

POST-COLONIAL GHANA: FROM TRAGEDY TO HOPE

Franklin Cudjoe



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De-Colonisation: Hope Deferred

My country, Ghana, a small West African nation belongs to the club of African countries that got out of the shackles of colonialism over four decades ago, only to revert to a quasi pre-historic system of human organisation in the years immediately after independence. The very leaders who had promised paradise during the struggle for independence with chants of “we prefer self-government in danger to servitude in tranquillity” now decided to throw overboard an all-inclusive approach to managing our resources.

The spontaneous process that should harness the ‘local’ knowledge of the creative, diligent, and thrifty Ghanaian to freely create wealth was dismissed as vestiges of Western colonialism. Instead, our leaders introduced what they called the African way of social organisation, a uniquely authoritarian top-down command politics unknown to pre-colonial traditional African governance. This was matched with massive investments in state-run industry. The result was an unproductive and stunted political and economic growth as a tight control on economic activity meant death to individual entrepreneurship. Paternalism or state dependency, poverty, squalor, corruption, ignorance, confiscation of genuinely acquired properties, and widespread suppression of differing opinion became our lot.

When it became clear that their policies had failed, our leaders turned round to blame our calamitous lot on colonialism. But it

was the politicians who had clearly failed. Civilian murmurings and revolts catapulted the military into action. They seized power, hoping to apply their military skills to fixing the economy. They were worse.

I did not live through many of these events, but their ripples I felt as late as the 1990’s in my country, Ghana. I remember my parents joining long and winding queues to buy bread and other edibles to last for God-knows-when. I saw severely malnourished children live on palm kernel nuts and cassava farrine. Agriculture had failed. The hospitals were in complete disarray due to a shortage of medicine and health personnel. Education was in shambles. Our external debts were soaring. The economy was, in one word, ‘stupid’.

Thankfully, we did not go the way our neighbours went—civil war. We still had our heads on. Reform programs from the citadel of Harvard via the Bretton Woods Institutions (IMF and the World Bank) were flung in our faces. From Structural Adjustment Programmes, Programmes of Action to Mitigate the Social Cost of Adjustment, Heavily Indebted Poor Country Initiatives to a host of poverty alleviation garb made the rounds in our economics books. These reform programmes achieved little by themselves, as the aid attached to them were mere government-to-government transfers, ending up in the pockets of politicians because they were not centred on the common man in the streets.

Liberalisation Pays

One good effect of these reforms was to help open our economy to the rest of the world, since the condition for receiving foreign aid was to democratise and liberalise. After all, democracy has been said to be a market place of ideas. And after our humble steps to liberalise some eleven years ago, the result has been positive. The government understands that the knowledge required to build the assets of the poor is dispersed and can only be communicated effectively by a free and empowered citizenry. Many state-owned enterprises have been de-nationalised and sold to individuals with capital.

Many individuals now own small businesses from which they eke out a living. There is more leverage to enforcing the basic rules of contract, as our judicial system rids itself of corrupt judges and replaces longhand reporting to computerised reporting since as a friend puts it, “prosperity ships away when the rules of just conduct breakdown, because people lack the predictability needed to make long-term plans and investments”.

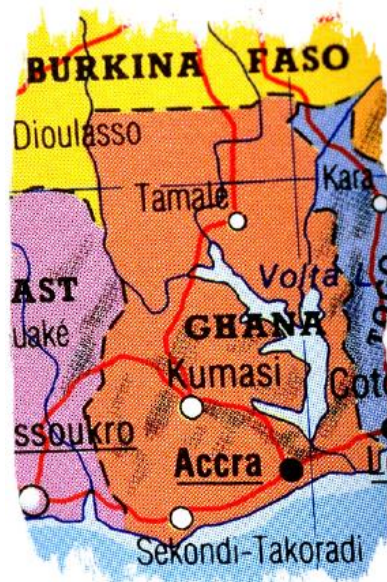
Ghanaians now know their lands can't be taken away without adequate compensation. There are 22 private radio stations in the capital Accra alone compared to 20 in London. The number of private television stations is soaring with lively debates about the economy and social issues. Many have since abandoned their black and white TV sets for coloured ones. So Ghanaians now know that there are quite civilised ways of channelling grievances, rather than through the barrel of the gun. My mother, a fish

trader, who was unable to raise a loan of \$150 from a moneylender as start-up capital thirteen years ago, could do so now because micro-credit schemes were no longer cowed into oblivion or rendered dysfunctional.

Ghana's liberalisation efforts, although in fits and starts, has been boosted by information technology. Through the use of IT, we are improving our economy's mainstay-agriculture. With the importation of advanced and superior agricultural technology, buffer stocks in maize and rice have reached record levels. Technology is being employed to compile a database of lands to establish true ownership and the same technology is helping to computerise our courts to dispense over 60,000 land cases which all stand in the way of development.

Our efforts in the garments and textile industry have been rewarded with duty-free and quota-free access to US markets. Ghana has become the eighth largest African exporter of textile-related products to the US. Garment factories are relocating to Ghana, not because labour is cheap here, but because entrepreneurs want an efficient way to produce quality products with scarce resources. As a result, idle hands have been employed, earning above par incomes and consequently increasing the standard of living of families.

There are over 230 cyber cafés in Accra alone, and many High Schools and Universities throughout the country now have computer resource centres with some connected to the World Wide Web. This is positive, as many students are improving their knowledge through Internet research



to enrich their class assignments while searching for scholarships to further their studies. Ghanaians have found the Internet, an alternative means of communicating, a significant departure from the abysmal rate of 80 persons per fixed telephone.

A dollar an hour is an incredible sacrifice but it symbolises the dire need to use information. For those in the remote areas, mobile tele centres periodically bring the beauty of IT to them. Talented drop-outs have found a niche in music recording, producing volumes of what has become known in Ghana as the 'hip-life', a rare mixture of traditional high-life music and Western hip-hop that are not only rhythmically inviting, but lyrically didactic as many tell stories of poverty and how to escape from it. Call it 'cultural imperialism' but it's creating jobs for these young ones who otherwise would have turned armed robbers and drug pushers.

In the import and export arena, a big confidence factor has been overcome in the safe delivery of goods and in revenue generation, as an automated system is in place to facilitate customs procedures. In the not too distant past, it took a month to clear a container of goods from our ports. Now it takes only two days.

The Opportunity to Learn

As we open our society, we are learning that it is possible to move from an agrarian society to do newer things that were hitherto impossible with fewer resources. The services industry is picking up and will be greatly enhanced through IT. We are realising that a true knowledge-based economy is indeed the cornerstone of economic prosperity. Knowledge of where and how human and natural resources can be harnessed can only be enhanced in a free soci-

ety, which in turn will lead to greater political freedom. That free entrepreneurial society is not utopian. It is achievable when individuals are allowed to freely make choices, engage in voluntary exchange, allowed to compete for resources, allow their innate creative instincts to innovate, while government performs its mandated role of protecting their person and lawful property.

Juxtaposing the current situation that we face with what exists in the rich West leaves us without any doubt as to why we follow this path. We have a per capita GDP of \$380 as compared to \$40,000 in America, a staggering double-digit inflation rate as compared to single digit inflation, exponentially growing tax rates as against dwindling tax rates, and government as the largest employer compared to millions of privately created jobs in America. Yet we have the identical resource responsible for the West's rise—the human mind. Its potential can only be unleashed when Ghanaians are allowed freely think.

All that needs to be done now is for our government to stop pretending to be everybody's keeper and focus on its role of providing protection for privately created wealth while enforcing the rules of just conduct. It should leave wealth and job creation to Ghanaians, and encourage individual efforts at providing superior goods to Ghanaians. A new generation of young Ghanaians needs to drum into the heads of politicians this message and I'm glad to be at the forefront.