

Chapter 2

CAMEROON: A HISTORICAL BACKGROUND

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This Chapter provides an overview of the political and socio-economic profile of the Republic of Cameroon. The chapter discusses the historical background of the Republic of Cameroon from its discovery by a Portuguese to its independence from Britain and France in the 1960s. It also includes an overview of the developmental state of the country and uses data from as far back as 1996 to examine the trends in the country's political and economic environment.

2.1 A BACKGROUND OF CAMEROON

Cameroon⁵⁰ is a unitary state found in the central part of Africa, precisely around the Gulf of Guinea. This country which emerged in 1961 after the former British Cameroon voted to join the French part is also called *Africa in miniature* because of its geographical and cultural diversity and is regarded to be of utmost importance to the security of the region⁵¹. It shares frontiers with other CEMAC member states⁵² and in the West by Nigeria and the Atlantic Ocean⁵³. With Yaoundé as its capital city and a population of approximately 19.60 million inhabitants, the Republic of Cameroon is a 475, 440 km² area consisting of ten regions which are made up of Sahel regions, highlands, northern plains, and tropical forests⁵⁴. The highest point in the region is Mount Cameroon, also known as the highest mountain in

⁵⁰ It is however known today as the Republic of Cameroon.

⁵¹ Despite its economic status in the region, Cameroon acts as a gateway and a link to other landlocked countries in the region.

⁵² CEMAC member states here refer to: Central African Republic, Chad, the Republic of Congo, Equatorial Guinea, and Gabon.

⁵³ See Figure 2.1

⁵⁴ Formerly known as provinces, these ten regions include: the Far North, North, Adamawa, Littoral, Northwest, Southwest, West, Centre, East, and South.

the Africa) and its largest cities include: Douala, Yaoundé, and Garoua (see Figure 2.1). This country is also renowned for its native genre of music, its national team, and ranks 150 on the UNDP Human Development Index.

Figure 2.1: A Detailed Map of Cameroon



Table 2.1: General Characteristics of Cameroon, 2011

Capital City	Major Languages	Land Area (in km ²)	Natural Resources	Population (in Millions)	Main Trading Partners
Yaoundé	English, French	475,440	Petroleum, Bauxite, Iron Ore, Oil, Cocoa, Coffee, Timber, Hydropower	19.60	Belgium, China, France, Germany, Italy, Netherlands, Nigeria, South Korea, Spain, U.K., and U.S.

Sources: 2010 estimates adapted from the CEMAC Official Website (www.cemac.int), the World Bank, *World Development Indicators 2010*, and the Central Intelligence Agency World Fact Book (www.cia.gov)

The Republic of Cameroon has been blessed with very fertile soil and features a wide range of natural resources such as Petroleum, Bauxite, Iron Ore, Oil, Cocoa, Coffee, Timber and Hydropower, as well as human and labour resources⁵⁵. Additionally, it is the regional economic hub and an investment choice for foreign companies given its unlimited access to the sea, large potential market, improvements in regional transport links, increased liberalization, and the creation and growth of new sectors in the economy⁵⁶.

Cameroon's history can be compared to that of other African countries because although its history goes as far back to prehistoric times, this territory was only discovered around 1472 by Portuguese colonialists who were already settled in Malabo in Equatorial Guinea⁵⁷. However, because of the infestation of mosquitoes at the time, these Portuguese colonialists could not settle in the region, leaving the territory free of any European influence⁵⁸. It was later occupied by the Germans after the British Hewett arrived late, however, after their defeat in the First World War, the Germans were forced out of Cameroon and the British and French went on to partition the country following an agreement made in

⁵⁵ See Table 2.1

⁵⁶ For more details on this, see the U.S. Department of State Background Note, (accessed on December 11, 2011), [available at: <http://www.state.gov/r/pa/ei/bgn/26431.htm>]

⁵⁷ They travelled to the region through the river Wouri and named this river “*Rio dos Cameroes*”, which means River of Prawns.

⁵⁸ For more details on this, see the U.S. Department of State Background Note, (accessed on December 11, 2011), [available at: <http://www.state.gov/r/pa/ei/bgn/26431.htm>]

March 1916.⁵⁹ This agreement was later converted into a two League of Nations Trusteeship mandate in 1922 following the France and Britain's failed attempts to integrate the territory into their existing colonies. This League of Nations mandate gave France control over 80 per cent of Cameroon's territory and its people, and Britain was mandated to govern the rest⁶⁰.

French Cameroon later gained its independence from France on January 1, 1960 and became the republic of Cameroon. However, British Cameroon gained its independence later and united with the former French Cameroon in 1961 to form the Federal Republic of Cameroon⁶¹. This unified territory was later renamed to the United Republic of Cameroon on May 20, 1972 and finally to the Republic of Cameroon in 1984.⁶²

2.1.1 Political Profile⁶³

Following its independence in January 1960, Cameroon experienced a plebiscite in 1972 during which the French and British Cameroons came together to form a unitary republic, thus replacing the federal republic which was in place at the time. This new unitary government later became a republic, giving rise to a strong central government which is

⁵⁹ see the U.S. Department of State Background Note, (accessed on December 11, 2011), [available at: <http://www.state.gov/r/pa/ei/bgn/26431.htm>]

⁶⁰ Britain later divided their 20% into Northern and Southern Cameroons, and governed them separately.

⁶¹ Refer to the U.S. Department of State Background Note, (accessed on December 11, 2011), [available at: <http://www.state.gov/r/pa/ei/bgn/26431.htm>]

⁶² Ibid.

⁶³ Cameroon's political history can be divided into four main periods: the period of complete dependence on colonial powers which occurred between 1884-1945, the period of democracy around 1945-1960/1 during which Cameroonians started learning about democracy, the period of independence which occurred in 1960, and the period of revolution which started on May 20, 1972. For a detailed analysis, see the U.S. Department of State Background Note, (accessed on December 11, 2011), [available at: <http://www.state.gov/r/pa/ei/bgn/26431.htm>]

highly dominated by the president⁶⁴. This centrality gives the president the authoritative rule over other executive members of the government⁶⁵.

The political setting in Cameroon currently has 239 political parties⁶⁶ and with the legalization and establishment of opposition parties in 1990, democracy has been a key mission to President Paul Biya's administration since its succession to the presidency in the early 1980s. However, despite the fact that the country is said to be run like an autocracy⁶⁷, Cameroon has also witnessed a relatively stable political climate from its independence and through several years, with the exception of the 2008 riots which saw people protesting against the high standards of living⁶⁸. According to the African Development Bank 2010-2014 country profile, the political landscape of Cameroon has not experienced any significant changes and the ruling party still accounts for over 80 per cent of parliamentary seats⁶⁹. The Bank⁷⁰ further states that the main political developments which have occurred include: (i) *pursuit of the decentralization process through the enactment of the law on the orientation of decentralization and the holding of the partial municipal elections in 2008*; (ii) *the April 2008*

⁶⁴ The Republic of Cameroon has had two presidents since gaining its independence in 1960. The first was former President Ahmadou Ahidjo who governed the country from May 5, 1960 to November 6, 1982 and resigned due to health complications. The second is President Paul Biya who came into power in November 6, 1982 to present following his 2011 presidential elections victory by 77.9%.

⁶⁵ The executive members in this case refer to every executive government official such as the prime minister, ministers, judges, governors of the various regions, generals and other government officials. For more details on this, see the U.S. Department of State Background Note, (accessed on December 11, 2011), [available at: <http://www.state.gov/r/pa/ei/bgn/26431.htm>]

⁶⁶ Only five of these parties are represented in the National Assembly. They are: the Cameroon People's Democratic Movement (RDPC), the Social Democratic Front (SDF), the National Union for Democracy and Progress (UNDP), the Democratic Union of Cameroon (UDC), and the Progressive Movement (MP).

⁶⁷ In an autocratic government, the president exercises power over his political party, the government, the economy, and the judiciary.

⁶⁸ For a detailed account of these events, refer to the African Development Bank, 2009: 2

⁶⁹ *Ibid.* p.2

⁷⁰ The Bank in this case refers to the African Development Bank.

*revision of the Constitutional Law ending the limit on the Presidential terms; (iv) the 14 August 2008 implementation of the decision on the handover of the Bakassi Peninsula by Nigeria; and (v) the appointment of a new Prime Minister since 30 June 2009.*⁷¹

2.1.2 Socio-Cultural Profile

Cameroon has a population of about 19.6 million inhabitants which makes up for 1.92 per cent of the African population. Forty five per cent of its inhabitants are considered to be urban, while 55 per cent are rural⁷². With a current annual GDP growth rate of about 4 per cent and a population growth rate of about 2.16 per cent per annum, the economy is strained and as much as 39.9 per cent of its population live in poverty with 87 per cent of these poor living in rural areas⁷³ (see Table 2.2).

Because of its French and English colonial history, this country is also considered a bilingual country with its population speaking both English and French⁷⁴, however, these two languages only account for 1 per cent of the total population, with the other 99 per cent speaking over 250 ethnic languages⁷⁵.

⁷¹ African Development Bank, 2009: 2.

⁷² See the Central Intelligence Agency World Fact Book, (accessed on January 4, 2011), [available at: www.cia.gov]

⁷³ Cameroon Economic Update. (2011) "Time for the lion to Wake Up? An Economic Update on Cameroon: With a focus on Telecoms," *Poverty Reduction and Economic Management Unit Africa Region*, January 2011, Issue No. 1, p. 3

⁷⁴ English is spoken in the South West and North West regions, while French is widely used in the eight Northern regions.

⁷⁵ For a more detailed analysis, see the Central Intelligence Agency World Factbook, (accessed on January 4, 2011), [available at: www.cia.gov]

In terms of religion, a 40 per cent of the population are said to be Christians, another 40 per cent practice an indigenous religion, while the remaining 20 per cent are Muslims⁷⁶. Additionally with a life expectancy rate of 51 years, Cameroon also has a significantly better health and educational system in comparison to the rest of the region⁷⁷. Furthermore, women are gaining much more respect and recognition in the country. Evidence of this occurred in July 22, 2007 after the legislative elections at the National Assembly where 23 women were elected into parliament and 6 women were delegated ministerial positions⁷⁸.

2.1.3 Economic Profile

Although Cameroon is today known as a low-income economy, it was considered to be a fairly stable economic state in the early 1980s⁷⁹. Around 1986, Cameroon began experiencing a negative economic growth reaching an average of about 4 per cent per year. However, after the devaluation of the CFA franc in 1994 this situation quickly changed with Cameroon experiencing a yearly 5 per cent economic growth rate setting it apart from its neighbouring countries⁸⁰. Nonetheless, the positive growth was short-lived and the economic growth began slowing down in 2001 and by the year 2005, Cameroon's economic growth rate stood at a 2.3 per cent per annum⁸¹.

⁷⁶ For more details on this, see the U.S. Department of State Background Note, (accessed on December 11, 2011), [available at: <http://www.state.gov/r/pa/ei/bgn/26431.htm>]

⁷⁷ See the World Bank, *World Development Indicators 2010*, (accessed on January 5, 2011), [available at: www.worldbank.org]

⁷⁸ Many women are presently at the head of municipal councils and this is a great change from the situation before 1982.

⁷⁹ For more on this, see Burnham and Sharpe, 1997: 6-8; Brunner and Ekoko, 2000: 59; and Roubaud, 1994: 53.

⁸⁰ This decision to devalue the CFA franc was signed by Cameroon, other CFA zone member states and France.

⁸¹ Recent IMF figures show that its current economic growth rate stands at 4% per annum, which is still significantly lower than the World Bank's prescribed 7% growth rate for poor countries in the SSA region in

Cameroon is presently said to be one of the most thriving primary commodity based economies in sub-Saharan Africa. In terms of trade, Cameroon exports timber and agricultural food products to its neighbouring countries like Gabon and Equatorial Guinea, while it exports petroleum, iron ore, and other agricultural products such as cocoa, to countries such as China, South Korea, U.K. and the U.S⁸². But the EU remains its largest trading partner accounting for more than half of the country's exports. Even though Cameroon exports a wide variety of products, in 2002 oil trade accounted for over a third of its exports which indicated the limited diversification of its markets⁸³. Additionally in 2004, Cameroon was recorded as the sixth largest oil producer in Sub-Saharan Africa registering approximately 400 million barrels⁸⁴.

Cameroon's economic growth over the last decade has been heavily influenced by and reliant on the oil and agriculture sectors which accounted for 50 per cent and 20 per cent of its exports, and about 40 per cent of both its fiscal and export revenue and 10 per cent of its GDP, respectively⁸⁵. However, with a continuous drop in oil production (see Figure 4.2), this situation has gradually changed and its economy is presently relatively diversified (see Figure 2.3). In 2009, the breakdown of the GDP by sector showed that the services industry

order for them to attain the 2015 Millennium Development Goals. But this figure is still higher than most of its CEMAC neighbouring countries.

⁸² For more on this, see Cameroon Economic Update. (2011) "Time for the lion to Wake Up? An Economic Update on Cameroon: With a focus on Telecoms," *Poverty Reduction and Economic Management Unit Africa Region*, January 2011, Issue No. 1

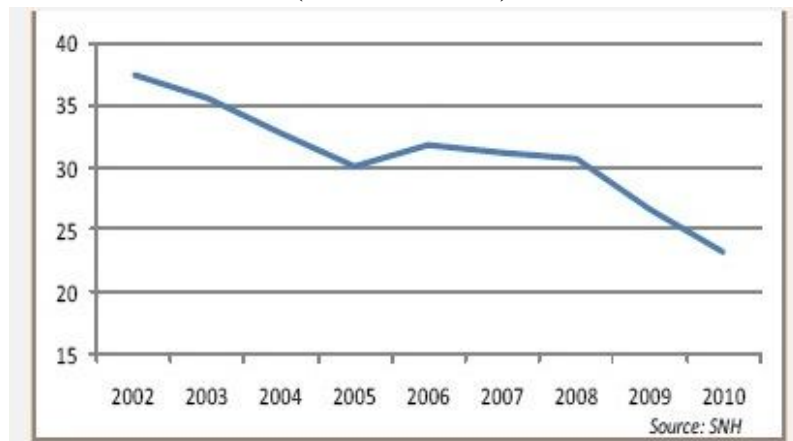
⁸³ Exports to the EU in 2002 were as follows: oil (42%), wood (25%), cocoa (11%), fruit (9%) and other products (13%). Imports from the EU were: machinery (25%), iron steel (7%), vehicles (10%), paper (5%) and others (39%). See Europe External Trade, (accessed on December 21, 2011), [available at: <http://europa.eu.int/comm/trade>]

⁸⁴ Cameroon Economic Update. (2011) "Time for the lion to Wake Up? An Economic Update on Cameroon: With a focus on Telecoms," *Poverty Reduction and Economic Management Unit Africa Region*, January 2011, Issue No. 1, p.5

⁸⁵ African Development Bank (2009) "Country Strategy Paper 2010-2014: Cameroon," Regional Department Center (ORCE), October 2009, p. 2

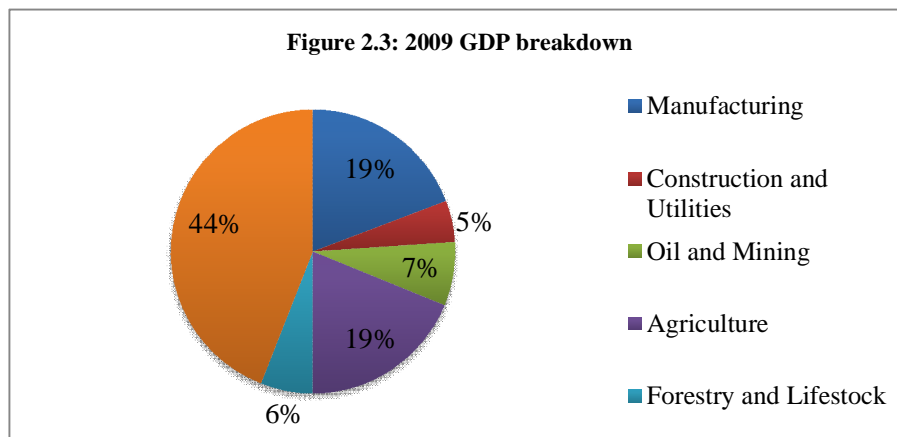
accounted for approximately 44 per cent of the total annual GDP, followed by the manufacturing and agriculture sectors which each accounted for 19 per cent of the annual GDP⁸⁶. Oil on the other hand recorded earnings which only amounted to 7 per cent of the country's annual GDP and the least was the construction and utilities sector of the economy⁸⁷.

Figure 2.2: Oil Production, 2002-2010
(in million barrels)



Source: Cameroon Economic Update. (2011) "Time for the lion to Wake Up? An Economic Update on Cameroon: With a focus on Telecoms," *Poverty Reduction and Economic Management Unit Africa Region*, January 2011, Issue No. 1, p. 8

Figure 2.3: 2009 GDP breakdown



Source: Adapted from the World Bank Indicators, (accessed on December 30, 2011), [available at: <http://www.worldbank.org>] and Cameroon Economic Update. (2011) "Time for the lion to Wake Up? An Economic Update on Cameroon: With a focus on Telecoms," *Poverty Reduction and Economic Management Unit Africa Region*, January 2011, Issue No. 1, p. 4

⁸⁶ In 2004, agriculture accounted for most of the country's annual GDP (46%), while the manufacturing and services sectors made up 21% and 33% respectively.

⁸⁷ African Development Bank, 2009: 3

Since 1990, the Cameroonian government under President Biya in partnership with the IMF and the World Bank has been implementing structural reform programs with aims of improving macro-economic stability, liberalizing the economy and increasing investment⁸⁸. Additionally, in 2000, the Republic of Cameroon was given a US\$ 2 billion debt relief package under the hospice World Bank's Heavily Indebted Poor Countries initiative which significantly reduced its public debt and gave provision for boost in public investments⁸⁹.

However, according to the World Bank and UNDP development indicators, after stagnating at 40 per cent between 2001 and 2007, as much as 39.9 per cent of the population live below the poverty line of about US\$ 1.5 a day⁹⁰ and a further 56 per cent of the population could be characterized as middle or urban class with access to more improved facilities and consuming between €222.5 to €451 per person per day⁹¹. In 2001, the GDP per capita was recorded as US\$576, however almost ten years later; this figure has increased to about US\$1,180 (see Table 2.2)⁹².

Table 2.2: Key Development Indicators in Cameroon

Population (in millions)	19.60	HDI ranking	150	GDP (per capita in \$)	1, 180
Population Growth	2.16	Imports (in billion US	2.51	Gini index⁹³	44.6

⁸⁸ See CIDA, "Cameroon Poverty Profile", (accessed on December 22, 2011), [available at: <http://www.acdi-cida.gc.ca/cidaweb/webcountry.nsf/VLUDocEn/58B1DFA1CB8F8BFA8525697B005501C1>]

⁸⁹ "Cameroon Economic Update (2011) "Time for the lion to Wake Up? An Economic Update on Cameroon: With a focus on Telecoms," *Poverty Reduction and Economic Management Unit Africa Region*, January 2011, Issue No. 1, p. 5

⁹⁰ This number was 40.2 % in 2001, and 53.3% in 1996 which shows a significant improvement due to the structural adjustment reforms which occurred during that period. See Table 2.2 and www.worldbank.org for more on this.

⁹¹ See CIDA, "Cameroon Poverty Profile", (accessed on December 22, 2011), [available at: <http://www.acdi-cida.gc.ca/cidaweb/webcountry.nsf/VLUDocEn/58B1DFA1CB8F8BFA8525697B005501C1>]

⁹² Also refer to the World Bank, 2011.

⁹³ According to the World Bank (2011), the Gini index is a measure of the *extent to which the distribution of income (or, in some cases, consumption expenditure) among individuals or households within an economy deviates from a perfectly equal distribution*. (accessed December 2, 2011), [available at: <http://data.worldbank.org/indicator/SI.POV.GINI>]

(in % per annum)	51	3.24	22.39
Life expectancy (in years)	Exports (in billion US \$)	Annual GDP (in billion US \$)	
Urban development⁹⁴	56	2.9	39.9
	Unemployment rate ⁹⁵	Poverty rate ⁹⁶	
Literacy Rate⁹⁷	71	13.6	104.3
	External debt stocks (% of GNI)	Aid per capita (in US\$)	

Sources: The World Bank, *World Development Indicators* UNDP, *Human Development Report 2011*

The Cameroonian economy is considered to be the highest in the region and accounts for 31.58 per cent of the total CEMAC GDP which could be attributed to an increase in trade and the implementation of more efficient policies. Cameroon has increased its trade with neighbouring CEMAC member states over the past years with the creation of the Cameroon-Chad oil pipeline and exports to the Gabon market reaching about 4 531 million FCFA (€6.9 million) in 2000, 4 713 million FCFA (€7.1 million) in 2001 and 4 794 million FCFA (€7.3 million) in 2002.⁹⁸ However, added to the fact that France is the country's largest aid donor, accounting for over 31.96 per cent of its total aid in 2005, its trade with France remains significantly higher.⁹⁹ In addition, Cameroon is a pivotal area for the two landlocked countries in the region (Chad and the Central African Republic) whose economies are

⁹⁴ This is the percentage of the urban population with access to improved sanitation facilities.

⁹⁵ This is the percentage of the total labour force.

⁹⁶ This measures the percentage of the total population.

⁹⁷ Adult total, percentage of people over the age of 15

⁹⁸ *Source*: Direction nationale des douanes.

⁹⁹ With France and Germany as biggest aid donors (amounting to 31.96% and 28.55% respectively), aid accounts for approximately 1% of Cameroon's GDP and nearly 5-10% of all government spending. However, the amount of aid received by Cameroon significantly decreased between 2003 and 2005, from US\$ 899 to US\$ 414 respectively due to the Treaties signed with other CEMAC member states and effective monetary and economic policies put in place by the institution. For more on this, see Rogerson, A., L. Loum and O. Lafourcade (2006), "Une Arrivée et un Nouveau Départ: Partenariats au Cameroun après le Point d'Achèvement PPTTE," Rapport Final de la Mission Indépendante de Suivi, Février-Mars 2006, London.

intricately tied to Cameroon's economy due to the fact that it serves as a transit point for their imports and exports.¹⁰⁰

In spite of these promising figures, Cameroon is still far from attaining its goal of a sustainable annual growth rate of about 7 per cent per annum. The Republic of Cameroon currently ranks 101 out of 141 in the world in terms of FDI attractiveness and in 2007 and 2008 the Republic of Cameroon recorded FDIs as contributing a mere 1.2 per cent to the country's annual GDP. Till date, it still receives very little foreign direct investment and the most sought after economic sectors are the mineral extraction and oil drilling industries. Additionally, the business climate in the country keeps fluctuating from the 154th position in 2006, to 164th in 2009, and subsequently to the 168th position out of 181 economies in 2011 due to, inter alia, the lack of adequate infrastructure, geographic region, and the stringent business laws relating to the creation of new enterprises.¹⁰¹

The Republic of Cameroon is not considered to be an aid-dependent¹⁰² country and over the past years, President Biya's administration has embarked on projects to integrate its economy with the rest of the world and accelerate its reform, all with the aim of increasing trade and investments for a sustainable economic growth. An example of such projects is the strengthening of transparency and good governance in the country, as well as the adoption of a new Investment Charter in 2002 which eventually came into effect in 2004. According to the 2001 Minister of Communication, Jacques Fame Ndong, the first part of the good governance strategy was aimed at "supporting growth and long lasting development,

¹⁰⁰ Lontsi, S. (2003), "La dynamisation des échanges intracommunautaire dans la CEMAC," Communication to the Séminaire national d'information et de sensibilisation sur les accords de partenariat économique UE-ACP, Yaoundé, 25-27 August.

¹⁰¹ For more details on Cameroon's investment statistics, see UNDP, *Human Development Report 2011*

¹⁰² A country is considered aid-dependent when the ODA/GNI ratio exceeds 10 percent

promoting partnerships between the state, the private sector and civil society, strengthening the judicial system and enhancing transparency of the state.”¹⁰³ This good governance strategy is in line with the government’s 2035 vision of *(i) reducing poverty to a socially acceptable level; (ii) reaching middle-income country status; (iii) becoming a newly industrialized country; and (iv) consolidating the democratic process and strengthening national unity.*¹⁰⁴

2.2 CONCLUSION

The Republic of Cameroon, a low middle income country found in the central part of Sub-Saharan Africa and also known as *Africa in miniature* is a country blessed with a very colourful history. It is bordered by Gabon, Equatorial Guinea, Central African Republic, Chad, the Republic of Congo, Nigeria, and the Atlantic Ocean. This country was discovered by the Portuguese, colonised by the Germans and later by two European countries (France and Britain), who then partitioned the country to form the two Cameroons: French and British Cameroon. While French Cameroon gained its independence from its colonial powers in 1960, the British part obtained independence in 1961 and joined the French part to form the United Republic of Cameroon. Although it became an independent State in 1960, it was later changed to a federation in 1961 after the merger of the two Cameroons, then to a united State in 1972 and lastly it was changed to the Republic of Cameroon in 1983 as it is still known today.

With a population of approximately 19.60 million, this country has a GDP of US\$ 22.39 billion, a US\$ 1,180 GDP and is known to account for approximately half of the total GDP in the

¹⁰³ The 2004 World Report on Cameroon clearly explains these details. See World Report (2004) “Cameroon: NEPAD, part 2,” (accessed on January 3, 2012). [available at: www.worldreport-ind.com/cameroon]

¹⁰⁴ For a detailed explanation on this, refer to African Development Bank (2009) *Country Strategy Paper 2010-2014: Cameroon*, p. ii, (accessed on February 1, 2012), [available at: http://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/CAMEROON_2010-2014%20COUNTRY%20STRATEGY%20PAPER.pdf]

Central African region. Although its economy was previously dominated by oil, the country has since diversified to include agricultural products, and services. However its major exports are known to be going to France, Italy, China, and the United Kingdom. Given its ties with the Central African region through economic and political integrated institutions, this country is increasingly building closer economic ties with its neighbouring central African countries whom together not only form the CEMAC sub-regional economic body, but also use the same monetary Franc CFA currency.

In addition like other third-world countries, Cameroon has set out on an extensive reform programme which is aimed towards adapting the country to the new conditions of a modern integrated society with the main goal of becoming an emerging economy by 2035. However, whether or not this target is attainable is quite questionable due to volatile business climate and current challenges to adopting good governance practices. Additionally, this lower middle income level nation is unable to stimulate more growth and ensure that the dividends are shared equally among all the citizens in order to decrease the poverty rate. It is in this regard therefore that the country has signed many agreements with certain international organizations such as the CEMAC in order to strengthen its rule of law, promote good governance, and increase its economic growth.