

ECONOMIC POLICY AND THE DISTRIBUTIVE SYSTEM
IN GHANA - 1960-1966

by B. Beckman*

This study in progress concerns the impact of government policy on the distribution of income, social services and consumption opportunities in Ghana during the republican phase of the Nkrumah government.

Distribution of income, including the effects of taxation, is examined in relation to (1) patterns of economic activity (employment, production sector, occupation), (2) the distribution of access (ownership or control) to resources (capital, education, political authority), and (3) community membership (urban/rural, metropolitan/provincial, South/North).

The distribution of social services is examined in relation to community membership, income, economic activity and access to resources.

The distribution of consumption opportunities, by which is meant the relative availability and costs of consumer goods demanded by different social groups, is examined in relation to different consumption patterns, income, economic activity, access to resources and to community membership.

In analysing the policy instruments, through which the government's impact on the distributive system was exercised, the following main categories are examined: (1) the provision of public services, (2) the imposition of taxes, (3) direct government participation in production and trade, (4) the provision of public employment, (5) government purchases of goods and services, (6) the imposition of controls (imports, foreign exchange, prices, wages, credit), and (7) the foreign economic policy of the government.

It is hoped that the study will illuminate the structure and process of the Ghanaian distributive system and its pattern of social stratification and that it will contribute to the evaluation of the policies of the Nkrumah government.

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My studies in Ghana, which are sponsored by the Scandinavian Institute of African Studies, Uppsala, Sweden and the Faculty of Social Science, University of Stockholm, have been in progress since February 1967. The first year in Ghana has been mainly devoted to a preliminary survey of the development of the public sector and the government control system.

I have presently embarked on a series of investigations of the impact of government policy on the income distribution within each of the major sectors of economic activity, starting with the cocoa industry. The amount of field survey work which will be undertaken will depend on the quality of the information available from government sources and from previous studies.

As for cocoa, the aggregate income and taxation of the farmers can be easily established. Big differences in output between individual farmers makes it important to go beyond the aggregate figures. It is hoped that the purchasing records of the former Farmers' Council, co-operative societies will provide a useful source for this purpose. Such data can be matched against information available in the sample surveys of cocoa producing families undertaken by the then Office of the Government Statistician in 1955-57 and in Polly Hill's numerous and only partly published studies. The development of the income of the farm labourers will require special investigation.

I hope to be able to continue my research in Ghana up to Summer 1970.