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## BOOK REVIEW

**Adventure Capitalism: Globalization and the Political Economy of Stock Markets in Africa.**  
Todd Moss. New York: Palgrave Macmillan, 2003. 202pp.

The story of how African states abandoned the state-led economic policies pursued during the 1960s and 1970s, and moved to adopt market orientated structural adjustment policies in the 1980s and 1990s has been the subject of a large and voluminous literature. However one aspect of this – the emergence of stock markets – has been relatively under-explored and what has been written has tended to fall into one of two camps. The first has been authored by those professionally involved in the financial sector and has tended to focus on the new investment opportunities that the emergence of these markets has given rise to. In the other camp are a range of more technical studies focusing on issues within financial economics. By contrast, issues relating to the political economy of these stock markets and questions such as why they have been created, by whom and for whose benefit, have received less attention.

Todd Moss's book does a good job in redressing some of these previous omissions. Having provided an overview of the development of these stock markets in chapter one, Moss goes on to spend two chapters looking at the reasons for their creation before exploring the actual and potential consequences in a further three chapters. The book ends with a concluding chapter which suggests that while stock markets offer no panacea for economic development, they have the potential to make a positive contribution so long as a range of prerequisite conditions can be put in place. Whether or not this is the case will depend not so much on the internal dynamics of the stock markets themselves, but rather the wider political and economic environments in which they operate.

As Moss notes, there are now fifteen stock exchanges across sub-Saharan Africa, the majority of these having been established since 1989. Despite this, established patterns remain resilient, with South Africa's Johannesburg Stock Exchange (the oldest on the continent) continuing to dwarf the combined size of all the rest. This may of course change in the future, and Moss sees the potential for moderate growth in the capitalization and turnover of the newer markets, but it will certainly take some period of time for this pattern to change.

Generally, I found the earlier parts of the book to be the more engaging. For example, in chapter three, Moss explores the 'political logic of stock markets' and develops an interesting line of argument on the symbolic nature of these institutions. From this perspective, they can be seen as a 'low cost' reform which nevertheless demonstrates to the international business and donor communities the commitment of a country to engage in the international market economy. However, they can also be seen as yet another high profile 'white elephant' project, aimed at impressing foreign visitors but providing little practical benefit to local people. In exploring these questions, Moss draws on a range of interviews that he conducted in the course of his research, with policy makers, business people and investors. Together they begin to paint a picture of the complex and sometimes contradictory ways that market capitalism is imagined by these actors and the role within it which they see for both themselves and each other.

As with all books which aim to cover the breadth of the African experience, there is a balance to be struck between the coverage of different individual countries and broader comparative observations. At the start, Moss declares that his primary focus is on Ghana (justified as being "relatively typical among African bourses owing to its size, liquidity, age and other features") and this remains his lead case study throughout the book. This does not stop Moss from providing the reader with useful insights and illustrations drawn from other stock markets from across the continent – such as Mozambique, Ethiopia, Botswana and Zimbabwe – which enrich the study. However, as this proceeded, I began to feel that the central focus on Ghana was slipping into the background, to be replaced by a more cross-continental and in places global coverage. While this did provide interesting insights, I did feel that I gained more of an insight from the in-depth country based sections.

Notwithstanding these points, I feel that overall it was a good book that begins to address a gap in the existing literature. When it does not provide the whole answer to the questions it raises, it certainly

provides the reader with a good range of raw materials to start thinking about how to address these issues and a good knowledge of the strengths and limitations of the existing debates.

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