

NOTES ON GHANA (SLIDES COMPILED FROM LIAZZAT J. K BONATE'S LECTURE AT CAPE HISTORY UNIT 2 WORKSHOP) AND MY NOTES- SHIVANI RAMDEO SEEPERSAD.

PANAFRICANISM

A line of thought that embraces the importance of the liberation and unification of Africa. Represents the complexities of black, political and intellectual thoughts over 200 years. It aims to encourage and strengthen bonds of solidarity. In 1957, Ghana, under the leadership of Kwame Nkrumah, became the first independent nation in Sub-Saharan Africa. During the independence celebration, on March 6, 1957, Nkrumah proclaimed that “our independence is meaningless unless it is linked up with total liberation of the African continent” Nkrumah (1957). Consequently, Nkrumah set the nation on a path to sustainable development, Pan-African consciousness, and enlightened leadership in the African world. The CPP and Kwame Nkrumah created and enhanced institutions that exposed Ghanaians to Pan-African Consciousness. The development of a comprehensive formal and non-formal education system provided individuals and the nation resources needed to manage their own affairs.¹

GHANA PRIOR TO NKRUMAH

The Republic of Ghana is named after the Medieval Ghana Empire of West Africa. The Actual name of the Empire was Wagadu. Ghana was the title of the Kings who ruled the Kingdom. Before March 1957 Ghana was called the Gold Coast. The Portuguese who came to Ghana in the 15th century found so much gold between the rivers Ankobra and Volta, they named the place Elmina (the mine). The Gold Coast was later adopted by the English Colonizers.

The educated Ghanaians had always been in the fore-front of constructive movements. Names that come into mind are – Dr. Aggrey, George Ferguson, John Mensah Sarbah Others like king Ghartey IV of Winneba, Otumfuo Osei Agyeman Prempeh I raised the political

¹ Mjiba Adeze' Frehiwot. Education and Pan-Africanism: A Case Study of Ghana, 1957-196.
<https://www.researchgate.net/publication/305463672>

consciousness of their subjects. However, movements towards political freedom started soon after WWII.

DECOLONISATION IN GHANA

- Ghana consisted of several regions. The major part was conquered by Akan region. Until 1933 Britain administered the colony through indirect rule- (leaving administration at a local level in the hands of indigenous chiefs and other traditional power structures, such as religious leaders, kings, priests, sultans, emirs and new chiefdoms etc.
- It is important to note that when Ghana achieved independence there were still kingdoms like the Ashanti, there were different ethnic groups and religions existing.
- The context of WWII forced the colonial government into action which to some extent overturned the indirect rule. For example the overseas trade became closely regulated rather than left in local hands.
- The intense pressure for the colonies to produce more goods to meet war demands led to more direct imperial control over colonial economies at the expense of local rulers.
- Schemes of Bulk Purchases
- Colonial Government caused problems of wartime interest.
- LOCAL PERCEPTIONS- the imposition of income tax and the increase of the rates of taxation and import duties.
- By 1939, the British Policy started to change
- The Development Projects- new attitude towards colonial Economic and social development.
- Lord Malcom Hailey suggested that self-determination of African colonies was inevitable and policies of indirect rule was obsolete.
- Based on what Lord Hailey said and the consequences of WWII saw the emergence of an African Elite class who began to fight for the decolonization process.
- Lord Hailey suggested that colonial rule should assume a new role as agents of developments. Development of colonies required political change. He suggested wide African participation in regional councils and administrations.

- EDUCATED AFRICANS- for Self-government the British needed the assistance of educated Africans rather than traditional rural autocracies.
- At the end of WWII Britain was not the same.
- British public opinion began to matter
- The role of the trade unions
- J.B. Danquah invited Nkrumah to take over leadership of the Party. Nkrumah was involved in the Pan-Africanist Movement, studied in the UK.

KWAME NKRUMAH (1909-1972)

He was involved in the Pan-Africanist Movement in the USA, Caribbean and worldwide. He founded a Mass-based party, the Convention People's Party (CPP) which was launched in 1949, and the party sought to convince people to take part in the Independence Movement. Nkrumah decided to change the name of the country when he came to power because he saw a lot of faction and resistance among the different chiefs. Nkrumah banned ethnic, religious and regional parties in an effort to deal with the problems of diversity and the ethnic groups. The fact that he made himself lifelong Presidency had deeper implications in terms of understanding relationship with power, influence and governance.

In 1958 the Preventative Detention Act was passed – Nkrumah became more totalitarian and threatened. Nkrumah had clear cut ideas but by his methods, there was conflict. He sought unity among people of African descent and improvement of their lives. He sought to unify the people of African descent. But he promoted African workers being exploited by organizations.

Even though he was a Pan-Africanist, he believed in Modernization- Industrialization- Development. (see Positivists History) Promoted Industry at the expense of Agriculture. He believed that citizens would acquire access to jobs and services. Nkrumah's development policies did not follow the improvement of social situations. His stiff resistance from chiefs, ethnic groups, elites and religious groups became more and more totalitarian. He had to rely on his own parties. He promoted ideas of complete independence and therefore his development policies required a lot of spending.

In addition, because Ghana was the first country to gain independence he spent a lot of time and money to help other countries in Africa to fight colonization. He wanted to offer education and healthcare to them and this meant spending a lot of money. This led to political discontent.

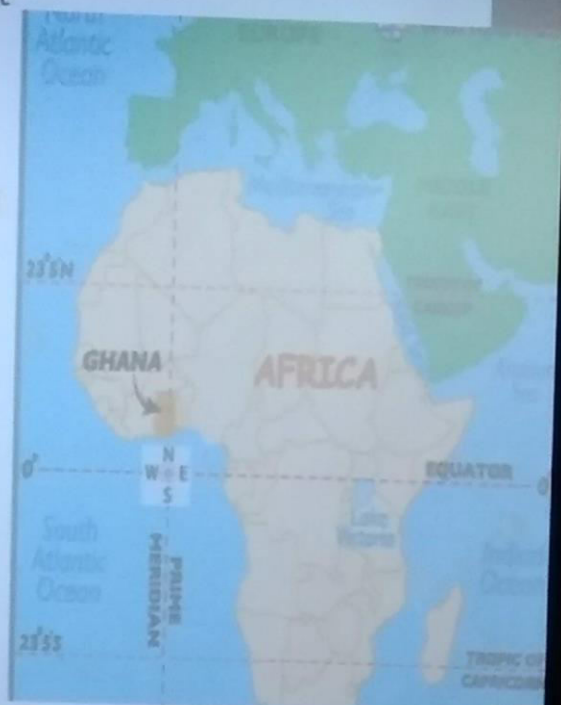
The opposition came from within the first party. There were numerous attempts on his life. He tried to diversify the economy to make amends in the following ways. During the colonial era, Ghana was one of the strongholds of the Atlantic Slave Trade. British Colonials had to develop a cash crop so they would voluntarily give up the slave trade. Cocoa was already there, so cocoa production was encouraged. Ghana was also one of the major producers of timber, based on this wealth Nkrumah built various factories. He was following the example of the Soviet Union. The factories however did not work profitably.

Even the Volta River Project was not a nationalistic Project because of Western Financial Assistance in terms of loans. The US based Volta Aluminum Company owned the Dam.

As a result of projects such as these, Ghana under Nkrumah went downhill, economically and socially. Nkrumah's authoritarian, one party system was failing, corruption was ripe and there were numerous cases of human rights violations. When Nkrumah raised Taxes, this led to even more resistance. When he was ousted, Ghana was completely destroyed, facing crippling debt. This led to the devaluation of currency among other setbacks.

Independence of Ghana

- In 1957 Ghana became the first African state to achieve independence from the colonial rule;
- The nation's Legislative Assembly became the National Assembly, headed by a prime minister;
- According to the new constitution, Queen Elizabeth II of England was to be represented in the former colony by a governor general, and Sir Arden-Clarke;
- The Native Administration system also prevailed as the powers of the regional chiefs went unchallenged;



Kwame Nkrumah (1909-1972)

- The independence was spearheaded by a nationalist party called Convention People's Party (CPP), which was launched in 1949 by Kwame Nkrumah;
- It was a mass-based party, which demanded an immediate self-government;
- The British conceded a partial self-government under 1950 constitution to the Gold Coast;
- In 1951, the elections were held and Nkrumah won a landslide victory becoming thus the chief minister but he continued to demand full independence;
- In 1954, the British conceded a full internal self-government;

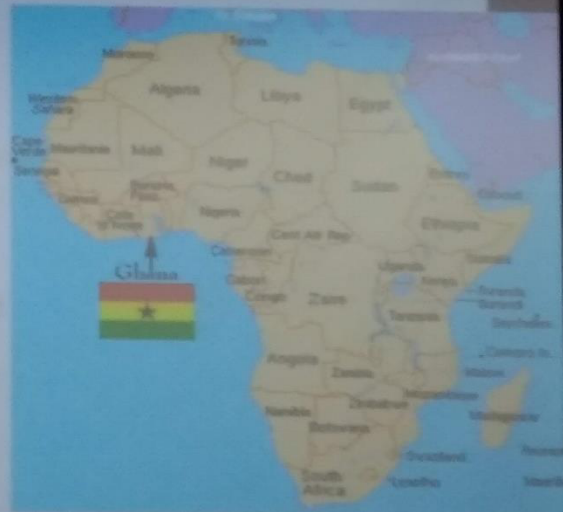


The New Legislation

- CPP declared an outright abolition of regional assemblies and Nkrumah appointed his followers to positions throughout the upper ranks of public employment;
- Deportation Act of 1957 banned ethnic, religious, and regional parties and empowered the governor general to expel persons whose presence in the country was deemed not in the interest of the public good;
- The 1958 Preventive Detention Act (amended in 1959 and 1962) gave power to the prime minister to detain certain persons for up to five years without trial.

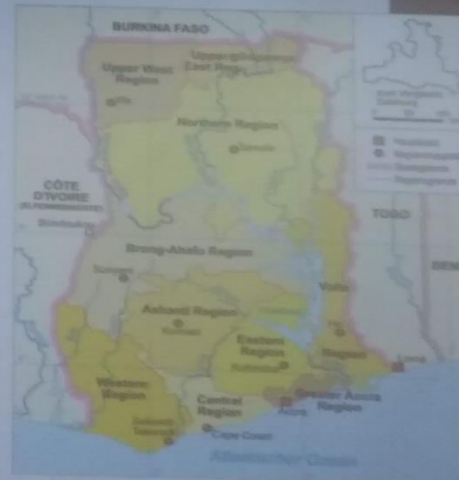
The Republic of Ghana

- On July 1, 1960, Ghana became a republic, and held first presidential election the same year;
- Nkrumah was proclaimed president for life, and the CPP became the sole party of the state;
- Using the powers granted him by the party and the constitution, Nkrumah by 1961 had detained an estimated 400 to 2,000 of his opponents;



Nkrumah's Ideology

- Nkrumah discussed his political views in his numerous writings, especially in *Africa Must Unite* (1963) and *NeoColonialism* (1965);
- Active Pan-Africanist, he sought unity among people of African descent and improvement of the lives of workers exploited by capitalist enterprises of Western countries with colonial histories in Africa;
- His government, which represented the first black African nation to win independence, had an important role to play in the struggle against capitalist interests on the continent;



Modernization, Development and Pan-Africanism

- Convention People's Party (CPP) stated that its guiding principles were social justice, Pan-Africanism, self determination, African personality and, anti-imperialism;
- Nkrumah declares that "the independence of Ghana would be meaningless unless it was tied to the total liberation of Africa";
- Nkrumah believed that rapid modernization of industries and communications was necessary and that it could be achieved if the workforce were completely Africanized and educated;

Instability and Protests

- Nkrumah's development policies inside the country and support of the Pan-African movement outside put a financial strain on Ghanaian economy, leading to the country's first austerity budget in 1961;
- This caused a widespread protests among workers and farmer the same year over taxes and benefits that were to dominate Ghanaian political crises for the next thirty years;



Opposition within CPP

- By 1961, the young and more radical members of the CPP leadership, led by Adamafo, had gained ascendancy over the original CPP leaders like Gbedemah;
- After a bomb attempt on Nkrumah's life in August 1962, Adamafo, Ako Adjei (then minister of foreign affairs), and Cofie Crabbe (all members of the CPP) were jailed under the Preventive Detention Act;
- A new court, with a jury chosen by Nkrumah, found all the accused guilty and sentenced them to death, commuted to twenty years' imprisonment;

Coup d'état

- In early 1964, in order to prevent future challenges from the judiciary, Nkrumah obtained a constitutional amendment allowing him to dismiss any judge;
- At the same time, Ghana officially became a single-party state, and an act of parliament ensured that there would be only one candidate for president;
- Other parties having already been outlawed, no non-CPP candidates came forward to challenge the party slate in the general elections announced for June 1965;
- Nkrumah had been re-elected president of the country for less than a year when members of the National Liberation Council (NLC) overthrew the CPP government in a military coup on February 24, 1966 while Nkrumah was in China;
- He took up asylum in Guinea, where he remained until he died in 1972;

Nkrumah's Economic Policies

- When Ghana gained its independence from Britain in 1957, the economy appeared stable and prosperous;
- Ghana was the world's leading producer of cocoa, with a well-developed infrastructure to service trade, and enjoyed a relatively advanced education system;
- At independence, President Kwame Nkrumah sought to use the apparent stability of the Ghanaian economy as a springboard for economic diversification and expansion;

Development

- Nkrumah believed in development associated with structural transformation, defined by the decline of agriculture and the rise of manufacturing and services;
- He began process of moving Ghana from a primarily agricultural economy to a mixed agricultural-industrial one;
- Ghana was fortunate having minerals, gold, diamonds, manganese, bauxite but European plantation had never allowed foothold;
- Nkrumah built many factories, but they did not improve the economy of the country;

Cocoa

- Nkrumah was preoccupied with catching up with the developed world;
- Using cocoa revenues as security, Nkrumah took out loans to establish industries that would produce import substitutes as well as process many of Ghana's exports;
- But the price of cocoa collapsed in the mid-1960s, destroying the fundamental stability of the economy and making it nearly impossible for Nkrumah to continue his plans;
- Pervasive corruption exacerbated these problems;
- Nkrumah was obliged to put up taxes which impacted the cost of living that spiraled upwards driving angry citizens out on the streets;
- Upon ousting Nkrumah, the country inherited a nearly bankrupt country;



The Volta River Project

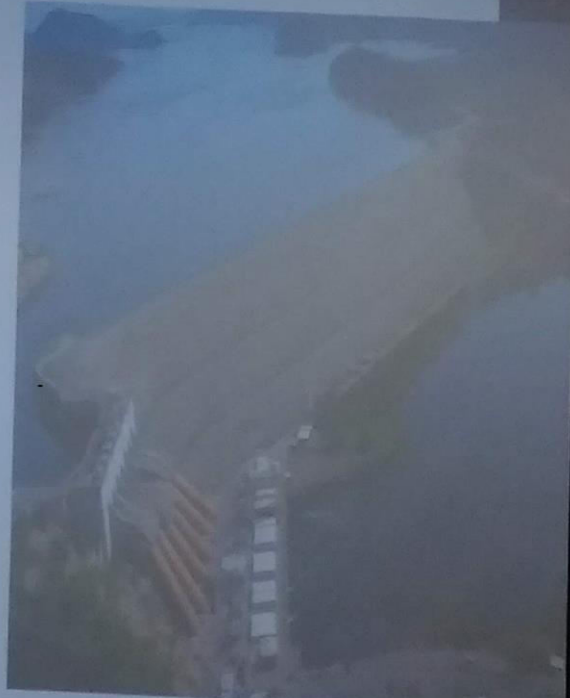
- Building a dam over Volta River was one of the colonial projects which never realized until Nkrumah took over it;
- The building of the dam was central to Nkrumah's dream of creating a modern and unified Africa built on industrialisation leading to the dam being colloquially known as 'Nkrumah's baby';
- The dam was viewed as critically important in Ghana's industrial development, providing power for industries such as aluminium smelting and manufacturing;
- The Dam, opened in 1965, represents power in dual senses of the world: 1) Nkrumah's power to consolidate his presidency and Ghana's success, 2) as well as electrical power needed to develop industry within Ghana;



President Nkrumah describes the massive Volta River Project

The Volta River Project, cont.

- However, while the Ghanaian government paid for 50% of the cost the country was only allocated 20% of the power generated;
- the other 80% went to VALCO, the Volta Aluminium Company for Aluminium, the US-owned company operating the dam;
- Thus, despite Nkrumah's dream of uniting a colonized and divided African continent, in reality the western power continued dominate Africa;
- This is particularly pertinent as 'Nkrumah's Baby' was in reality not the symbol of independence it promised to be, because the Akosombo Dam was a project not shaped by idealism, or water management priorities but powerful global actors.



The Legacy

- Ghana's economy has not improved much since the independence;
- The country was caught in a cycle of debt, weak commodity demand, and currency overvaluation, which has resulted in the decay of productive capacities and a crippling foreign debt;
- Once the price of cocoa fell in the mid-1960s, Ghana obtained less of the foreign currency necessary to repay loans, the value of which jumped almost ten times between 1960 and 1966;
- Ghana's currency, the cedi, was devalued in 1971, which further aggravated the economic situation of the country and standards of living of its citizens;

Economic Decline

- Cocoa prices languished, discouraging cocoa production altogether and leading to smuggling of existing cocoa crops to neighbouring countries, where francs rather than cedis could be obtained in payment;
- As production and official exports collapsed, revenue necessary for the survival of the economy was obtained through the procurement of further loans, thereby intensifying a self-destructive cycle driven by debt and reliance on vulnerable world commodity markets;
- Ghana's share of the world market was reduced from about one-third in the early 1970s to only one-eighth in 1982-83;
- Per capita gross domestic product (GDP) showed negative growth throughout the 1960s and fell by 3.2 percent per year from 1970 to 1981;

Decline, cont.

- At the same time, mineral production fell by 32 percent;
- Gold production declined by 47 percent, diamonds by 67 percent, manganese by 43 percent, and bauxite by 46 percent;
- Inflation averaged more than 50 percent a year between 1976 and 1981, hitting 116.5 percent in 1981;
- Real minimum wages dropped from an index of 75 in 1975 to one of 15.4 in 1981;
- Tax revenue fell from 17 percent of GDP in 1973 to only 5 percent in 1983, and actual imports by volume in 1982 were only 43 percent of average 1975-76 levels;
- Productivity, the standard of living, and the government's resources had plummeted dramatically.

Structural Adjustment Programs

- In 1981 a military government under the leadership of Flight Lieutenant Jerry John Rawlings came to power;
- Calling itself the Provisional National Defence Council (PNDC), the Rawlings regime initially blamed the nation's economic problems on the corruption of previous governments;
- Rawlings soon discovered, however, that Ghana's problems were the result of forces more complicated than economic abuse;
- Following a severe drought in 1983, the government accepted stringent International Monetary Fund (IMF) and World Bank loan conditions and instituted the Economic Recovery Program (ERP);

Economic Recovery Program

- Aimed primarily at enabling Ghana to repay its foreign debts, the ERP exemplified the structural adjustment policies formulated by international banking and donor institutions in the 1980s;
- The program emphasized the promotion of the export sector and an enforced fiscal stringency, which together aimed to eradicate budget deficits;
- The PNDC followed the ERP faithfully and gained the support of the international financial community;
- The effects of the ERP on the domestic economy, however, led to further lowering of the standard of living for most Ghanaians.