

BOOK REVIEW ESSAY

Putting Orthodox Economics to the sword:
Franklin Obeng-Odoom's contribution

Property, Institutions, and Social Stratification in Africa

by Franklin Obeng-Odoom,
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At long last we have a political economist, one of us, who understands us, knows our problems and sincerely articulates what can be done to create the societies we long for in Africa. In *Property, Institutions and Social Stratification in Africa*, Franklin Obeng-Odoom has put orthodox economics and neoliberal capitalism to the sword. But more importantly, he has laid a solid foundation for a new and better political economy of Africa's development. The message is simple: mainstream economics is suspect for not only diagnosing the development problem wrongly, but as a western project intended to distract any inquiry into the true sources of the problem. Methodologically, Stratification economics is the better alternative for studying inequality as a development issue in the global south. The ideas in Obeng-Odoom's book should be taken seriously by students, researchers and policy makers interested in Africa and African development.

Property, Institutions and Social Stratification in Africa is a timely, well-organized, comprehensive analysis of inequality in particular and development broadly, in Africa by an author who is well-placed to reconstruct African political economy. Prof. Franklin Obeng-Odoom is renowned for his extensive research career and books such as *Oiling the Urban Economy*, *Governance for*

Akolgo: Review of 'Property, Institutions, and Social Stratification in Africa' by Obeng-Odoom Pro-poor Urban Development and Reconstructing Urban Economics: Towards a Political Economy of the Built Environment. But his current book, *Property, Institutions and Social Stratification in Africa* is a watershed in the discourse on inequality in the global south.

So what is the book all about? Obeng-Odoom's message is simple: the existing literature offers simplistic, problematic and distractive explanations to development in the global south and particularly Africa. This thesis is deconstructed in eight chapters organized in three parts.

In part one the author argues that mainstream development economics' research on inequality has largely ignored the global south which he defines not only to mean the countries of Africa, Central and Latin America, the Pacific and Caribbean Islands, and most of Asia, but "in a broader sense to include those social relations in the Global North that resemble or shape conditions that pertain to the geographical Global South" (p.3). Even Thomas Piketty's *Capital in the 21st Century* pays no attention to the global south. Furthermore the mainstream research is rich in robust data and mathematical models but neglects issues of class, race, gender, space and the intersectionality of these constructs. The persistent and pervasive poverty and inequality in Africa, the author observes is often explained by mainstream economists as a function of insufficient human capital, shortage of physical capital and natural problems – a culture of poverty. It is this line of thinking that birthed the resource curse thesis. While acknowledging longstanding criticism of mainstream development economics for being Eurocentric and America centric about what the good society is, he argues strongly that: "the problem is not just that the mainstream relies on problematic concepts and unreliable official statistics; it neglects issues of rent, space and energy." What is worse? The mainstream succeeds in "diverting attention from investigations that would liberate the continent" (p. 284).

Stratification Economics, the approach the author proposes as a better alternative to diagnosing the development puzzle in Africa is crucial to thinking of inequality in terms of race, gender and space. I believe the author could have chosen no better method to analyzing inequality in the global south than that used by stratification economists. Unlike neoclassical economics which has explained poverty and inequality as a consequence of individual choices, actions and a culture of poverty, stratification economists (notably William Darity 2005, 2003) argue that structural and intentional processes create socioeconomic inequalities.

By aligning with the stratification economics approach, the author seamlessly unpacks the structural processes such as colonialism, neocolonialism and neoliberal capitalism that creates, sustains and perpetuates poverty and inequality in the global south. More importantly, the structuralist approach of Stratification Economics ensures we account for the influence of history, gender, race and geography on stratification in Africa. It makes no sense, for instance in analyzing poverty and inequality in the United States of America without accounting for the significant influence of race just as it does not, in studying wealth gaps between black and white South Africans without recourse to colonial land ownership policies that bequeathed more land to the latter. In the same way any discourse about the relative underdevelopment in Northern Ghana must account for the colonial and post-colonial exploitation of the north as a source of cheap labour.

The author proceeds in the second part of this book to argue that the economics theories proposed to address the development problem in the global south are equally unsatisfactory, and rightly so. Of course growth theories promoting human capital have been criticized as simplistic in glorifying the importance of education in a free market system. Prof. Obeng-Odoom has demonstrated empirically, contrary neoclassical growth models, that productivity and wages are not necessarily a function of education and technology.

In spite of the increased levels of education, the ensuing employment levels and returns on employment have been substantially lower than expected and different from what is predicted by orthodox theory of human capital... many local workers have missed out... women have remained at the margins of oil work. The concept of human capital in a minerals society embodies many socio-economic contradictions and, if at all, increased education and experience have led to widening, not declining, social stratification in Africa (p.155).

Finally in Part III, the author considers alternatives that will work. Socialism is not bad, but Africanism (better still African socialism) is the way forward. In all, Prof. Obeng-Odoom has once again proven why he is one of the leading voices on African political economy.

I identify with all the arguments raised by the author except to say that I think he could have drawn also from Nkrumaism – the pan Africanism associated with Kwame Nkrumah, first president of Ghana and an African icon. Given that Obeng-Odoom's work is centered, ultimately on decolonizing political economics research in the continent, Nkrumaism would have been a unique African socialist ideology to draw from. Nonetheless, I view Obeng-Odoom's

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work as a creative destruction of the prevailing neocolonialist, imperialist theses about Africa's underdevelopment. We see the wicked and distractive neoliberal discourse about Africa in its changing imagery between afro-pessimism and afro-euphoria. In the colonial and immediate post-colonial project, backwardness, resource curse, poor growth, political instability, hunger and sheer hopelessness, were justifications of a pessimistic view of Africa. Not that any one denies that Africa had and still has its own development challenges, but those challenges are not peculiar to Africa, and if they are, multiple variables (colonialism been a major factor) influence the results. When pessimism lost appeal because the evidence had become so preponderant and contradictory to the imperialist propaganda, afro-optimism was introduced to obfuscate the inquiry into Africa's development trajectory. A hopeless continent suddenly became a rising continent. *Property, Institutions and Social Stratification in Africa* has further exposed mainstream development economics for promoting the western neocolonialist project of sustaining and aggravating Africa's underdevelopment. In place of this, the book offers a plausible, pragmatic and progressive thesis – African political economy must resort to Africanisms.

In Obeng-Odoom we have an astute political economist who is not lost in jargons and mathematical complexities that make little contribution to addressing developmental problems in the global south, particularly Africa. Page after page of pragmatic and sincere analysis of development in the global south sets this book apart. For so long many experts in Africa and elsewhere have complained about Eurocentric and America centric writers and ideas but have failed to contemplate comprehensive ways to understanding and managing our economies. Franklin Obeng-Odoom has filled this gap in *Property, Institutions and Social Stratification in Africa*.

About the reviewer

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