of specialisation was developed under royal patronage by the Asante state, which reached the peak of its power during the 18th century. British imperial conquest from the end of the nineteenth century may have temporarily dampened the trade as the Asante royals lost their power and prestige, but many indigenous institutions survived more or less intact. There was some evidence of technological diffusion, but this appeared to have slowed down over the past few decades. It is unclear what has been the impact of this slowdown in the shifting of labour away from the small-scale to the large-scale industrial sector that occurs in advanced economies. Aside from this, there was little evidence of change in the social organisation of kente or of technological change in the kente sector since its emergence in the seventeenth century. There was also little evidence of social conflict and this might suggest a lack of stimulus for institutional change. Kente weavers exhibit a kind of moral economy that chugs along and adapts itself to new conditions while preserving its main features, irrespective of the wider political economy. Within this moral universe, weavers recognise a moral obligation to help each other out, pass on skills to each others’ children, accept moral incentives, and cooperate with each other in marketing and in the meeting of client deadlines. At the same time, weavers undeniably behave as ‘rational’ economic agents, keeping down their cost of production to the lowest possible level at which a high quality can be maintained, and raising their prices whenever the opportunity presents itself.

No single theory of value seemed exclusively applicable to Bonwire’s small-scale industrialists. Rather, the perception of value appeared to depend on whether a player is a producer or a seller in the market. At the same time, the symbolic meanings of kente patterns and the ability to communicate powerful messages was a major determinant of value. This, as much as, and related to the high level of skill required to weave kente, explains the high value commanded by kente relative to other West African hand-woven textiles.

There was no evidence of ‘character flaw’ among Bonwire’s weavers. On the contrary, weavers worked very long, productive hours, while paying attention to quality and detail. In spite of the long hours necessitated by what is an intrinsically labour-intensive industry, there was always some leeway to increase hours and to some degree productivity, not so much under the ‘whip of hunger’ as the whip of
deadlines. Special commissions, notably those coming from the Asantehene’s palace, or festive occasions such as weddings and parties, required special effort, and weavers drew compensation through steep price increases. Despite the influence of the rural lifestyle, the nature of the business produced a somewhat industrial culture in which client deadlines could be met. Weavers spread risk by producing a combination of simple new designs that could be turned around quickly for low but fast returns and complicated classic designs that required much time and effort but were lucrative. Generally speaking, older master weavers preferred to concentrate on classic designs, while youngsters showed a preference for simple designs requiring little capital outlay in yarns and least effort.

Even without very high levels of productivity, this flexibility means that even with the threat from Chinese competition, Bonwire’s kente weavers cannot be beaten at their own game, so long as the game is about a high-quality luxury product for which the consumer is willing to pay a premium. This puts Bonwire weavers in a special position that small-scale industrialists in other economic sectors can hardly be expected to achieve.

This profile of Bonwire weavers suggests that high productivity is not an innate human asset. Even staving off hunger does not require productivity to be particularly high since subsistence needs can be met from low productivity activities. Rather, high productivity is imposed, as the experience in more advanced economies attests, by deadlines, by ruthless competition, by capitalists and employers, by special material inducements (‘perks’), by production targets and by the threat of disciplinary action. Without such interventions, the gentle and relatively stress-free lifestyle encountered in this study appears perfectly normal. And even in advanced economies, though people may not take time off frequently to attend funerals and other community functions, it can be noted that where the day’s tasks are not specified, the average person leaves work at 5pm on the dot, to enjoy an evening of leisure in front of the television or at the local pub.

On the face of it, the slowness of Bonwire weavers to accept labour-saving broadloom technology might appear economically ‘irrational’ in a historically labour-scarce economy. Yet the affordability of their narrowloom has allowed them
to remain craftsmen, or at least to grow from craft labourers into craftsmen, while the narrowloom’s labour-intensity has enabled them to beat off competition. Other forms of factory-produced kente have been able to establish themselves with differing degrees of success, but have not been able to seize the top end of this niche market from these small-scale craftsmen. This labour-intensity also perhaps explains the limited diffusion of weaving skills. Beyond the kente weaving centres of Asante and the Volta Region, knowledge of narrowloom weaving is widespread in the north of Ghana. But price competition from lower-priced printed fabrics and the competing demands on time in a historically labour-scarce economy is putting indigenous textiles under increasing pressure.

These findings suggest that the optimism about the potential of the small-scale sector in developing countries may be exaggerated. If in a niche market such as kente, individual weavers find it challenging to accumulate sufficient capital to invest in expanding their output substantially, then it is questionable whether in other less lucrative industries small-scale entrepreneurs will be able to invest, unaided, in technological improvement. Technological improvement is not required in the kente sector for as long as the narrow strip kente is a product that customers value and wish to keep. It is however required in other small-industries such as wood furniture, where a greater number of competitors makes it imperative to keep prices low, and where tools may need to be continuously updated and improved to vary designs and keep up with changing consumer preferences or consumer desire for a wide choice. A question raised by this survey of weavers is whether it is possible for small-scale entrepreneurs to raise their incomes without expropriating the surplus labour of other workers. Several weavers intimated that only by hiring other weavers could they increase their earning ability. Mechanisation of the industry would inevitably lead to greater differentiation and ‘proletarianisation’.

Kente is unlike other small-scale industries in that it is an art-form. Nevertheless, as probably the highest-value product found in the small-scale sector in Ghana, there are lessons to be learnt about small-scale development. If kente weavers cannot spontaneously create discontinuous growth, it is very unlikely that other sectors of Ghana’s small-scale manufacturing sector will be able to lead a process of industrialisation that can result in higher incomes and steady capital accumulation.
Based on the case study of Bonwire and its stark contrast with the economics of large-scale textile production in both Ghana and Zimbabwe, this chapter concludes that spontaneous industrialisation appears unlikely to emanate from the small-scale sector. In the small-scale sector as in the large, my findings suggest that the support of a ‘developmental state’ is necessary to spark industrialisation, if that is what is desired.
CHAPTER ELEVEN

11 Conclusion

The original hypothesis of this thesis was very different from the one now proposed by way of conclusion. The original hypothesis, confined to chapter six, was that culture was not a constraint on the economic behaviour of peasants in either the peasant or the settler economy. In setting out to test my hypothesis I encountered problems with my methodology. The methodology entailed measuring the producer price elasticity of fixed capital investment in the settler and peasant economies. The forms of fixed capital identified were ploughs in the case of Zimbabwe and cocoa trees in the case of Ghana. Cocoa trees are a form of fixed investment because they take several years to mature. By how many units did investment in these two forms of capital investment go up when the price of maize or cocoa was increased by one unit? The null hypothesis was that differences in economic behaviour existed among peasants in peasant and settler economies. These could indicate differences in culture. Alternatively, they might reflect institutional differences or resource constraints.

One challenge encountered during field work was that while long-run data on cocoa production were well-kept in the Gold Coast, the data on peasant maize production in Southern Rhodesia were patchy and questionable. All economic historians face problems of patchy data. In the context of Southern Rhodesia, however, data collection was heavily politicised. This prompted awareness that other variables were influencing the culture variable. While investigating the records of the Native Secretary and the Grain Marketing Board, it became increasingly apparent that the influence of culture (the informal rules of human interaction) could not easily be distinguished from the influence of institutions (formal rules). It appeared that my hypothesis would be proven wrong and that this was leading to a conclusion that Ghanaian cocoa farmers behaved more ‘rationally’ than Zimbabwean peasant farmers as evidenced by their responsiveness to price changes. However, the regressions ran on cocoa data also suggested that cocoa farmers were ‘irrational’.
After pondering the results, I began testing for the effects of other variables including, climate, geography, population, history and variations in institutional development. Finally, after looking again at price trends and the wider political economy, it became apparent that the explanatory variable was not so much culture as price-fixing and overvalued currencies. In Southern Rhodesia of the 1930s and 1940s, African producers paid discriminatory prices kept their maize outside formal colonial markets and diversified into informal beer trade. In Ghana of the 1970s and early 1980s, cocoa farmers smuggled their beans to neighbouring countries with convertible currencies, or simply left them to rot on trees. A more appropriate hypothesis in line with my empirical evidence is therefore that: the state is the most important variable in explaining African underdevelopment.

11.1 Summary of Research

The introductory chapters of this thesis set out a conceptual framework for viewing the problem of African underdevelopment from the perspective of a ‘peasant’ economy and a settler’ economy. Gold Coast/Ghana and Southern Rhodesia/Zimbabwe represent the two distinct types of former colonial economy found in Africa. The enquiry covered the period from 1890 to 2000, allowing a systematic comparison of colonial and postcolonial trends in each type of economy.

Data collection was restricted to the agricultural and manufacturing sectors, though some health statistics were also collected to test for climate, and population data to test for the Boserupian effect. Within the agricultural sector, the main focus was on cocoa in the peasant economy and maize in the settler economy. These were the two most important crops grown by indigenous producers throughout the twentieth century. Within the manufacturing sector, the thesis focused on textile production in the large-scale sector of the peasant and settler economies, and in the small-scale sector of the peasant sector only. This was because indigenous textile manufacturing survived colonialism in the peasant economy but not in the latter. Cotton development was kept in mind as an important potential linkage between agricultural and manufacturing sectors.
The first part of this thesis applied various concepts from the literature on economic development to the agrarian sector. The evidence examined showed that colonisation in Ghana continued a process already underway, and that the level of pre-colonial accumulation was a critical consideration in the policy of leaving land in African hands. In Zimbabwe, a process of peasant accumulation was underway, but markets were less developed than in Ghana, and peasants lacked the leverage to influence colonial policy, which was left to the discretion of a chartered company run by Rhodes.

During the initial period of colonial development in both countries, land was not a restraining factor on structural change, but labour was. Thus the expansion of export commodities involved a reallocation of labour. Land alienation in Zimbabwe changed the land to labour ratio. In combination with other institutional instruments, this reduced the price of labour to artificially low levels and skewed the structure of economic incentives.

The second part of the thesis considered the proposition that industrialisation cannot take place in Africa outside a framework of state support. It found that comparative advantage did not favour late industrialisation in Africa, but a change in the political economy with the advent of independence did. In Ghana, industrial growth was founded on the accumulation generated by the spontaneous development of the cocoa sector by indigenous farmers, but industrialisation itself was not spontaneous. The research came across no examples of spontaneous industrialisation in Africa. There were quite stark differences in the nature and quality of state intervention; nevertheless in all countries where the state intervened, rapid industrial growth was possible. This explains why factory production expanded so much over the 20th century but does not explain why it did not expand more.

Complementing the two parts of the thesis was a survey of small-scale kente weavers in Ghana. This is a form of indigenous textile manufacturing that survived colonialism in the peasant colony and has no counterpart in the settler economy. Here was a form of economic activity that appeared to lie half-way between agriculture and manufacturing in terms of its social organisation. This provided a testing ground for a range of concepts from the literature on economic development.
The thesis found that where land remained in African hands, indigenous handicraft textile production flourished. Where land was alienated to Europeans, indigenous textile production died out. In the post-colonial period, however, economic liberalisation from the 1980s and new globalised conditions have been changing the picture somewhat. The thesis found that small-scale textile manufacturers that have survived the influx of cheap Asian textiles are those that are highly specialised yet have kept their technology simple. Large-scale textile manufacturers in both settler and peasant economies have struggled to compete within the deregulated environment since the 1980s.

The research found that where land had remained in African hands, as it did in the Gold Coast/Ghana, indigenous institutions were more likely to survive the impact of colonialism. This was because control over land and its resources determined the concentration of wealth. Where land was concentrated in a few European hands, small-scale African enterprise appeared less likely to flourish. The kente weaving industry of Asante was examined as a model of small-scale industrial development that has continued to rest on the preservation of important precolonial indigenous institutions. No such weaving industry survived in Zimbabwe, though weaving skills had developed by the time of colonisation.

Assuming a correlation between population density and economic development, Zimbabwe’s smaller and more dispersed population at the time of colonisation suggests that indigenous weaving industries may have been less developed than they were in West Africa. This view is supported by the relative lack of evidence about such industries compared to the considerable literature on West Africa’s centuries-old handicraft textiles sector. This suggested strongly that West Africa’s vibrant ‘informal sector’ was related to the continuation of precolonial land allocating institutions, while Zimbabwe’s relative lack of small-scale enterprise suggested a link between land alienation and the demise of small-scale industrial development.

The research found that irrespective of peasant-settler differences, mass consumption industrialisation depended on the acquisition of heavy plant and other types of equipment from abroad, in other words ‘borrowed’ technology. In both countries,
manufacturing processes relied on the heavy importation of machinery to maintain a competitive edge. Businesses that did not continually update technology and maintain equipment found it difficult to keep up with consumer trends.

11.2 Specific Findings and Overall Conclusions

The main findings of the research can be grouped under two conflicting theses/hypotheses.

First, the form of colonialism does significantly alter the scope and pattern of industrial development. This has been demonstrated with special reference to the history of kente weaving in Ghana, a model of small-scale industrialisation that has no parallel in Zimbabwe. My specific findings are as follows:

- By coercing peasants into wage labour the settler economy impedes the accumulation of indigenous capital and curtails the emergence or development of indigenous enterprise.

- Important pre-existing small-scale industries become lost after the imposition of settler colonialism.

- In non-settler (or ‘peasant’) colonies, small-scale industries (mining, iron smelting, carpentry, weaving etc) are able to flourish. In settler economies the range of small-scale indigenous enterprise is much narrower and textiles are a major casualty of colonial competition.

- The survival of indigenous small-scale textile manufacturing depends on the survival of indigenous institutions.

- Small-scale textile manufacturers support each other in a kind of moral economy that enables them to resist ‘proletarianisation’. At the same time, this frustrates their dreams of accumulation.
Secondly, the form of colonialism does not significantly alter the scope and pattern of industrial development. An examination of large-scale textile production in the two distinct types of former colony showed that:

- Although manufacturers in settler colonies use their greater autonomy to get a head start, political independence means that those in peasant colonies can start to catch up with the support of the state.

- Irrespective of peasant-settler differences, in both countries large-scale manufacturers enjoy subsidies and other forms of state protection during the 1960s and 1970s, and this results in tangible but unsustainable growth.

- Irrespective of peasant-settler differences, in both countries the emphasis is on heavy plant and machinery and ‘borrowed technology’ rather than local adaptation. Where specialist indigenous labour-intensive processes have been grafted on to the ‘big plant’ model, there are no savings. The fact that these processes make the finished article less price-competitive and therefore less appealing to all but wealthy consumers, despite cultural design preferences, suggests the continuing relevance of the labour theory of value developed by Smith, Ricardo and Marx.

- Irrespective of peasant-settler differences, in both countries large-scale textile firms fold when exposed to competition under structural adjustment.

- The evidence suggests that after an initial push from the state, industrial development becomes a fairly straightforward matter of market forces rather than a function of peasant-settler differences.

- Settlers have social links to Europe and can use personal networks to secure markets. In peasant economies, textile firms are majority-owned by foreign firms, who enjoy similar links.
How can these two conflicting hypotheses be synthesised into one thesis? The link that needs to be teased out is the effect of colonial land policy on indigenous accumulation. However, the ‘peasant-settler’ dichotomy (in other words ‘history’) is just one of several variables impacting on African development and underdevelopment. In this thesis, the peasant-settler has been treated as the constant. Within this model, the thesis tested the effect of a number of other variables on each other and found a tendency for these variables to reinforce each other negatively.

If we assume that underdevelopment creates its own culture of underdevelopment, as this thesis does, it becomes tautological to point to cultural restraints on entrepreneurship as the reason for Africa’s slow growth. We can assume that in any underdeveloped economy, culture too will be found to be underdeveloped. The assumption is then that as the economy develops, so too will culture. Studies of entrepreneurship may be useful to target specific development interventions, but a lack of entrepreneurship cannot by itself explain African underdevelopment. Because of the tendency for the variables to reinforce each other, entrepreneurship cannot improve while all other variables remain unimproved. The question then becomes, who or what can provide the catalyst for development to occur?

Similarly, while geography and climate may help to explain Africa’s factor endowments or explain why economic development is such a difficult project in Africa, this cannot be taken to mean that development will not occur. Geography may hold Africa back, but as Africa develops, so it will find the means to overcome its geographical disadvantages.

Somewhat linked to geography, this study has found that population density has some explanatory power. The evidence tended to confirm Boserup’s thesis that an increase in population density prompts innovation and this leads to economic development. This affirmation of the explanatory power of the population variable should not be taken as an endorsement of the Malthusian theory on population checks. While the thesis found resonance with Boserup’s more positive view of the effect of growing population on economic development, it does not accept the natalist view that population control is a precondition for development. On the
contrary, it finds that population increase stimulates economic development during the early formation of the nation-state.

This study has found that while certain exogenous variables do not by themselves explain African underdevelopment, they nevertheless have had an effect. For instance, where Europe ‘underdeveloped’ Africa, the by-product was that it also developed it in various ways. And where Europe supported African development, it at the same time ‘underdeveloped’ it. The best proof of this tension surrounds the issue of land tenure. Where land was alienated to Europeans, individual private land tenure systems were introduced. This had the effect of ‘developing’ the land appropriated by Europeans at the same time that the land allocated to Africans in overcrowded reserves became ‘underdeveloped’. On the other hand, where land remained in African hands, indigenous land tenure systems were maintained. This ensured peace in the colony. However it also had the effect of freezing ‘tradition’ and, in preventing the emergence of effective land markets, of ‘underdeveloping’ Africa. Therefore Europe both developed and underdeveloped Africa.

Did Europeans create ‘better’ institutions to protect their property rights in areas earmarked for European settlement? If there is held to be a link between private land titling and industrialisation, the evidence suggests that they did. In the Gold Coast, the intention of land policy was to protect Africans from alienation rather than to ‘underdevelop’ Africa. Nevertheless, such protection had the effect of freezing conditions that were otherwise beginning to evolve towards capitalist accumulation as land became scarcer in relation to population development. In neglecting or inadequately interpreting the property rights of Africans, colonial policies created the conditions for lopsided development in Zimbabwe and slow development in Ghana.

In this regard, the question whether Zimbabwe’s land is better developed by landless peasants or large-scale commercial farmers has no easy answer. On the one hand the theory tells us that peasants are efficient. If the project is to save capital and keep things small, then peasant production is the ideal form. If the project is to spend capital on large-scale development then peasants may not be able to spend capital fast enough for the desired outcome.
Here, governments face a special conundrum. On the one hand, the continuance of communal tenure provides a ‘means of production’ for the majority of economically active people who cannot be absorbed into the industrial sectors of the economy and a safety net for those such as the aged and infirm who have no other form of social security. On the other hand, by preventing the development of private property rights, communal tenure restricts the emergence of full-blooded capitalism.

Similarly, in the case of Ghana, if full-blooded capitalism is desired, then a system of private land titling will not only change factor allocation, it will also change culture. The reason it will change culture is because the communal land tenure system is the single most important influence on rural African culture. However, if land is seen as a form of social security that a cash-strapped state is unable to provide, and if the state is not strong enough to change the institutions that determine the allocation of resources, then retaining communal tenure may be a better option. Neither option has perfect outcomes. The important point is that people base their decisions about the kind of future they want on informed choice. Who gets the bulk of land and under what conditions are questions that determine the future of industrial development. To work through the options requires a strong and disciplined state.

It is unfashionable these days to give much emphasis to the role of individuals in economic history. The research found that strong or charismatic leaders and towering entrepreneurs could not be discounted. The thesis found that personalities such as Rhodes, Huggins, Smith and Mugabe in Southern Rhodesia/Zimbabwe and Guggisberg, Nkrumah, Acheampong and Rawlings in the Gold Coast/Ghana together constituted a variable that could not be ruled out in explaining African economic performance. In the end such personalities were not bigger than the global alignment of forces that ultimately determined the course of historical events, but certainly they had the ability to change factor allocation and to bring down or create institutions. The thesis concludes that the mighty influence of such individuals is a reflection of the weakness of the African state.

Working through the variables, two themes have stood out in this research as worthy of close attention because they crop up so often in connection with other themes. The first is the relationship between conflict and change. Whether it be an effect of
population growth, or the expropriation of land, or what drives changes in institutions, or the sheer will of the Schumpeterian catalyst, economic change often appears as a result of conflict. This study has found that where market forces are slow to develop productive forces, social differentiation emerges slowly and social conflict is relatively rare. Social conflict has been found in this study to be a prime mover of historical change. Examples of this were found in changes to the marketing of cocoa in the peasant economy and maize in the settler economy. An example of slow differentiation was found in Ghana’s kente sector.

The second is that there appears to be some link between ideology and industrialisation. Without a strong political ideology, be it left-wing or right-wing, industrialisation appears to miss its spark. The study found that ideology had an impact on economic development and the stronger the ideology the greater its attraction to modernisers. Modernisation theory reinforced many of the ideologies that emphasise ‘progress’, while a misreading of evolutionary theory provided much of the language for racist ideologies. The sense of this thesis is that any ideology that reinforces a feeling of self-belief among innovators and producers may advance economic development. The main objection of this study to modernisation theory is the dualistic value it imposes by counterposing the ‘modern’ with the ‘traditional’. While ‘traditional’ is sometimes conflated with ‘out of date’ and ‘modern’ with what is hip, this puts a kind of peer pressure on underdeveloped countries to work towards adopting a lifestyle that may not automatically bring happiness.

The thesis found that in terms of both agricultural and industrial development, the Nkrumah period was the most buoyant in Ghana’s twentieth century economic history. This is in stark contrast to the common perception of this period. There is a strong case to be made for treating the cocoa production trendline as the best indicator of the health of capitalism in the Gold Coast/Ghana. Output of cocoa, Ghana’s leading foreign exchange earner throughout the twentieth century, peaked during the late Nkrumah period, only to reach comparable levels again at the very end of the century, close to 40 years later, as the research demonstrated. Manufacturing industry also enjoyed its most vibrant period during the early postcolonial period within a context of expanded physical infrastructure and human capital formation. Nkrumah’s ‘big push’ industrialisation strategy was not substantially different from
the strategy pursued in Southern Rhodesia, or elsewhere, however the settler colony could count on more entrepreneurs to pioneer industries, or to whom pioneered industries could be handed.

In this regard, the thesis found the treatment of Nkrumah’s policies as ‘socialist’ to be unhelpful, as this obscured discussion about whether economic development is by definition discontinuous, and to what extent it needs a catalyst. Moreover, it obscured the processes of differentiation that are a key characteristic of capitalist development. What was known in the early post-independence period as ‘African Socialism’ may best be understood in terms of the ideology of a pre-capitalist communalistic society rather than a post-capitalist communist one. As a philosophy, African Socialism is better explained in terms of the substantivism of Polanyi than the Marxism of Marx. But in whatever terms it is understood, the most important function of such ideology was to inspire and motivate discontinuous industrial development.

Small enterprises showed a greater resilience to the liberalised economic environment following the adoption of structural adjustment policies from the early 1980s, because of their lower input costs. Large-scale enterprises in both countries under study welcomed the end of import licence restrictions under liberalisation. However the liberalisation of foreign exchange markets increased the cost of imported spare parts and equipment, and frequent devaluations of the local currency in Ghana in particular raised the cost of overseas loans. Because of the need to continually upgrade, maintain and replace imported plant and other equipment, textile firms were caught in a spiralling cycle of debt as they tried to face international competition.

This does not mean that large-scale textile manufacturing industry cannot flourish in Africa. It does appear to mean, however, that textile production for mass markets, as opposed to small-scale production for niche markets, can only survive under current global conditions where the state has a clear set of economic priorities within which manufacturers can be supported. This kind of activity implies a developmental state.

Within the small-scale sector, the thesis found that the success of the kente weaving industry was based on the handing down through the generations of specialist skills
through a system of apprenticeships that survived into the present. Kente weavers were highly individualistic small entrepreneurs, who shared similarities with peasant farmers, notably in their high levels of ‘self-exploitation’ and resistance to proletarianisation. This individualism was more akin to peasant production than to factory production for mass markets. Although this is a capital-saving model of development, there appeared little prospect of a spontaneous progression to mass-consumption production and this implies a limited ability to raise individual incomes.

Based on the evidence gathered, the thesis concludes that production for bulk markets is unlikely to emanate spontaneously from the small-scale sector. The thesis concludes, nevertheless, that there is no true path to development. The large-scale model, like the small-scale, has its advantages and its disadvantages. The aim of international development work should therefore be not to impose policies on the developing countries of Africa, but to empower people to make informed choices about the path to development that is best for them. This implies investment in education.

The thesis concludes that whichever model is preferred, be it the large-scale or the small-scale, only the state can create the conditions to bring about industrialisation. The thesis found that all variables studied had some explanatory power. But the only variable that has the potential to affect all others is the state. The most important conclusion of this thesis is therefore that the explanatory variable in African underdevelopment is the weak African state. Logically, therefore, African development must depend on fostering a strong developmental state.
11.3 The Un-Final Word

In final conclusion of this thesis, a brief reconnection with big theory and the three controversies outlined at the beginning is in order.

Weber’s concept of a European uniqueness is unsatisfactory because it draws attention away from important factors driving productivity. It overlooks the structural weaknesses that underpin stagnation with their links to population strength, geographical endowments, historical realities, social conflicts and so on. The Weberian state is easily recognisable, but why it exists is not addressed. The Weberian approach encourages endogenous explanations at the expense of exogenous ones. As regards the controversy over which approach is better, this thesis has tried to demonstrate that all of the major theories and concepts that governed or influenced the twentieth century have provided valuable tools of analysis, and Weber is no exception. All have contributed to our understanding of economic development and need not be thrown out when a new concept or approach comes into vogue. The best approach, therefore, is the one that recognises the value in each of these ideas.

With regard to the second controversy, whether peasant farming is efficient, this thesis concludes that this is a debate that must go on. In theory, peasant farming is efficient, as Schultz convincingly demonstrated. In theory too, peasant farming cannot make Africa rich since the division of labour is much less marked in agriculture than in manufacturing, as Adam Smith demonstrated even more convincingly. Empirically, the thesis has been able to establish no firm conclusion to this debate, which needs to take place outside the polarised political framework created by Zimbabwe’s controversial land restitution programme and which can best be approached from a position of intellectual honesty and rigour.

And so finally to the biggest controversy of them all, the struggle between markets and states. This thesis found the most convincing theoretical arguments in support of state substitution for market failure to be, first, the ideas of Gerschenkron and, secondly, those of the new institutionalist economics. In the case of the latter, the greatest empirical truth was discovered through the application of North’s definition
of institutions as ‘rules’, through a probing of Acemoglu’s notion that social conflict drives changes in institutions, and by looking for the economising explanation in people’s behaviour.

In relation to the first, the thesis found much empirical evidence to support Gerschenkron’s observation that industrialisation in late developing countries is activated by the state and Amsden’s qualification that the complexities of today’s globalised economy make the problems of very late industrialisations almost insurmountable. This throws some doubt whether the Schumpeterian entrepreneur who will develop Africa’s productive forces can emerge in Africa even with a framework of state support. Nevertheless, the thesis accepts Gerschenkron’s idea that the fact of industrialisation in one country makes it politically imperative that others follow suit. Africa’s desire for industrialisation cannot properly be gainsaid with reference to a European exceptionalism.

Many of the theoretical truths attested to in the empirical investigation of this thesis led back to Marx, who has been turned into something of an outcast by the followers of Weber. Yet Marx almost always leads back to Adam Smith, and one further aspect of Adam Smith has been saved for this conclusion.

Adam Smith was the great revolutionary who wanted eighteenth century Britain to break with its mercantilist past and reach out to international markets. Yet even this celebrated champion of free markets named two exceptions to his desire for an end to protected markets. The first was in the case of defence. He accepted that the Act of Navigation, which was ‘not favourable to foreign commerce’ had given Britain a monopoly of shipping trade, involved it in ‘the most violent hostility’ with Holland, and resulted in the ‘diminution of the naval power of Holland, the only naval power which could endanger the security of England.’940 The second case where protection was warranted was in the event that foreign and domestic competition needed to be placed on an even footing in relation to taxes.941 The empirical evidence on the textile industry in the peasant and settler economies studied suggested manufacturers wanted first and foremost an even playing field. Going beyond that, it is possible to

941 Ibid.
extract from Smith’s first argument about defence a conclusion that under conditions of globalisation favouring strong players in the market and in the interests of defending its right to survive, Africa must be allowed some measure of protection for its efforts to spark industrial development.

The deeper controversy, whether non-capitalist markets, and in particular socialist markets, can exist for long, cannot be settled in this thesis. What drives human exchange if not the profit motive? Why do some human beings derive satisfaction from altruistic behaviour? We return to the Adam Smith problem. In its essence the markets and states controversy is a debate about the place of the individual in relation to the collective. Which should be subordinated to the other? The simplest answer is that neither can exist without the other.

ooOoo
APPENDICES
# Appendix 1: Hospital Returns (Gold Coast)

<table>
<thead>
<tr>
<th>Year</th>
<th>Place</th>
<th>No. Of Deaths</th>
<th>Selected Causes</th>
<th>Small Pox</th>
<th>Malarial fevers</th>
<th>Yellow fever</th>
<th>Blackwater fever</th>
<th>Enteric(typh) fever</th>
<th>Influenza</th>
<th>Beri beri</th>
<th>Meningitis</th>
<th>Dystentry</th>
<th>Diarrhoea</th>
</tr>
</thead>
<tbody>
<tr>
<td>1873</td>
<td>Cape Coast</td>
<td>31*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1875</td>
<td></td>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1900</td>
<td>Accra</td>
<td>25</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1901</td>
<td>Accra</td>
<td>91</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>90</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>43</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1902</td>
<td>Accra</td>
<td>39</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>58</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>12</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1903</td>
<td>Accra</td>
<td>33</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>47</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td>1904</td>
<td>1905</td>
<td>1906</td>
<td>1907</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elmina</td>
<td>12</td>
<td>6</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kwitta</td>
<td>12</td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1904 Accra</td>
<td>34</td>
<td>2</td>
<td></td>
<td>7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cape Coast</td>
<td>30</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elmina</td>
<td>4</td>
<td>1</td>
<td></td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kwitta</td>
<td>7</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Ulcers 2, gunshot wounds 5, bronchitis 1, hepatitis 1, fever 1, diarrhoea 5, pneumonia 3, ththisis 1, starvation 5, craw craw 7*

**Respiratory 1, abdominal viscera 4, tetanus 1, surgical 2, small pox 8, ulcers 2, gunshot wounds 5, bronchitis 1, hepatitis 1, fever 1, diarrhoea 5, pneumonia 3, ththisis 1, starvation 5, craw craw 7**

Note: The records show no occurrence of yellow fever or other endemic fevers, plague, typhoid, scarlatua, enteric or typhoid fever, erysipelas, pyaemia.

*Source: Gold Coast Blue Books 1850-1920*
Appendix 2: West African Lands Committee Evidence

Evidence given by Mr H. Conway Belfield, Governor of East Africa Protectorate (late British Resident at Perak in Federated Malay States) on 3 July 1912. The following is an extract from the discussion of his report, for which the Secretary of State for the Colonies requested him to visit West Africa.

Mr Morel: There is a point which seems to me to have a considerable bearing on our work, namely, the question of the industrial capacity of the native... You say in the report, ‘The average native of the Colony cannot be credited with energy or with any real desire to improve his position by personal exertion,’ and I would rather like to ask you whether that statement is quite reconcilable with the tremendous growth of the cocoa industry which has beaten all records in the world, and which according to Sir John Rodger has been entirely produced by native farmers. Of course we know that there are people who would like this cocoa industry taken out of native hands and given to white planters everywhere, and I think perhaps a statement of that kind by you if not challenged here might—?

—I think your view relates more properly to the native of those portions of the Eastern Province of the Colony in which the cocoa industry has made substantial headway. I am speaking of the average native of the Colony, and when you come to the Western Province and the Central Province, I am afraid that the average of industry would be very low indeed. Secondly, the amount of personal exertion which has been used even by the native of the Eastern Province in bringing his cocoa plantations to the productive conditions in which we now find them, is also relatively small. It consists usually in planting the cocoa and leaving it to take care of itself, which fortunately for the Colony the cocoa seems able to do; but so far as I have personally seen the cocoa plantations in the Eastern Province, ... it is almost difficult to discover the cocoa tree sometimes for the bushes surrounding it.

Do you not think that you may possibly have seen some very bad specimens of plantations? We have some bad farmers and good farmers in this country. If the whole of the cocoa plantations or even a considerable proportion of them, in the Colony were left in that condition, I submit it would be absolutely impossible that the cocoa industry should have reached its present figure? —I believe the action of the natives with regard to their cocoa farms is substantially improving under Government directions at the present time; of that I have no doubt, and I think the industry in connection with those cocoa farms in the Eastern Province will probably be greater in the future than it has been in the past, but I do not think the average native of the Colony is anxious to open and maintain a plantation or estate up to the standards which a European planter would expect.
60. *Chairman:* But do these questions of alienation of land arise much as between the natives themselves? Do they not arise almost entirely as between the natives and Europeans? Is there much interchange of land between the natives themselves? — I do not think so. There is a certain amount, but I think it is principally carried on, so far as the Gold Coast is concerned at the present time, in the Eastern Province where, owing to the flourishing condition of the cocoa industry and agriculture generally, native land has assumed more importance in the eyes of the people than it has in other parts of the colony.

61. I suppose that these questions have become much more frequent in proportion as the European element has increased? — I imagine so.

82-3. You suggest in your report that part of the revenues from these concessions should be used for making roads, and other purposes? —For purposes of public utility. I think it is most important.

91. The principal reason which prompted me to make that recommendation is, that I conceive it to be most undesirable that the preliminary stages of contemplated alienation should take place between the applicant and the chief without any opportunity for the representatives of the Government to become aware of or in any way to control that negotiation.

93. Yes, and then the Government having negotiated with the person, and found out exactly what he wanted, would go to the chief and negotiate with him? —Yes, and give him information which he seldom or never gets from the applicant at the present time.

96. *Chairman:* The great change which you recommend, as I understand, is the introduction of the Government, that is to say, of the executive power, at that stage? —The bringing of the Government into the matter at the very commencement.

111. *Mr Ellis:* There is nothing whatever in the Concessions Ordinance preventing a native from obtaining exactly the same rights as Europeans? —Nothing; but the problem in connection with the native agriculturist does not occur with the Government, but with his kings and chiefs. The kings and chiefs are at the present time unwilling to recognise any form of property in the land. They merely recognise the right of occupancy which they have given to the cultivator, and that right appears in most instances to be terminable at the pleasure of the chief, or at all events of the chief and his elders, and to that extent therefore the tenure of the agriculturist is uncertain.
134. New idea of better fixity of tenure to the native, but more in nature of advice to chiefs than executive act of Government. In other words, the chief is going to be advised by the Government to treat his people better than he does now? Supposing that the chief says ‘No’; where are we?

135. *Mr Wedgwood:* You would consider the chief exactly as if he was an English landlord with absolute control over the land? —That is what it comes to.

136. I must frankly say that as far as I can make out your object in making this report is to facilitate the granting of concessions to white capitalists. You think it would be to the good of this country that there should be more concessions and more exploitations? —I think it is for the good of the country that there should be more development of its natural resources and of such products as may be placed in the country by the industry either of the white man or the native.

137. That is to say more capital invested? —Yes.
138. And more land granted to whites? —Not necessarily to whites?
139. To whites or blacks? —To whites or blacks.
140. The main object, or an object of your recommendations, is really to facilitate the granting of concessions? —I have not put it in that way at all.

*Mr Morel:* I do not read the report in that way at all.

*Mr Wedgwood:* I do.

141. *Sir Frederic Hodgson:* It is a question of the conservation of the interests of the natives as much as anything else, and also the facilitating of grants of land? —My report is an effort to describe as accurately as I have been able to discover it, the present condition of things in the colony and Ashanti and to devise the broad principles of such a new system as I conceive, to be possibly the means of introducing more capital into the country and developing the resources of the country either by means of the people belonging to the country or by the enterprise of people coming from outside the colony.

305. Now I want to get back to the land question. I would like to know whether you have drawn any distinction in your own mind between the actual appropriation of vacant land by the Crown, which was what the Maxwell Bill suggested, and a general declaration of ultimate protective control over all the lands of the colony, not going as far as the Northern Nigeria Land Legislation, which placed the land at the disposal of the Government, but a declaration which, while it would state the lands to be native lands, at the same time would
postulate an ultimate protective Government control. Have you considered the feasibility of that? You see that is a very different thing from the Maxwell Bill. As far as I understand the position, the whole situation has been prejudiced by the Maxwell Bill which talked of converting all waste lands into Crown lands. That is one thing, but it is very difficult surely to issue a declaration describing all lands to be native lands, making no distinction between waste lands and occupied lands, and at the same time asserting ultimate protective Government control over them? —It is a question of degree, I think. No doubt that might be less objectionable than to declare absolute proprietorship, but I think it would be inequitable, and I do not think that the chiefs would find it any less objectionable than an actual declaration of proprietorship.

324. I agree with any proposal that will assist the people or even compel the chiefs to administer land for the benefit of their people in a way more advantageous than that which may be going on at the present time, but I object to the Government arrogating to itself such a right over the land as will include alienation. The chiefs must be consulted in every case in which it is proposed to grant a concession or occupation or ownership to anybody except to one of their own tribe.

## Appendix 3: Statistical Tables

### Table 3.1: Cocoa and Maize Output, 1900-1997

<table>
<thead>
<tr>
<th>Year</th>
<th>Ghana (000 tonnes)</th>
<th>Zimbabwe (tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1900</td>
<td>0.536</td>
<td></td>
</tr>
<tr>
<td>1901</td>
<td>0.98</td>
<td></td>
</tr>
<tr>
<td>1902</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>1903</td>
<td>2.28</td>
<td></td>
</tr>
<tr>
<td>1904</td>
<td>5.11</td>
<td></td>
</tr>
<tr>
<td>1905</td>
<td>5.09</td>
<td></td>
</tr>
<tr>
<td>1906</td>
<td>8.97</td>
<td></td>
</tr>
<tr>
<td>1907</td>
<td>9.36</td>
<td></td>
</tr>
<tr>
<td>1908</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>1909</td>
<td>20.1</td>
<td></td>
</tr>
<tr>
<td>1910</td>
<td>22.6</td>
<td></td>
</tr>
<tr>
<td>1911</td>
<td>39.7</td>
<td></td>
</tr>
<tr>
<td>1912</td>
<td>38.6</td>
<td></td>
</tr>
<tr>
<td>1913</td>
<td>50.6</td>
<td></td>
</tr>
<tr>
<td>1914</td>
<td>52.9</td>
<td>193413</td>
</tr>
<tr>
<td>1915</td>
<td>77.3</td>
<td>249568</td>
</tr>
<tr>
<td>1916</td>
<td>72.2</td>
<td>144969</td>
</tr>
<tr>
<td>1917</td>
<td>91</td>
<td>224983</td>
</tr>
<tr>
<td>1918</td>
<td>66.3</td>
<td>206658</td>
</tr>
<tr>
<td>1919</td>
<td>176</td>
<td>247119</td>
</tr>
<tr>
<td>1920</td>
<td>125</td>
<td>300371</td>
</tr>
<tr>
<td>1921</td>
<td>133</td>
<td>298375</td>
</tr>
<tr>
<td>1922</td>
<td>159</td>
<td>107774</td>
</tr>
<tr>
<td>1923</td>
<td>198</td>
<td>315974</td>
</tr>
<tr>
<td>1924</td>
<td>223</td>
<td>248570</td>
</tr>
<tr>
<td>1925</td>
<td>218</td>
<td>262359</td>
</tr>
<tr>
<td>1926</td>
<td>231</td>
<td>245576</td>
</tr>
<tr>
<td>1927</td>
<td>210</td>
<td>257279</td>
</tr>
<tr>
<td>1928</td>
<td>225</td>
<td>242673</td>
</tr>
<tr>
<td>1929</td>
<td>238</td>
<td>276693</td>
</tr>
<tr>
<td>1930</td>
<td>191</td>
<td>275241</td>
</tr>
<tr>
<td>1931</td>
<td>244</td>
<td>241222</td>
</tr>
<tr>
<td>1932</td>
<td>234</td>
<td>299191</td>
</tr>
<tr>
<td>1933</td>
<td>255.7</td>
<td>192596</td>
</tr>
<tr>
<td>1934</td>
<td>220</td>
<td>252290</td>
</tr>
<tr>
<td>1935</td>
<td>277.2</td>
<td>236777</td>
</tr>
<tr>
<td>1936</td>
<td>285</td>
<td>271341</td>
</tr>
<tr>
<td>1937</td>
<td>300</td>
<td>296651</td>
</tr>
<tr>
<td>1938</td>
<td>232</td>
<td>266260</td>
</tr>
<tr>
<td>1939</td>
<td>298</td>
<td>286672</td>
</tr>
<tr>
<td>1940</td>
<td>241.7</td>
<td>270250</td>
</tr>
<tr>
<td>1941</td>
<td>237</td>
<td>253832</td>
</tr>
<tr>
<td>1942</td>
<td>250.7</td>
<td>281047</td>
</tr>
<tr>
<td>1943</td>
<td>207.3</td>
<td>334572</td>
</tr>
<tr>
<td>1944</td>
<td>196.1</td>
<td>351808</td>
</tr>
<tr>
<td>1945</td>
<td>228.7</td>
<td>378389</td>
</tr>
<tr>
<td>1946</td>
<td>209.4</td>
<td>109000</td>
</tr>
<tr>
<td>Year</td>
<td>Cocoa Price</td>
<td>Cocoa Quantity</td>
</tr>
<tr>
<td>------</td>
<td>-------------</td>
<td>---------------</td>
</tr>
<tr>
<td>1947</td>
<td>192.1</td>
<td>85000</td>
</tr>
<tr>
<td>1948</td>
<td>210.879</td>
<td>152000</td>
</tr>
<tr>
<td>1949</td>
<td>282.826</td>
<td>135000</td>
</tr>
<tr>
<td>1950</td>
<td>251.799</td>
<td>151000</td>
</tr>
<tr>
<td>1951</td>
<td>266.418</td>
<td>116000</td>
</tr>
<tr>
<td>1952</td>
<td>215.049</td>
<td>179000</td>
</tr>
<tr>
<td>1953</td>
<td>250.939</td>
<td>253000</td>
</tr>
<tr>
<td>1954</td>
<td>213.24</td>
<td>284000</td>
</tr>
<tr>
<td>1955</td>
<td>220.819</td>
<td>254000</td>
</tr>
<tr>
<td>1956</td>
<td>232.449</td>
<td>356000</td>
</tr>
<tr>
<td>1957</td>
<td>267.914</td>
<td>305000</td>
</tr>
<tr>
<td>1958</td>
<td>209.751</td>
<td>258000</td>
</tr>
<tr>
<td>1959</td>
<td>249.415</td>
<td>273000</td>
</tr>
<tr>
<td>1960</td>
<td>322.222</td>
<td>212000</td>
</tr>
<tr>
<td>1961</td>
<td>437.304</td>
<td>305000</td>
</tr>
<tr>
<td>1962</td>
<td>415.961</td>
<td>300000</td>
</tr>
<tr>
<td>1963</td>
<td>428.84</td>
<td>436000</td>
</tr>
<tr>
<td>1964</td>
<td>427.782</td>
<td>n/a</td>
</tr>
<tr>
<td>1965</td>
<td>580.869</td>
<td>208000</td>
</tr>
<tr>
<td>1966</td>
<td>415.762</td>
<td>341000</td>
</tr>
<tr>
<td>1967</td>
<td>381.353</td>
<td>357000</td>
</tr>
<tr>
<td>1968</td>
<td>430.665</td>
<td>404000</td>
</tr>
<tr>
<td>1969</td>
<td>355.588</td>
<td>446000</td>
</tr>
<tr>
<td>1970</td>
<td>417.457</td>
<td>245700</td>
</tr>
<tr>
<td>1971</td>
<td>427.894</td>
<td>455000</td>
</tr>
<tr>
<td>1972</td>
<td>469.863</td>
<td>551100</td>
</tr>
<tr>
<td>1973</td>
<td>421.767</td>
<td>145000</td>
</tr>
<tr>
<td>1974</td>
<td>354.630</td>
<td>471000</td>
</tr>
<tr>
<td>1975</td>
<td>378.759</td>
<td>435000</td>
</tr>
<tr>
<td>1976</td>
<td>400.389</td>
<td>550000</td>
</tr>
<tr>
<td>1977</td>
<td>324.111</td>
<td>400000</td>
</tr>
<tr>
<td>1978</td>
<td>271.339</td>
<td>450000</td>
</tr>
<tr>
<td>1979</td>
<td>265.074</td>
<td>455000</td>
</tr>
<tr>
<td>1980</td>
<td>296.419</td>
<td>600000</td>
</tr>
<tr>
<td>1981</td>
<td>257.974</td>
<td>1000000</td>
</tr>
<tr>
<td>1982</td>
<td>225</td>
<td>595000</td>
</tr>
<tr>
<td>1983</td>
<td>178.626</td>
<td>285000</td>
</tr>
<tr>
<td>1984</td>
<td>158.956</td>
<td>670000</td>
</tr>
<tr>
<td>1985</td>
<td>174.813</td>
<td>1558000</td>
</tr>
<tr>
<td>1986</td>
<td>219.044</td>
<td>1348000</td>
</tr>
<tr>
<td>1987</td>
<td>227.764</td>
<td>627700</td>
</tr>
<tr>
<td>1988</td>
<td>188.176</td>
<td>1609300</td>
</tr>
<tr>
<td>1989</td>
<td>300.101</td>
<td>1188200</td>
</tr>
<tr>
<td>1990</td>
<td>295.051</td>
<td>1262300</td>
</tr>
<tr>
<td>1991</td>
<td>293.352</td>
<td>1019300</td>
</tr>
<tr>
<td>1992</td>
<td>242.817</td>
<td>115200</td>
</tr>
<tr>
<td>1993</td>
<td>312.123</td>
<td>1133600</td>
</tr>
<tr>
<td>1994</td>
<td>254.655</td>
<td>1313800</td>
</tr>
<tr>
<td>1995</td>
<td>309.456</td>
<td>399400</td>
</tr>
<tr>
<td>1996</td>
<td>403.842</td>
<td>1687000</td>
</tr>
<tr>
<td>1997</td>
<td>322.497</td>
<td>1453800</td>
</tr>
</tbody>
</table>

Sources:
Maize: see sources for Table 3.2
<table>
<thead>
<tr>
<th>Year</th>
<th>Communal tonnes</th>
<th>Commercial tonnes</th>
<th>Current Z$/tonne</th>
<th>Real 1980=100</th>
<th>Price Index 1980=100</th>
</tr>
</thead>
<tbody>
<tr>
<td>1914</td>
<td>193413</td>
<td>65,264</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1915</td>
<td>249568</td>
<td>67,589</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1916</td>
<td>144969</td>
<td>70,679</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1917</td>
<td>224983</td>
<td>86,181</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1918</td>
<td>206658</td>
<td>80,274</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1919</td>
<td>247119</td>
<td>72,413</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1920</td>
<td>300371</td>
<td>72,206</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1921</td>
<td>298375</td>
<td>77,925</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1922</td>
<td>107774</td>
<td>78,566</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1923</td>
<td>315974</td>
<td>92,479</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1924</td>
<td>248570</td>
<td>98,312</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1925</td>
<td>262359</td>
<td>99,588</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1926</td>
<td>245576</td>
<td>99,746</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1927</td>
<td>257279</td>
<td>111,726</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1928</td>
<td>242673</td>
<td>124,135</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1929</td>
<td>276693</td>
<td>136,505</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1930</td>
<td>275241</td>
<td>133,059</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1931</td>
<td>241222</td>
<td>116,137</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1932</td>
<td>299191</td>
<td>106,546</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1933</td>
<td>192596</td>
<td>106,362</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1934</td>
<td>252290</td>
<td>104,642</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1935</td>
<td>236777</td>
<td>113,241</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1936</td>
<td>271341</td>
<td>112,571</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1937</td>
<td>296651</td>
<td>117,099</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1938</td>
<td>266260</td>
<td>117,499</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1939</td>
<td>286672</td>
<td>112,584</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1940</td>
<td>270250</td>
<td>147,400</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1941</td>
<td>253832</td>
<td>107,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1942</td>
<td>281047</td>
<td>105,300</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1943</td>
<td>334572</td>
<td>145,800</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1944</td>
<td>351808</td>
<td>151,800</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1945</td>
<td>378389</td>
<td>139,300</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1946</td>
<td>109000</td>
<td>131,900</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1947</td>
<td>85000</td>
<td>80,300</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1948</td>
<td>152000</td>
<td>173,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1949</td>
<td>135000</td>
<td>125,900</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1950</td>
<td>151000</td>
<td>165,300</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1951</td>
<td>116000</td>
<td>106,700</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1952</td>
<td>179000</td>
<td>22,600</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1953</td>
<td>253000</td>
<td>214,100</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1954</td>
<td>284000</td>
<td>243,800</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1955</td>
<td>254000</td>
<td>248,100</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1956</td>
<td>356000</td>
<td>311,600</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1957</td>
<td>305000</td>
<td>342,600</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1958</td>
<td>258000</td>
<td>325,600</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1959</td>
<td>273000</td>
<td>347,100</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1960</td>
<td>212000</td>
<td>285,700</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1961</td>
<td>305000</td>
<td>539,900</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>390000</td>
<td>503,100</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1963</td>
<td>436000</td>
<td>400,400</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Maize Production</td>
<td>Maize Output</td>
<td>Price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>-----------------</td>
<td>--------------</td>
<td>-------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1964</td>
<td>n/a</td>
<td>395,600</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>208000</td>
<td>171,800</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1966</td>
<td>341000</td>
<td>601,600</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1967</td>
<td>357000</td>
<td>937,100</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1968</td>
<td>404000</td>
<td>561,700</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1969</td>
<td>446000</td>
<td>1,127,100</td>
<td>33.55</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1970</td>
<td>245700</td>
<td>839,600</td>
<td>39.16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1971</td>
<td>455000</td>
<td>1,400,500</td>
<td>34.32</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1972</td>
<td>551100</td>
<td>1,762,100</td>
<td>32.51</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1973</td>
<td>145000</td>
<td>810,400</td>
<td>29.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1974</td>
<td>471000</td>
<td>1,634,400</td>
<td>37.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1975</td>
<td>435000</td>
<td>1,328,100</td>
<td>43.52</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1976</td>
<td>550000</td>
<td>1,287,800</td>
<td>47.34</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1977</td>
<td>400000</td>
<td>1,213,300</td>
<td>51.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1978</td>
<td>450000</td>
<td>1,178,200</td>
<td>51.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1979</td>
<td>455000</td>
<td>685,000</td>
<td>60.32</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1980</td>
<td>600000</td>
<td>910,700</td>
<td>85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1981</td>
<td>1000000</td>
<td>1,833,400</td>
<td>120</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1982</td>
<td>595000</td>
<td>1,213,400</td>
<td>120</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1983</td>
<td>285000</td>
<td>624,800</td>
<td>120</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1984</td>
<td>670000</td>
<td>678,500</td>
<td>140</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1985</td>
<td>1558000</td>
<td>1,153,000</td>
<td>180</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1986</td>
<td>1348000</td>
<td>1,064,000</td>
<td>180</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1987</td>
<td>627700</td>
<td>466,000</td>
<td>180</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1988</td>
<td>1609300</td>
<td>643,800</td>
<td>195</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989</td>
<td>1188200</td>
<td>743,000</td>
<td>215</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>1262300</td>
<td>731,500</td>
<td>225</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1991</td>
<td>1019300</td>
<td>566,500</td>
<td>270</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1992</td>
<td>115200</td>
<td>245,800</td>
<td>550</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1993</td>
<td>1133600</td>
<td>878,250</td>
<td>900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1994</td>
<td>1313800</td>
<td>1,012,400</td>
<td>900</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1995</td>
<td>399400</td>
<td>440,200</td>
<td>1050</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>1687000</td>
<td>922,000</td>
<td>1200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>1453800</td>
<td>738,370</td>
<td>2400</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td></td>
<td>4200</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td></td>
<td>5200</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td></td>
<td>5500</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources:
Maize production 1914-1945: Paul Mosley 1982: 121
Notes:
Resettlement Areas included in Communal Area Totals from 1980/81 onwards.
Table 3.3: Ploughs and Maize Prices
1905-1951

<table>
<thead>
<tr>
<th>Year</th>
<th>Ploughs in Use</th>
<th>Current $/tonne</th>
</tr>
</thead>
<tbody>
<tr>
<td>1905</td>
<td>438</td>
<td></td>
</tr>
<tr>
<td>1906</td>
<td>692</td>
<td></td>
</tr>
<tr>
<td>1907</td>
<td>990</td>
<td></td>
</tr>
<tr>
<td>1908</td>
<td>1,500</td>
<td></td>
</tr>
<tr>
<td>1909</td>
<td>2,084</td>
<td></td>
</tr>
<tr>
<td>1910</td>
<td>2,794</td>
<td></td>
</tr>
<tr>
<td>1911</td>
<td>3,402</td>
<td></td>
</tr>
<tr>
<td>1912</td>
<td>3,758</td>
<td></td>
</tr>
<tr>
<td>1913</td>
<td>4,280</td>
<td></td>
</tr>
<tr>
<td>1914</td>
<td>5,075</td>
<td></td>
</tr>
<tr>
<td>1915</td>
<td>6,577</td>
<td>8.6</td>
</tr>
<tr>
<td>1916</td>
<td>9,245</td>
<td>12.02</td>
</tr>
<tr>
<td>1917</td>
<td>11,213</td>
<td></td>
</tr>
<tr>
<td>1918</td>
<td>11,960</td>
<td></td>
</tr>
<tr>
<td>1919</td>
<td>13,169</td>
<td></td>
</tr>
<tr>
<td>1920</td>
<td>14,429</td>
<td>14.33</td>
</tr>
<tr>
<td>1921</td>
<td>16,913</td>
<td>8.05</td>
</tr>
<tr>
<td>1922</td>
<td>17,574</td>
<td></td>
</tr>
<tr>
<td>1923</td>
<td>18,158</td>
<td></td>
</tr>
<tr>
<td>1924</td>
<td>19,257</td>
<td></td>
</tr>
<tr>
<td>1925</td>
<td>22,076</td>
<td></td>
</tr>
<tr>
<td>1926</td>
<td>27,584</td>
<td></td>
</tr>
<tr>
<td>1927</td>
<td>33,557</td>
<td></td>
</tr>
<tr>
<td>1928</td>
<td>39,053</td>
<td></td>
</tr>
<tr>
<td>1929</td>
<td>45,076</td>
<td></td>
</tr>
<tr>
<td>1930</td>
<td>50,189</td>
<td></td>
</tr>
<tr>
<td>1931</td>
<td>53,507</td>
<td>6.5 6s ½ d</td>
</tr>
<tr>
<td>1932</td>
<td>52,273</td>
<td>5.27 5s 3¼ d</td>
</tr>
<tr>
<td>1933</td>
<td>66,798</td>
<td>8.42 8s 5d</td>
</tr>
<tr>
<td>1934</td>
<td>71,410</td>
<td>7.65 7s 7½ d</td>
</tr>
<tr>
<td>1935</td>
<td>75,338</td>
<td>8.54 8s 6½ d</td>
</tr>
<tr>
<td>1936</td>
<td>79,015</td>
<td>8.31 8s 3¼d</td>
</tr>
<tr>
<td>1937</td>
<td>85,135</td>
<td>7.94 7s 11¼ d</td>
</tr>
<tr>
<td>1938</td>
<td>93,938</td>
<td>9.27 9s 3¾ d</td>
</tr>
<tr>
<td>1939</td>
<td>102,076</td>
<td>9.63 9s 7½ d</td>
</tr>
<tr>
<td>1940</td>
<td>101,700</td>
<td>9.85</td>
</tr>
<tr>
<td>1941</td>
<td>108,431</td>
<td>12.43</td>
</tr>
<tr>
<td>1942</td>
<td>115,688</td>
<td>13.46</td>
</tr>
<tr>
<td>1943</td>
<td>118,960</td>
<td>14.84</td>
</tr>
<tr>
<td>1944</td>
<td>121,081</td>
<td>14.08</td>
</tr>
<tr>
<td>1945</td>
<td>132,685</td>
<td>14.65</td>
</tr>
<tr>
<td>1946</td>
<td>139,705</td>
<td>17.95</td>
</tr>
<tr>
<td>1947</td>
<td>144,251</td>
<td>25.3</td>
</tr>
<tr>
<td>1948</td>
<td>150,782</td>
<td>26.05</td>
</tr>
<tr>
<td>1949</td>
<td>168,178</td>
<td>30.75</td>
</tr>
<tr>
<td>1950</td>
<td>173,690</td>
<td>38.45</td>
</tr>
<tr>
<td>1951</td>
<td>163,492</td>
<td>41.2</td>
</tr>
</tbody>
</table>

Sources: Plough data from CNC’s Annual Reports. Prices, 1940-1951 are K. Muir’s; those in s/d from Mosley. 1931-39 shillings and pence values: Mosley.

Note: The Rhodesian pound was at par with sterling until February 1970, when it was replaced by the Rhodesian dollar at a rate of £1=$2. As Muir gives a price of Z$9.85 in 1940, compared to 9s 7½ d
given by Mosley for 1939, s/d figures have been converted at a rate of £1=$2 to produce a testable time series.

### Table 3.4 Cocoa Exports and Values, 1900-38

<table>
<thead>
<tr>
<th>Year</th>
<th>Cocoa exports, 000 tons</th>
<th>Av. Value per ton fob, £</th>
</tr>
</thead>
<tbody>
<tr>
<td>1900</td>
<td>0.536</td>
<td>51</td>
</tr>
<tr>
<td>1901</td>
<td>0.98</td>
<td>44</td>
</tr>
<tr>
<td>1902</td>
<td>2.4</td>
<td>40</td>
</tr>
<tr>
<td>1903</td>
<td>2.28</td>
<td>38</td>
</tr>
<tr>
<td>1904</td>
<td>5.11</td>
<td>39</td>
</tr>
<tr>
<td>1905</td>
<td>5.09</td>
<td>37</td>
</tr>
<tr>
<td>1906</td>
<td>8.97</td>
<td>37</td>
</tr>
<tr>
<td>1907</td>
<td>9.36</td>
<td>55</td>
</tr>
<tr>
<td>1908</td>
<td>13</td>
<td>42</td>
</tr>
<tr>
<td>1909</td>
<td>20.1</td>
<td>38</td>
</tr>
<tr>
<td>1910</td>
<td>22.6</td>
<td>38</td>
</tr>
<tr>
<td>1911</td>
<td>39.7</td>
<td>41</td>
</tr>
<tr>
<td>1912</td>
<td>38.6</td>
<td>43</td>
</tr>
<tr>
<td>1913</td>
<td>50.6</td>
<td>49</td>
</tr>
<tr>
<td>1914</td>
<td>52.9</td>
<td>41</td>
</tr>
<tr>
<td>1915</td>
<td>77.3</td>
<td>47</td>
</tr>
<tr>
<td>1916</td>
<td>72.2</td>
<td>53</td>
</tr>
<tr>
<td>1917</td>
<td>91</td>
<td>35</td>
</tr>
<tr>
<td>1918</td>
<td>66.3</td>
<td>27</td>
</tr>
<tr>
<td>1919</td>
<td>176</td>
<td>47</td>
</tr>
<tr>
<td>1920</td>
<td>125</td>
<td>80</td>
</tr>
<tr>
<td>1921</td>
<td>133</td>
<td>36</td>
</tr>
<tr>
<td>1922</td>
<td>159</td>
<td>37</td>
</tr>
<tr>
<td>1923</td>
<td>198</td>
<td>33</td>
</tr>
<tr>
<td>1924</td>
<td>223</td>
<td>33</td>
</tr>
<tr>
<td>1925</td>
<td>218</td>
<td>38</td>
</tr>
<tr>
<td>1926</td>
<td>231</td>
<td>40</td>
</tr>
<tr>
<td>1927</td>
<td>210</td>
<td>56</td>
</tr>
<tr>
<td>1928</td>
<td>225</td>
<td>50</td>
</tr>
<tr>
<td>1929</td>
<td>238</td>
<td>41</td>
</tr>
<tr>
<td>1930</td>
<td>191</td>
<td>36</td>
</tr>
<tr>
<td>1931</td>
<td>244</td>
<td>23</td>
</tr>
<tr>
<td>1932</td>
<td>234</td>
<td>24</td>
</tr>
<tr>
<td>1933</td>
<td>236</td>
<td>21</td>
</tr>
<tr>
<td>1934</td>
<td>230</td>
<td>18</td>
</tr>
<tr>
<td>1935</td>
<td>269</td>
<td>19</td>
</tr>
<tr>
<td>1936</td>
<td>311</td>
<td>25</td>
</tr>
<tr>
<td>1937</td>
<td>236</td>
<td>42</td>
</tr>
<tr>
<td>1938</td>
<td>263</td>
<td>17</td>
</tr>
</tbody>
</table>

*Source: Polly Hill, 1956:132-3*
### 3.5: Estimated Tree Stock and Acreages, 1948-1973

<table>
<thead>
<tr>
<th></th>
<th>Cocoa Output 000 tonnes</th>
<th>Est. Area under active prod. (000 ha)</th>
<th>Est. Tree stock (000,000 trees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td>210.879</td>
<td>210.879</td>
<td>819</td>
</tr>
<tr>
<td>1949</td>
<td>215.049</td>
<td>282.826</td>
<td>1,099</td>
</tr>
<tr>
<td>1950</td>
<td>250.939</td>
<td>251.799</td>
<td>978</td>
</tr>
<tr>
<td>1951</td>
<td>213.24</td>
<td>266.418</td>
<td>1,035</td>
</tr>
<tr>
<td>1952</td>
<td>220.819</td>
<td>215.049</td>
<td>835</td>
</tr>
<tr>
<td>1953</td>
<td>232.449</td>
<td>250.939</td>
<td>975</td>
</tr>
<tr>
<td>1954</td>
<td>267.914</td>
<td>213.24</td>
<td>828</td>
</tr>
<tr>
<td>1955</td>
<td>209.751</td>
<td>220.819</td>
<td>858</td>
</tr>
<tr>
<td>1956</td>
<td>249.415</td>
<td>232.449</td>
<td>903</td>
</tr>
<tr>
<td>1957</td>
<td>322.222</td>
<td>267.914</td>
<td>104</td>
</tr>
<tr>
<td>1958</td>
<td>437.304</td>
<td>209.751</td>
<td>815</td>
</tr>
<tr>
<td>1959</td>
<td>415.961</td>
<td>249.415</td>
<td>969</td>
</tr>
<tr>
<td>1960</td>
<td>428.84</td>
<td>322.222</td>
<td>1,252</td>
</tr>
<tr>
<td>1961</td>
<td>427.782</td>
<td>437.304</td>
<td>1,699</td>
</tr>
<tr>
<td>1962</td>
<td>580.869</td>
<td>415.961</td>
<td>1,616</td>
</tr>
<tr>
<td>1963</td>
<td>415.762</td>
<td>428.84</td>
<td>1,666</td>
</tr>
<tr>
<td>1964</td>
<td>381.353</td>
<td>427.782</td>
<td>1,662</td>
</tr>
<tr>
<td>1965</td>
<td>430.665</td>
<td>580.869</td>
<td>2,257</td>
</tr>
<tr>
<td>1966</td>
<td>355.588</td>
<td>415.762</td>
<td>1,615</td>
</tr>
<tr>
<td>1967</td>
<td>417.457</td>
<td>381.353</td>
<td>1,482</td>
</tr>
<tr>
<td>1968</td>
<td>427.894</td>
<td>430.665</td>
<td>1,673</td>
</tr>
<tr>
<td>1969</td>
<td>469.863</td>
<td>355.588</td>
<td>1,381</td>
</tr>
<tr>
<td>1970</td>
<td>421.767</td>
<td>417.457</td>
<td>1,622</td>
</tr>
<tr>
<td>1971</td>
<td>354.630</td>
<td>427.894</td>
<td>1,662</td>
</tr>
<tr>
<td>1972</td>
<td>378.759</td>
<td>469.863</td>
<td>1,825</td>
</tr>
<tr>
<td>1973</td>
<td>400.389</td>
<td>421.767</td>
<td>1,639</td>
</tr>
</tbody>
</table>

*Source: Tree stock computed from Cocoa Board tonnages*

*Note: 1 hectare = 2.147 acres*
Table 3.6: Estimated Tree Stock and Prices, 1948-1973

<table>
<thead>
<tr>
<th>Year</th>
<th>Est. Tree stock (000,000 trees)</th>
<th>Current prices (cedis per tonne)</th>
<th>Real prices (cedis per tonne 1975=100)</th>
<th>CPI 1975=100</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td>819</td>
<td>176</td>
<td>1222</td>
<td>14.4</td>
</tr>
<tr>
<td>1949</td>
<td>1,099</td>
<td>287</td>
<td>1816</td>
<td>15.8</td>
</tr>
<tr>
<td>1950</td>
<td>978</td>
<td>166</td>
<td>917</td>
<td>18.1</td>
</tr>
<tr>
<td>1951</td>
<td>1,035</td>
<td>258</td>
<td>1240</td>
<td>20.8</td>
</tr>
<tr>
<td>1952</td>
<td>835</td>
<td>294</td>
<td>1434</td>
<td>20.5</td>
</tr>
<tr>
<td>1953</td>
<td>975</td>
<td>256</td>
<td>1300</td>
<td>19.7</td>
</tr>
<tr>
<td>1954</td>
<td>828</td>
<td>264</td>
<td>1347</td>
<td>19.6</td>
</tr>
<tr>
<td>1955</td>
<td>858</td>
<td>282</td>
<td>1432</td>
<td>19.7</td>
</tr>
<tr>
<td>1956</td>
<td>903</td>
<td>294</td>
<td>1434</td>
<td>20.5</td>
</tr>
<tr>
<td>1957</td>
<td>104</td>
<td>276</td>
<td>1333</td>
<td>20.7</td>
</tr>
<tr>
<td>1958</td>
<td>815</td>
<td>264</td>
<td>1275</td>
<td>20.7</td>
</tr>
<tr>
<td>1959</td>
<td>969</td>
<td>236</td>
<td>1108</td>
<td>21.3</td>
</tr>
<tr>
<td>1960</td>
<td>1,252</td>
<td>220</td>
<td>1023</td>
<td>21.5</td>
</tr>
<tr>
<td>1961</td>
<td>1,699</td>
<td>220</td>
<td>965</td>
<td>22.8</td>
</tr>
<tr>
<td>1962</td>
<td>1,616</td>
<td>220</td>
<td>884</td>
<td>24.9</td>
</tr>
<tr>
<td>1963</td>
<td>1,666</td>
<td>216</td>
<td>834</td>
<td>25.9</td>
</tr>
<tr>
<td>1964</td>
<td>1,662</td>
<td>198</td>
<td>678</td>
<td>29.2</td>
</tr>
<tr>
<td>1965</td>
<td>2,257</td>
<td>182</td>
<td>493</td>
<td>36.9</td>
</tr>
<tr>
<td>1966</td>
<td>1,615</td>
<td>152</td>
<td>365</td>
<td>41.7</td>
</tr>
<tr>
<td>1967</td>
<td>1,482</td>
<td>197.62</td>
<td>513</td>
<td>38.5</td>
</tr>
<tr>
<td>1968</td>
<td>1,673</td>
<td>247.35</td>
<td>595</td>
<td>41.55</td>
</tr>
<tr>
<td>1969</td>
<td>1,381</td>
<td>279.18</td>
<td>626</td>
<td>44.6</td>
</tr>
<tr>
<td>1970</td>
<td>1,622</td>
<td>293.88</td>
<td>640</td>
<td>45.9</td>
</tr>
<tr>
<td>1971</td>
<td>1,662</td>
<td>292.97</td>
<td>582</td>
<td>50.5</td>
</tr>
<tr>
<td>1972</td>
<td>1,825</td>
<td>338.18</td>
<td>610</td>
<td>55.4</td>
</tr>
<tr>
<td>1973</td>
<td>1,639</td>
<td>386.79</td>
<td>593</td>
<td>65.2</td>
</tr>
</tbody>
</table>


Table 3.7: Cocoa Exports, Values and Producer Prices, 1927-1936

<table>
<thead>
<tr>
<th>Year</th>
<th>Cocoa exports ('000 tons)</th>
<th>Av. value per ton fob, £</th>
<th>Av. price to farmer current £/ton</th>
<th>Total tons marketed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927</td>
<td>210</td>
<td>56</td>
<td>46</td>
<td>238</td>
</tr>
<tr>
<td>1928</td>
<td>225</td>
<td>50</td>
<td>47</td>
<td>207</td>
</tr>
<tr>
<td>1929</td>
<td>238</td>
<td>41</td>
<td>34</td>
<td>242</td>
</tr>
<tr>
<td>1930</td>
<td>191</td>
<td>36</td>
<td>35</td>
<td>232</td>
</tr>
<tr>
<td>1931</td>
<td>244</td>
<td>23</td>
<td>17</td>
<td>223</td>
</tr>
<tr>
<td>1932</td>
<td>234</td>
<td>24</td>
<td>16</td>
<td>212</td>
</tr>
<tr>
<td>1933</td>
<td>236</td>
<td>21</td>
<td>15</td>
<td>255</td>
</tr>
<tr>
<td>1934</td>
<td>230</td>
<td>18</td>
<td>11</td>
<td>220</td>
</tr>
<tr>
<td>1935</td>
<td>269</td>
<td>19</td>
<td>13</td>
<td>276</td>
</tr>
<tr>
<td>1936</td>
<td>311</td>
<td>25</td>
<td>15</td>
<td>285</td>
</tr>
<tr>
<td>1937</td>
<td>236</td>
<td>42</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1938</td>
<td>263</td>
<td>17</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Polly Hill, 1956: 132-3
Table 3.8: Cocoa Output and Producer Prices, 1948-1982

<table>
<thead>
<tr>
<th>Year</th>
<th>Cocoa output (000 tonnes)</th>
<th>Current prices (cedis per tonne)</th>
<th>Real prices (cedis per tonne), 1975=100</th>
<th>CPI 1975=100</th>
</tr>
</thead>
<tbody>
<tr>
<td>1948</td>
<td>211</td>
<td>176</td>
<td>1222</td>
<td>14.4</td>
</tr>
<tr>
<td>1949</td>
<td>215</td>
<td>287</td>
<td>1816</td>
<td>15.8</td>
</tr>
<tr>
<td>1950</td>
<td>251</td>
<td>166</td>
<td>917</td>
<td>18.1</td>
</tr>
<tr>
<td>1951</td>
<td>213</td>
<td>258</td>
<td>1240</td>
<td>20.8</td>
</tr>
<tr>
<td>1952</td>
<td>221</td>
<td>294</td>
<td>1434</td>
<td>20.5</td>
</tr>
<tr>
<td>1953</td>
<td>232</td>
<td>256</td>
<td>1300</td>
<td>19.7</td>
</tr>
<tr>
<td>1954</td>
<td>268</td>
<td>264</td>
<td>1347</td>
<td>19.6</td>
</tr>
<tr>
<td>1955</td>
<td>210</td>
<td>282</td>
<td>1432</td>
<td>19.7</td>
</tr>
<tr>
<td>1956</td>
<td>249</td>
<td>294</td>
<td>1434</td>
<td>20.5</td>
</tr>
<tr>
<td>1957</td>
<td>322</td>
<td>276</td>
<td>1333</td>
<td>20.7</td>
</tr>
<tr>
<td>1958</td>
<td>437</td>
<td>264</td>
<td>1275</td>
<td>20.7</td>
</tr>
<tr>
<td>1959</td>
<td>416</td>
<td>236</td>
<td>1108</td>
<td>21.3</td>
</tr>
<tr>
<td>1960</td>
<td>429</td>
<td>220</td>
<td>1023</td>
<td>21.5</td>
</tr>
<tr>
<td>1961</td>
<td>428</td>
<td>220</td>
<td>965</td>
<td>22.8</td>
</tr>
<tr>
<td>1962</td>
<td>581</td>
<td>220</td>
<td>884</td>
<td>24.9</td>
</tr>
<tr>
<td>1963</td>
<td>416</td>
<td>216</td>
<td>834</td>
<td>25.9</td>
</tr>
<tr>
<td>1964</td>
<td>381</td>
<td>198</td>
<td>678</td>
<td>29.2</td>
</tr>
<tr>
<td>1965</td>
<td>431</td>
<td>182</td>
<td>493</td>
<td>36.9</td>
</tr>
<tr>
<td>1966</td>
<td>356</td>
<td>152</td>
<td>365</td>
<td>41.7</td>
</tr>
<tr>
<td>1967</td>
<td>417</td>
<td>197.62</td>
<td>513</td>
<td>38.5</td>
</tr>
<tr>
<td>1968</td>
<td>428</td>
<td>247.35</td>
<td>595</td>
<td>41.6</td>
</tr>
<tr>
<td>1969</td>
<td>470</td>
<td>279.18</td>
<td>626</td>
<td>44.6</td>
</tr>
<tr>
<td>1970</td>
<td>422</td>
<td>293.88</td>
<td>640</td>
<td>45.9</td>
</tr>
<tr>
<td>1971</td>
<td>355</td>
<td>292.97</td>
<td>582</td>
<td>50.5</td>
</tr>
<tr>
<td>1972</td>
<td>379</td>
<td>338.18</td>
<td>610</td>
<td>55.4</td>
</tr>
<tr>
<td>1973</td>
<td>400</td>
<td>386.79</td>
<td>593</td>
<td>65.2</td>
</tr>
<tr>
<td>1974</td>
<td>324</td>
<td>486.87</td>
<td>632</td>
<td>77.0</td>
</tr>
<tr>
<td>1975</td>
<td>271</td>
<td>577.45</td>
<td>577</td>
<td>100.0</td>
</tr>
<tr>
<td>1976</td>
<td>265</td>
<td>679.22</td>
<td>435</td>
<td>156.1</td>
</tr>
<tr>
<td>1977</td>
<td>296</td>
<td>975.56</td>
<td>289</td>
<td>337.8</td>
</tr>
<tr>
<td>1978</td>
<td>258</td>
<td>1599.2</td>
<td>273</td>
<td>584.8</td>
</tr>
<tr>
<td>1979</td>
<td>225</td>
<td>3313.8</td>
<td>367</td>
<td>903.0</td>
</tr>
<tr>
<td>1980</td>
<td>179</td>
<td>3940.7</td>
<td>291</td>
<td>1355.4</td>
</tr>
<tr>
<td>1981</td>
<td>159</td>
<td>5333</td>
<td>182</td>
<td>2934.3</td>
</tr>
<tr>
<td>1982</td>
<td>175</td>
<td>1200</td>
<td>333</td>
<td>3814.2</td>
</tr>
</tbody>
</table>

Sources:
Table 3.9: African Maize Delivery Preferences, 1955-61

<table>
<thead>
<tr>
<th>Year</th>
<th>Agents, %</th>
<th>GMB, %</th>
<th>Cooperatives, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1955</td>
<td>96</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>1956</td>
<td>94</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>1957</td>
<td>93</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>1958</td>
<td>90</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>1959</td>
<td>87</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>1960</td>
<td>84</td>
<td>11</td>
<td>5</td>
</tr>
<tr>
<td>1961</td>
<td>79</td>
<td>12</td>
<td>9</td>
</tr>
</tbody>
</table>

Source: National Archives of Zimbabwe, RG-P/NAT 3.

Note: 1961 = first 8 months only

Table 3.10: Zimbabwe Population

<table>
<thead>
<tr>
<th>Year</th>
<th>African</th>
<th>European</th>
</tr>
</thead>
<tbody>
<tr>
<td>1901</td>
<td>500,000</td>
<td>11,070</td>
</tr>
<tr>
<td>1902</td>
<td>530,000</td>
<td>11,600</td>
</tr>
<tr>
<td>1903</td>
<td>562,000</td>
<td>12,140</td>
</tr>
<tr>
<td>1904</td>
<td>596,000</td>
<td>12,680</td>
</tr>
<tr>
<td>1905</td>
<td>622,000</td>
<td>13,070</td>
</tr>
<tr>
<td>1906</td>
<td>649,000</td>
<td>13,480</td>
</tr>
<tr>
<td>1907</td>
<td>677,000</td>
<td>13,900</td>
</tr>
<tr>
<td>1908</td>
<td>695,000</td>
<td>15,620</td>
</tr>
<tr>
<td>1909</td>
<td>715,000</td>
<td>18,050</td>
</tr>
<tr>
<td>1910</td>
<td>734,000</td>
<td>20,870</td>
</tr>
<tr>
<td>1911</td>
<td>752,000</td>
<td>23,730</td>
</tr>
<tr>
<td>1912</td>
<td>764,000</td>
<td>24,580</td>
</tr>
<tr>
<td>1913</td>
<td>790,000</td>
<td>25,470</td>
</tr>
<tr>
<td>1914</td>
<td>814,000</td>
<td>26,390</td>
</tr>
<tr>
<td>1915</td>
<td>822,000</td>
<td>27,340</td>
</tr>
<tr>
<td>1916</td>
<td>836,000</td>
<td>28,320</td>
</tr>
<tr>
<td>1917</td>
<td>844,000</td>
<td>29,340</td>
</tr>
<tr>
<td>1918</td>
<td>840,000</td>
<td>30,400</td>
</tr>
<tr>
<td>1919</td>
<td>840,000</td>
<td>31,490</td>
</tr>
<tr>
<td>1920</td>
<td>850,000</td>
<td>32,620</td>
</tr>
<tr>
<td>1921</td>
<td>865,000</td>
<td>33,780</td>
</tr>
<tr>
<td>1922</td>
<td>879,000</td>
<td>34,830</td>
</tr>
<tr>
<td>1923</td>
<td>893,000</td>
<td>35,910</td>
</tr>
<tr>
<td>1924</td>
<td>908,000</td>
<td>37,030</td>
</tr>
<tr>
<td>1925</td>
<td>922,000</td>
<td>38,180</td>
</tr>
<tr>
<td>1926</td>
<td>936,000</td>
<td>39,470</td>
</tr>
<tr>
<td>1927</td>
<td>967,000</td>
<td>41,430</td>
</tr>
<tr>
<td>1928</td>
<td>1,004,000</td>
<td>43,490</td>
</tr>
<tr>
<td>1929</td>
<td>1,024,000</td>
<td>45,650</td>
</tr>
<tr>
<td>1930</td>
<td>1,048,000</td>
<td>47,910</td>
</tr>
<tr>
<td>1931</td>
<td>1,081,000</td>
<td>50,070</td>
</tr>
<tr>
<td>1932</td>
<td>1,101,000</td>
<td>51,130</td>
</tr>
<tr>
<td>1933</td>
<td>1,130,000</td>
<td>52,210</td>
</tr>
<tr>
<td>1934</td>
<td>1,178,000</td>
<td>53,310</td>
</tr>
<tr>
<td>1935</td>
<td>1,223,000</td>
<td>54,440</td>
</tr>
</tbody>
</table>

392
Table 3.11: Zimbabwean GDP by Industry at Constant 1980 Prices (Z$)

<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture</th>
<th>Mining</th>
<th>Manufacturing</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>2438</td>
<td>771</td>
<td>3106</td>
<td>1798</td>
</tr>
<tr>
<td>1986</td>
<td>2241</td>
<td>784</td>
<td>3201</td>
<td>1947</td>
</tr>
<tr>
<td>1987</td>
<td>2132</td>
<td>803</td>
<td>3242</td>
<td>2007</td>
</tr>
<tr>
<td>1988</td>
<td>2393</td>
<td>790</td>
<td>3414</td>
<td>2101</td>
</tr>
<tr>
<td>1989</td>
<td>2236</td>
<td>822</td>
<td>3624</td>
<td>2250</td>
</tr>
<tr>
<td>1990</td>
<td>2435</td>
<td>830</td>
<td>3835</td>
<td>2385</td>
</tr>
<tr>
<td>1991</td>
<td>2355</td>
<td>829</td>
<td>3946</td>
<td>2465</td>
</tr>
<tr>
<td>1992</td>
<td>2075</td>
<td>806</td>
<td>3602</td>
<td>2260</td>
</tr>
<tr>
<td>1993</td>
<td>2075</td>
<td>815</td>
<td>3319</td>
<td>2081</td>
</tr>
<tr>
<td>1994</td>
<td>2407</td>
<td>897</td>
<td>3649</td>
<td>2309</td>
</tr>
<tr>
<td>1995</td>
<td>2010</td>
<td>957</td>
<td>3231</td>
<td>2081</td>
</tr>
</tbody>
</table>

Source: Ministry of Agriculture Statistical Bulletin, March 1995

Note: For additional data, contact d.a.amanorwilks@googlemail.com
Appendix 4: Background to Southern Rhodesian Textile Agreement

Background to Agreement between Industrial Development Commission and Textile Industry and Calico Printers Association Ltd. (Stamped 12 March 1947)

The Industrial Development Commission recognises and fully appreciates the outstanding results secured by the Government Cotton Station at Gatooma and the Cotton Board. These have demonstrated beyond dispute that an excellent quality in cotton can be grown in Southern Rhodesia, and a first-class cotton yarn produced. The policy of the Government, however, has been to retain the spinning of cotton yarn in its own hands, and not to permit any spinning by would-be competitors. The Commission disagrees with this policy.

The manufacture of cotton fabrics should be one of the major industries of any country which can produce good quality raw cotton. This industry is, however, very tightly organised and controlled on a world-wide scale. The Commission therefore believes that to secure economic success in this field it is essential to obtain the interest and participation of one of the larger organisations, and the principle adopted has been that every endeavour should be made to interest foreign capital (British if possible) and foreign brains and organisation. Such an organisation fully supplied with technical knowledge, and ability to obtain the right machinery, and equipped to deal with all stages of cotton processing right through to the retail market must inevitably succeed in competition with smaller but less thoroughly organised manufacturers in this field.

The Commission therefore declined to assist the weaving firm called Gatooma Textiles Limited, which is setting up a small factory on what the Commission believes to be a hopelessly inadequate basis with regard to capital, technical skill, and market facilities for both purchase and sale.’

An opportunity has now arisen for bringing the plans of the Commission to fruition. This is by means of an agreement reached in principle with the Calico Printers Association Limited, a company registered in England, but controlled on a world-wide scale, which meets the accepted policy of the Commission in every respect.

Modern capitalism, however, which is being more and more affected by government action in all parts of the world, will in general only make substantial investments provided it can be assured of a reasonable limit being placed on government interference on socialistic lines. The only practical way that capital can see of ensuring this, is by setting up co-partnership
agreements as between that capital and the government concerned. Calico Printers adheres to this general rule, and has recently concluded an agreement with the Industrial Development Corporation of the Union of South Africa on co-partnership lines on a fifty-fifty basis. Plans are almost complete for the erection of a very large factory to cover all stages in the production of cotton clothing, including spinning, weaving, bleaching, dyeing, finishing, and to some extent, printing. The Commission is satisfied that once this factory is under way, its products will compete so keenly with those of Gatooma Textiles, that it is only a question of time before the latter is put out of business unless subsidized or heavily protected, neither of which is desirable for a business so closely connected with the cost of living, and native living in particular. The opportunity, however, has occurred for Rhodesia to take part in similar development on its own account. Calico Printers is prepared to set up a similar but smaller factory in Southern Rhodesia, to be operated by a Rhodesian Company. This factory will carry out all operation mentioned in the case of the Union factory, with the exception of printing. The initial nominal capital involved is £750,000. (see attached draft of proposed agreement.)

Before the Commission can finalise agreement, however, it requires a direction from the Government as to whether or not it may proceed on the general lines laid down in the draft.

The outstanding questions are: finally, will Government authorise the Commission to participate to the extent of 49%, as suggested in Section 3 of the draft? It is possible that Calico Printers would agree to some reduction of this interest, since it can be pointed out that 51%, which is their share, gives them control, and full partnership as between Commission and Company, might be secured on a lesser participation on the part of the Commission. It must, however be accepted that if the Commission cannot be allowed to participate very substantially, then negotiations will break down. The Commission does not recommend such reductions, and holds the view that equal shares as in the Union would be the best basis. If the surrender of control of shares is acceptable to government, then the proportion might be negotiated down. However, the Commission is under the strong impression that nothing less than 40% would be acceptable to Calico Printers, and even this is in some doubt. A nominal participation will not be considered.

If, however, the Government is prepared to agree to 49%, then the Commission feels that it should endeavour to negotiate on a fifty-fifty basis. The difference between 49% and 50% is slight, but will more clearly establish a genuine co-partnership.
The second essential item is that Government should allow the new Rhodesia company, in which it will hold a heavy interest, to take over the Gatooma Spinning factory at cost, less reasonable depreciation.

The Commission therefore most urgently requests a directive from Government on these two matters which only Government can decide. In considering its action in this matter, the Commission wishes to state its firm belief that an opportunity is here presented for Southern Rhodesia to obtain a large-scale textile industry established on a sound basis, and that this is an opportunity which may not, and probably will not recur.

It is understood that there may be political difficulties. The Commission wishes to point out that this is a question of national importance and should not be a matter of dispute on party lines, but should be considered on the merits of the proposition as it stands.

It should be further pointed out that the establishment of this industry will have a very widespread effect. It will provide for immigrants of a good type, and would offer extended opportunities to Rhodesian youth, who from it may obtain most valuable foreign experience. The industry will become a buyer for many commodities, and will absorb all the cotton which Southern Rhodesia can probably produce for a very long time, and it will offer an outlet urgently required if the expansion of the electricity schemes of the Colony is to be placed on a sound basis. It is, in fact, a major operation in the economy of the Colony, and should therefore receive most careful consideration by Government.

It is agreed that there has not been sufficient time of serious considerations in detail. This can follow, but a decision on principle and in general is required now in order that further examination in detail may proceed.

If this is not forthcoming it appears probable that Calico Printers will abandon Southern Rhodesia, and will concentrate their efforts on the Union of South Africa, and will regard Southern Rhodesia as their market. If, however, the Commission may be empowered to continue negotiations on the general lines set out, it is almost certain that this industry can be secured to the Colony, together with the many corresponding advantages which would follow. A clear-cut directive on the two points mentioned is therefore most urgently requested.

Appendix 5: Government’s Attitude to the Employment of Communists

Prime Minister Nkrumah’s statement to the Gold Coast Legislative Assembly, 25 February 1954.

The Prime Minister (Dr Kwame Nkrumah): With your permission, Mr Speaker, I wish to make a statement on the attitude of the Government towards the employment of Communists in the Public Service.

I should like to quote the words which the Prime Minister of the United Kingdom (then Mr Attlee) used when addressing the House of Commons on this subject in March 1948. He said:-

‘Experience, both in this country and elsewhere has shown that membership of, and other forms of continuing association with, the Communist Party may involve the acceptance by the individual of a loyalty, which in certain circumstances can be inimical to the State.’

This warning seems to me to apply with even greater force to a young and rising nation like our own. The Government of the Gold Coast will therefore in future refuse to employ, in certain branches of the Public Service, persons who are proved to their satisfaction to be active Communists… [Administrative, Education, Labour, Information Services, Police, Army and Gold Coast Commissioner’s Office overseas.]

The Government will not tolerate the employment of public servants who have shown that their first loyalty is to an alien Power or a foreign Agency which seems to bring our country under its domination.

I would also like to add that in recent months foreign organisations have been taking an increasing interest in our affairs, as we approach the goal of self-government. Large quantities of pamphlets and magazines are being sent to this country from abroad. All of it is tendentious, and some of it is designed to stir up trouble which may obstruct or destroy our movement in this country for self-government. Again, certain persons in this country are being given free air passages to attend conferences behind what is generally known as the Iron Curtain, with all expenses paid; and scholarships are being offered for Gold Coast
students to attend conferences and seminars organised by Communistic organisations. The Government are taking measures to deal with this aspect of the matter.

In conclusion I should like to emphasise that these measures are being taken solely as a precaution and to protect the security of the Gold Coast, and not on political grounds. The Government do not seek—they have never sought—to dictate to the people what political views they may or may not hold. We believe in freedom of speech and will protect it. But I am sure that hon. Members from all parts of the House will agree that the first loyalty of all of us must be to our own country, and that the Government have the duty to protect our people from the insidious attack of those who, at the very time when we are freeing ourselves from one form of imperialism, seek to undermine and destroy us or to bind us to another which would swiftly undo all the work that has been done in recent years to foster the growth of the Gold Coast as a free and independent nation.

## Appendix 6: List of Bonwire Weavers Survey Respondents

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Age</th>
<th>Yrs of Education</th>
<th>Hours of Work</th>
<th>Days of Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Kwaku Asomaning</td>
<td>22</td>
<td>6</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>2</td>
<td>Kwame Adjei</td>
<td>27</td>
<td>9</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>Kwabena Kusi</td>
<td>26</td>
<td>9</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>Philip Adjei</td>
<td>24</td>
<td>6</td>
<td>12</td>
<td>n/a</td>
</tr>
<tr>
<td>5</td>
<td>Johnson Achina</td>
<td>25</td>
<td>12</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>6</td>
<td>Kofi Isaac</td>
<td>20</td>
<td>9</td>
<td>12</td>
<td>n/a</td>
</tr>
<tr>
<td>7</td>
<td>Kwame Acheampong</td>
<td>33</td>
<td>9</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>8</td>
<td>Kweku Duah</td>
<td>15</td>
<td>6</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>9</td>
<td>Charles Asante</td>
<td>32</td>
<td>9</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>10</td>
<td>Salisie</td>
<td>30</td>
<td>10</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>11</td>
<td>Oduro Sammuel</td>
<td>33</td>
<td>10</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>12</td>
<td>Prince Ampofo-Appiah</td>
<td>28</td>
<td>9</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td>13</td>
<td>Appiah George</td>
<td>25</td>
<td>9</td>
<td>12</td>
<td>7</td>
</tr>
<tr>
<td>14</td>
<td>Kojo Kweneboah</td>
<td>88</td>
<td>0</td>
<td>8.5</td>
<td>6</td>
</tr>
<tr>
<td>15</td>
<td>Afranie Okese</td>
<td>30</td>
<td>6</td>
<td>14.5</td>
<td>6</td>
</tr>
<tr>
<td>16</td>
<td>Yaw Oduro</td>
<td>18</td>
<td>9</td>
<td>17</td>
<td>n/a</td>
</tr>
<tr>
<td>17</td>
<td>Isaac Awusi</td>
<td>21</td>
<td>10</td>
<td>12</td>
<td>n/a</td>
</tr>
<tr>
<td>18</td>
<td>Badu Amankwah</td>
<td>40</td>
<td>10</td>
<td>10</td>
<td>n/a</td>
</tr>
<tr>
<td>19</td>
<td>Kwaku Kusi</td>
<td>34</td>
<td>10</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>20</td>
<td>Isaac Osei</td>
<td>20</td>
<td>9</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>21</td>
<td>John Kusi</td>
<td>23</td>
<td>9</td>
<td>10</td>
<td>n/a</td>
</tr>
<tr>
<td>22</td>
<td>Joseph Owusu Afriye</td>
<td>22</td>
<td>9</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>23</td>
<td>Kweku Adumako</td>
<td>18</td>
<td>9</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>24</td>
<td>Nana Kwame Gyebi</td>
<td>74</td>
<td>10</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>25</td>
<td>Kojo Kyere</td>
<td>20</td>
<td>9</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>26</td>
<td>Kwabena Amponsah</td>
<td>23</td>
<td>9</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>27</td>
<td>Frank Acheampong</td>
<td>20</td>
<td>9</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>28</td>
<td>Kwaku Duah</td>
<td>23</td>
<td>9</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>29</td>
<td>Nana Kwame</td>
<td>42</td>
<td>9</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>30</td>
<td>Kofi Yesu</td>
<td>19</td>
<td>9</td>
<td>9.5</td>
<td>6</td>
</tr>
<tr>
<td>31</td>
<td>Kweku Boakye</td>
<td>20</td>
<td>9</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>32</td>
<td>Yaw Frimpong</td>
<td>14</td>
<td>7</td>
<td>4.92</td>
<td>6</td>
</tr>
<tr>
<td>33</td>
<td>Iah Kwame Frimpong</td>
<td>12</td>
<td>4.5</td>
<td>5.33</td>
<td>6</td>
</tr>
<tr>
<td>34</td>
<td>Kwame Agyapong</td>
<td>22</td>
<td>9</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>35</td>
<td>Paa Kofi</td>
<td>18</td>
<td>9</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>36</td>
<td>Richard Bonsu</td>
<td>32</td>
<td>10</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>37</td>
<td>James Kumah</td>
<td>31</td>
<td>13</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>38</td>
<td>Kwabena Agyeman</td>
<td>21</td>
<td>9</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>39</td>
<td>Eric A. Kwarteng</td>
<td>32</td>
<td>12</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>40</td>
<td>Patrick Akwasi Adjei</td>
<td>22</td>
<td>12</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>41</td>
<td>Sylvester Okyere</td>
<td>33</td>
<td>13</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>42</td>
<td>Abraham Kwame Gyebi</td>
<td>57</td>
<td>10</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>43</td>
<td>Opoku Jerry Junior</td>
<td>20</td>
<td>12</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>44</td>
<td>Appiah Kusi</td>
<td>24</td>
<td>12</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td>45</td>
<td>Heyford Berche</td>
<td>45</td>
<td>10</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>46</td>
<td>Kwabena Ayisi</td>
<td>24</td>
<td>8</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>47</td>
<td>Philip Boakye-Ansah</td>
<td>52</td>
<td>10</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td>48</td>
<td>Robert Cudjoe</td>
<td>32</td>
<td>10</td>
<td>10.5</td>
<td>6</td>
</tr>
<tr>
<td>49</td>
<td>Sarpong Osei Boahen</td>
<td>52</td>
<td>10</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>50</td>
<td>Okyere Samuel</td>
<td>32</td>
<td>9</td>
<td>11.5</td>
<td>6</td>
</tr>
<tr>
<td>51</td>
<td>Sikayena</td>
<td>26</td>
<td>9</td>
<td>10</td>
<td>n/a</td>
</tr>
<tr>
<td>52</td>
<td>Kwame Amoah</td>
<td>45</td>
<td>10</td>
<td>12</td>
<td>6</td>
</tr>
</tbody>
</table>
SOURCES AND BIBLIOGRAPHY

A Note on Sources