

COMMANDING HEIGHTS

Kwame Nkrumah

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(1888-1979)

Kwame Nkrumah, the leader of the Gold Coast's movement toward independence from Britain during the 1940s and '50s, headed the new nation of Ghana following its independence in 1957 until 1966, when he was overthrown by a coup.

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In the period of [African colonial independence] the beacon country from Africa was Ghana, first to achieve independence in 1957. The new nation's most influential figure was its prime minister, later president, Kwame Nkrumah. When Nkrumah was born in 1910, Ghana was still the Gold Coast, a British colony known for its plantations and for being the world's largest producer of cocoa. Its frontiers were the result of bargains among the colonial powers—Britain, France, and Germany—that did not correspond to the historical boundaries of the kingdoms that preceded colonization, particularly the once-mighty Ashanti empire.

Nkrumah, who came from a modest, traditional family, received his early education at the hands of Catholic missionaries. He went on to train as a teacher and for a few years taught elementary school in towns along the coast. He was popular and charismatic, and earned a decent living. But exposure to politics and to a few influential figures sparked in him a greater interest—to go to America. He applied to universities in the United States, and with money raised from relatives, he set out on a steamer in 1935. He reached New York almost penniless, and took refuge with fellow West Africans in Harlem. He then presented himself at Lincoln University in Pennsylvania and enrolled; a small scholarship and a campus job helped him make ends meet.

In the United States, Nkrumah saw alternatives to the British tradition of government. He also became suffused with an acute consciousness of the politics of race relations. Unlike many new African leaders, who sought to emulate their European instructors, Nkrumah plunged into America's black communities. Founded before the Civil War, Lincoln University was America's oldest black college, and its special atmosphere inspired and comforted Nkrumah. In the summers, he worked at physically demanding jobs—in shipyards and construction at sea. He studied theology as well as philosophy; he frequented the black churches in New York and

Philadelphia and was sometimes asked to preach. He also forged ties with black American intellectuals, for whom Africa was becoming, in this time of political change, an area of extreme interest. Moving to London after World War II, Nkrumah helped organize Pan-African congresses, linking the emergent educated groups of the African colonies with activists, writers, artists, and well-wishers from the industrial countries. It was a time of great intellectual ferment, excitement, and optimism. India's achievement of independence in 1947 stirred dreams of freedom for the other colonies. "If we get self-government," Nkrumah proclaimed, "we'll transform the Gold Coast into a paradise in ten years."

Returning to the Gold Coast in 1949, Nkrumah found that India's independence had set in motion a process of gradual transfer of power in Britain's other colonies. The terms and timing were highly unsettled, and indeed would provoke conflict and violent clashes, but the basic principle of self-government was becoming the consensus. Nkrumah was dissatisfied with the existing nationalist grouping, finding it staid and conservative, overly tied to colonial business interests. With several associates he set up a new party, the Convention People's Party (CPP), in the process demonstrating his supreme organizational abilities. Within two years the CPP had won limited self-rule elections, and Nkrumah became "Leader of Government Business"—a de facto prime minister, responsible for internal government and policy. He set his sights firmly on independence. No amount of autonomy or self-rule, he argued, could match the energy, commitment, and focus of a government and people in a truly independent country. It was a precondition for growth. He summarized his philosophy in a slogan that became famous and influential across Africa: "Seek ye first the political kingdom, and all else shall be added unto you...."

Ghana's route to independence became the model for the rest of the continent. By the mid-1960s, over 30 African countries were independent and many had charismatic leaders, including Jomo Kenyatta in Kenya, Julius Nyerere in Tanzania, and Kenneth Kaunda in Zambia. Their economic views were very much those of the time, in line with the consensus among development economists. Here again, only the state could mobilize the funds and coordinate the activities of economic transformation if it was to be achieved in the leaders' lifetime—let alone during their time in office. Indeed, pessimism about markets was even greater in Africa than elsewhere. After all, the colonization of Africa had come with little regard for local education, health, or infrastructure. It was tainted with racism and contempt. As a

result, people were not equipped to participate in markets, or so it seemed. Instead, the new leaders hatched schemes for "African socialism" that could somehow combine modern growth and traditional values. "Capitalism is too complicated a system for a newly independent nation," Nkrumah argued. "Hence the need for a socialistic society." Few disagreed. It was, after all, the received wisdom of the time.

Ironically, the economic device in which Africa's new leaders invested their trust was itself a colonial invention—the marketing board, a public agency responsible for buying crops from farmers and reselling them for export. Seemingly innocuous and indeed almost boring in name, marketing boards were in fact powerful tools of control for the new governments. They were born of necessity, when the Great Depression drove down world commodity prices and the wartime boom drove them up again. African farmers lived on a shoestring and were highly vulnerable to such volatile swings in world markets. They might overplant in times of high prices and abandon crops when prices fell. Meanwhile, the state would lose both tax revenue and its ability to plan ahead. The marketing boards were set up to correct this situation. They would purchase crops at stable prices. In times of high world prices, they would accumulate a surplus of money; in times of low world prices, they would use that financial surplus to support the local price. This would protect farmers from the tumult of markets, over which they had no control. Because the marketing boards deliberately paid farmers prices other than the world-market prices, they could not function in a competitive market. Hence, they were granted monopolies. Virtually all crops for export had to go through the marketing board. This was the prevailing system at independence in almost every African country. All that varied from country to country was the exact number and range of crops concerned.

For Nkrumah and his peers, retaining the colonial marketing boards seemed the expedient, indeed the sensible, thing to do. The boards would provide the mechanism both to capture the "surplus" generated by agriculture and to raise revenues. The resources levied this way could be combined with investment and foreign aid to jump-start industrial development and the "great transformation" away from rural-based economies toward industrialization. There were some problems, to be sure. When the marketing board imposed prices lower than world prices, how would it stop crops from slipping away into a black market or crossing borders into neighboring countries? Frontiers were artificial and porous, and there was, after all, a

considerable history of long-distance African trade. Moreover, if the marketing board did accumulate a cash surplus, who would oversee its sound management and investment?

But amid the enthusiasm for independence and the overriding concern with market failure, these questions seemed of little import. Governments instead threw their energy into enlarging the existing marketing boards and creating new ones for commodities that were hitherto unregulated. They ran their economies through the boards. In Ghana, the Cocoa Marketing Board grew in size, staffing, and power. It was joined in short order by marketing boards for timber and diamonds, and a host of other state organizations aimed not only at exports but also at regulating local trade in foodstuffs, fish, and household goods. This pervasive, confident—or, as some would say, intrusive—involvement of the state in almost every aspect of investment and commerce made Ghana a case of "development economics in action."

The same confidence extended as well to the other half of the process—industrialization. Nkrumah very much believed that the "big push" was necessary and could be rapidly achieved. He harnessed his hopes to a dramatic plan for a huge multipurpose undertaking known as the Volta River Project. Ghana had large reserves of bauxite and hence the potential to become a major exporter of aluminum. But this required building a smelter and a very large dam and power plant to feed it. That, in turn, would support a national electricity grid; and the cheap, abundant power would jump-start industrialization all over the country. It was a grand vision that accorded perfectly with development theory. The dam would set in motion the "forward and backward linkages" that the economists sought, and it would give Ghana economic independence. It would also create the world's biggest man-made lake, forcing the resettlement of tens of thousands of people.

When it was all added up, the Volta River Project was the most ambitious and complicated development project of its day, and certainly one of the most prominent. It also gave rise to lengthy and arduous negotiations between the government of Ghana and its would-be partners—the World Bank, the governments of Britain and the United States, and the aluminum firms Kaiser and Reynolds, which agreed to build the smelter. Several years of frustrating discussion culminated in a series of contract documents that one participant described as the world's "most complex since Queen Marie was selling Romanian bonds."

But the deal was not yet done. As the negotiations dragged on, the stakes grew higher. Nkrumah's views were hardening, reflecting an increasing attraction to "scientific socialism" and a mounting preoccupation with control. Already in 1960, he had made Ghana a republic and proclaimed himself its president. In April 1961, he delivered a "Dawn Broadcast" in which he lashed out at "self-seeking" and "careerism," and which he used to force the resignation of potential rivals. Soon there were political arrests. He also threw out the British officers assigned to train his army.

All this occurred shortly before Queen Elizabeth II was scheduled to make a state visit to Ghana in November 1961 to celebrate the new area of decolonization. But then, after several bombs went off in the capital of Accra, sentiment mounted in Britain's House of Commons that the trip should be canceled, because it was too unsafe. Prime Minister Harold Macmillan feared, however, that cancellation would provoke Nkrumah into leaving the Commonwealth and moving into Moscow's arms. To prevent such a turn, he appealed to President John Kennedy to confirm that the United States would help underwrite the Volta River Project. When, on the eve of the queen's departure, it became apparent that the House of Commons might vote to cancel the trip, Macmillan made clear that he would resign that very evening—even if it meant having to awaken the queen. The vote against the trip did not eventuate, and the queen took off.

As it turned out, the trip was a great success. The local press in Ghana hailed the queen as "the greatest socialist monarch in the world." With the conclusion of the visit and the queen safely back in Britain, Macmillan immediately telephoned Kennedy. "I have risked my Queen," Macmillan said. "You must risk your money." Gallantly, Kennedy replied he would match the queen's "brave contribution" with his own. The United States signed on to the Volta River Project.

In the same year, Nkrumah visited the Soviet Union and returned much impressed at the pace of industrialization there. He came back with a rigid Seven-Year Plan. "We must try and establish factories in large numbers at great speed," he argued. State-owned companies and public authorities mushroomed in all fields. So did mismanagement and graft. The price was most painfully felt in the countryside as Nkrumah used cocoa revenues,

controlled by the official marketing board, to cover the growing losses of public companies. The imposition of unrealistically low cocoa prices on farmers, combined with the bloated organization of the marketing board, devastated the industry. Many farmers switched crops altogether; others found ways to smuggle their cocoa through neighboring countries, where better prices were offered. Ghana lost its mantle as the world's largest cocoa producer. Its currency reserves depleted, it fell back on barter trade and loans from the Soviet bloc.

Nkrumah became increasingly remote, preferring to focus on grand schemes of African unity than on running the country. He turned the country into a one-party state in 1964, and took to indulging in a sordid cult of personality, dubbing himself Osagyefo, "the Redeemer." It did not take long for resentment to set in. He evaded several assassination attempts. On January 22, 1966, he inaugurated the Volta Dam, proudly pressing the button that released power into the new national grid unaware that even this project would be only half a success. Ghana's bauxite mines would never be developed; the smelter found it more economic to process bauxite imported from Jamaica. The inauguration would be his last moment of glory.

On February 24, as he stopped in Burma on his way to China at the start of a grand tour aimed at solving the Vietnam conflict, army officers intervened at home and took power. "The myth surrounding Kwame Nkrumah has been broken," announced an army colonel on the radio. Nkrumah did not learn of the coup until he arrived in China. Premier Zhou Enlai, unsure of the protocol to follow, went ahead and hosted an eerie state banquet in his honor. Nkrumah ended up taking up exile in Guinea, where another experiment in "African socialism" was in progress. Guinea's president, Sekou Toure, his own rule increasingly repressive and arbitrary, endowed Nkrumah with the title of "co-president." Nkrumah made regular shortwave broadcasts to Ghana, published ideological treatises, and plotted a triumphal return to power until he grew ill and died in 1972, still in exile. The "political kingdom" had crumbled as fast as it had been built. "The Redeemer," who had once inspired a continent, had fallen far from grace.

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