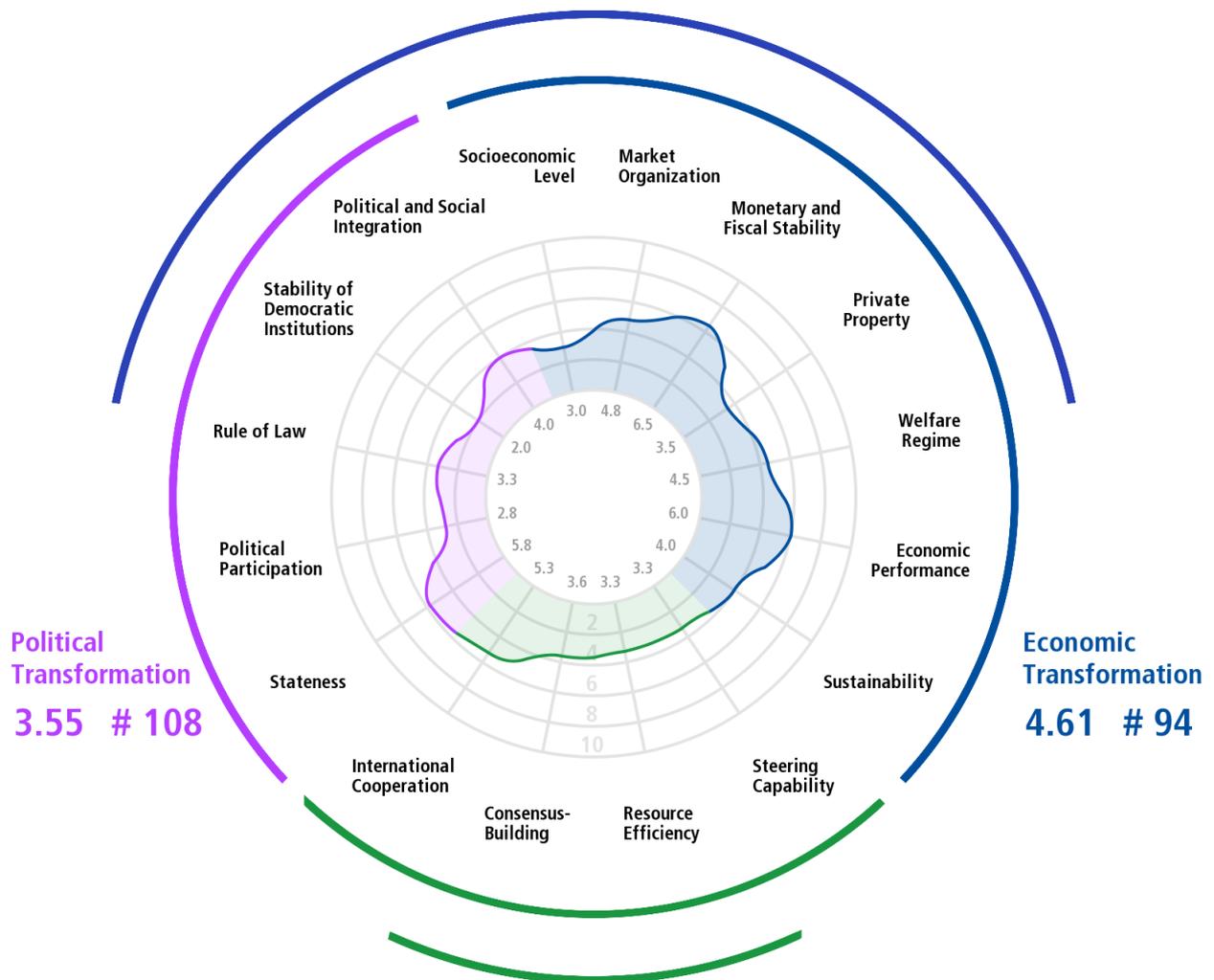


Cameroon

Status Index

4.08 # 107

on 1-10 scale out of 137



Political Transformation
3.55 # 108

Economic Transformation
4.61 # 94

Governance Index

3.63 # 106

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2020**. It covers the period from February 1, 2017 to January 31, 2019. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	25.2	HDI	0.563	GDP p.c., PPP \$	3771
Pop. growth ¹	% p.a.	2.6	HDI rank of 189	150	Gini Index	46.6
Life expectancy	years	58.5	UN Education Index	0.564	Poverty ³	% 44.7
Urban population	%	56.4	Gender inequality ²	0.566	Aid per capita \$	49.4

Sources (as of December 2019): The World Bank, World Development Indicators 2019 | UNDP, Human Development Report 2019. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.20 a day at 2011 international prices.

Executive Summary

The past two years have been dominated by the re-election of President Paul Biya and a decline in socioeconomic conditions in English-speaking regions of the country. This has had broader impacts on Cameroon's political and economic transformation. Cameroon remains autocratic in substance, with declines in stateness, political participation, and social integration. The economy has weathered significant challenges and remains relatively resilient, but long-needed reforms to weed out rampant corruption and reduce the role of the state are notably absent. Moreover, the crisis in English-speaking regions has had a negative impact on some sectors, including education and property. Throughout this period, the government has maintained its role as a credible international partner with regards to several issues, but failed to create mechanisms that would allow it to manage its transformation. There is great resistance to reforms that would help the government strategize its development goals and use its vast resources more effectively.

The Anglophone crisis, which came on the heels of Cameroon's conflict with Boko Haram, escalated from a protest movement to an armed separatist insurgency against the state. The self-proclaimed interim government of Ambazonia and the Ambazonian Defense Forces alongside a myriad of small militias are fighting for secession from Francophone Cameroon. The government's response to this challenge has been harsh, including a crackdown on freedom of association and expression, and the use of scorched-earth tactics that have destroyed at least 100 villages and displaced over 400,000 people. The economic toll in these regions, which are the heart of Cameroon's palm oil industry, has been heavy. The conflict has also reduced international confidence in Cameroon's stability, which has limited new investments. While Cameroon has never been a real democracy, the Anglophone crisis led to one of the worst-managed elections in its history, with a reported 10% turnout rate in English-speaking regions. While the government has shown minimal willingness to reconcile, the use of violence by Anglophone insurgents has diminished their chances to gain substantive international support.

Despite speculation that he might not run, Paul Biya won re-election in 2018, marking his 35th year in power. This signaled an endorsement of the status quo, which continues to prevent substantial political and economic reform. As in previous years, Cameroon maintained positive economic growth and moderate macroeconomic conditions. Infrastructural investments and increased non-concessional borrowing from China have fueled much of this growth. But, as in past years, public corruption and bureaucratic inefficiencies remained key impediments to broader-based growth. Rates of improvement in human development have slowed, private investment remains constrained, and the growth of public debt is alarming. Cameroon's economy performs far below its potential. These features are symptomatic of an entrenched autocratic regime built on patronage and dependent on the concentration of power within the presidency. While there are islands of reform in the regime, by and large, the autocratic nature of Cameroon continues to preclude real discussion of transformational reform.

Internationally, Cameroon retained its position as the key pillar of the CEMAC region and remained engaged with multilateral and bilateral lenders. Cameroon has also maintained its military cooperation with Chad and Nigeria and has been engaged in internationally led regional security operations. The perception of Cameroon as a key ally in an unstable region has removed much of the leverage that international actors have over Cameroon's political and economic transformation. While the Anglophone crisis has increased scrutiny of the regime, by and large, the international community is unwilling to push for real change.

History and Characteristics of Transformation

Cameroon's process of economic transformation began in the late 1980s, with political processes of change following in the early 1990s. Under Cameroon's first president, Ahmadou Ahidjo, there were improvements in agriculture, education, health care, and transport. Nonetheless, Ahidjo ruled repressively for 20 years in a heavily centralized state. Moreover, Ahidjo was perceived as biased toward his co-ethnics from northern Cameroon. The discovery in 1977 of modest offshore oil deposits significantly accelerated growth rates, but also fueled rent-seeking and corruption. The political transition from Ahidjo to Paul Biya was one of the few peaceful transitions of power in Africa in the early 1980s. However, it did not prevent an attempted coup in 1984 and a deep economic crisis in 1985 and 1986. While Biya promised a "New Deal" that included structural reform, he came to rely more heavily on his southern co-ethnics, who were given senior positions in the military, government, ruling party, and the economy. This exacerbated public corruption and resistance to democratic and economic reform.

By May 1989, the economic crisis became untenable, and Cameroon entered into a structural adjustment loan agreement with the World Bank. However, the process of reform remained sluggish until the early 2000s. The program included standard components that were typical for the early 1990s, including reforms of the banking sector, privatization of state-owned enterprises, deregulation of trade and marketing organizations, and control and reduction of government expenditures. The program did not include monetary intervention, since Cameroon is a member

of the CFA franc zone. By spring 1994, only two of the three phases of the loan had been disbursed due to issues with implementation. The World Bank identified Cameroon as one of the most disappointing “adjusters” of the period. The IMF, for its part set up a staff-monitored program in 1996, emphasizing its lack of confidence in the government. During this period, Cameroon was able to muddle through with the help of French bilateral support, which peaked at \$425 million in 1993.

The pace of economic reform did not pick up significantly until 2000. Some major state-owned enterprises were privatized and competition was allowed into the banking and telecom sectors. In 1999, Cameroon became eligible for the IMF’s Heavily Indebted Poor Countries (HIPC) initiative. This process significantly lowered Cameroon’s debt burden and made it eligible for further multilateral donor assistance. Cameroon continued to access international lending, such as a Poverty Reduction and Growth Facility (PRGF) in 2000 and 2005, an Exogenous Shock Facility Loan in 2009, and an Extended Credit Facility (ECF) in 2017. Despite progress on stabilizing macroeconomic benchmarks, lenders continued to note resistance to reform and significant shortcomings and “fiscal slippages” due to extremely poor governance and rampant corruption. Nonetheless, between 2000 and 2015, Cameroon was able to sustain moderate levels of economic growth and improve its state of human development, after a decade of backsliding.

Cameroon’s democratic transformation began in the aftermath of the economic crisis of the 1980s and the end of the Cold War. As in other African countries, civil society agitation and international pressure compelled the regime to acquiesce to multiparty elections in 1991, after a period of resistance. Many parties were subsequently formed, the majority of which depended heavily on ethnic or limited regional support. Pressure continued on the regime for constitutional reform, including a six-month general strike (“ghost town” campaign). These efforts failed, and the parliamentary and presidential elections of 1992 were heavily manipulated. The ruling Cameroon People’s Democratic Movement (CPDM) lost its legislative majority and was forced to form a coalition with a small party. According to several sources, Social Democratic Front (SDF) candidate John Fru Ndi actually won the election, but Biya was declared the winner.

Since then, Cameroon has been showcased as a “showroom democracy” or an “electoral authoritarian” regime. There have been slight improvements to civil liberties, such as expanding freedoms of opinion and association, but no allowance is made for change of control at the top. Many elements of the 1996 constitution were never implemented or were significantly delayed. The opposition has remained divided, and many elements have been coopted by the regime. In March 2008, the National Assembly approved a change of the constitution that abolished term limits and allowed Biya to run again in 2011. This change was met by large-scale protests in major cities and state violence. In 2013, the Cameroonian Senate was finally created and selected through indirect elections. Rhetoric against corruption was followed by the indictment of several “big men” beginning in 2006. In 2018, at the age of 85, Biya won yet another term in office in another controversial and disputed election. Currently, Cameroon is among the countries with the lowest levels of democratic progress on the continent, a situation that substantially affects the country’s reform capacity.

Cameroon has also recently faced critical armed challenges to state authority. Since 2009, the jihadist group Boko Haram has operated along the Cameroonian-Nigerian border in the Extreme North Region. While the conflict is now below its peak in 2013 to 2014, it has taken a significant toll. At the same time, English-speaking regions in Cameroon are now in the midst of acute conflict, as several armed separatist groups repeatedly clashed with government forces. These areas have long expressed a deep sense of linguistic and cultural discrimination that dates back to the abolishment of federalism in 1972. The conflict escalated significantly following a crackdown on what was essentially a peaceful protest movement in 2016. The conflict has had a devastating human impact and shut down key elements of the Cameroonian economy.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

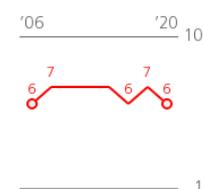
Since the last report, there have been declines in the state's monopoly on the use of force, due to the growth of a sustained secessionist movement in English-speaking provinces of Cameroon (the northwestern and southwestern provinces, in particular). In October 2017, a self-proclaimed interim government of "independent Ambazonia" was declared. This was followed by the formation of various armed separatist groups, amongst which the Ambazonia Defence Forces (ADF) is the most important. These groups initially operated sporadically along the Cameroon-Nigeria border. However, throughout 2018, the number of clashes between separatists and government forces grew considerably. Separatist groups frequently blockade roads, attack military outposts, and target public officials. In addition, there have been several attacks on civilians, in particular in the educational sector, in an attempt to impose an economic and political boycott. The government has been engaged in a sustained counterinsurgency campaign and redeployed parts of the Rapid Response Brigade (BIR) from the front against Boko Haram in northern Cameroon. The Cameroonian armed forces have been heavily criticized for their scorched-earth tactics and human rights violations. As of January 2019, over 400,000 people had been displaced and 30,000 had become refugees in Nigeria. Moreover, roughly 400 citizens, 200 government soldiers, and 800 secessionist fighters have been killed.

Issues with the monopoly on the use of force continued in other areas as well. The conflict with the Islamist group, Boko Haram, has diminished significantly, but there are still lingering issues. The group remains active in certain areas, and there are numerous vigilante groups that arose in self-defense against the group. Some of them were also created by the government in an attempt to widen its intelligence networks in areas with little state presence. These vigilante groups, which have approximately 14,000 members, have been criticized for their involvement in criminal activity like cattle rustling, smuggling, and banditry. Similarly, the fallout from conflict in Central African Republic has impacted the eastern border. Armed groups engage in banditry and kidnapping, which forced the Cameroonian government to close the border in

Question
Score

Monopoly on the
use of force

6



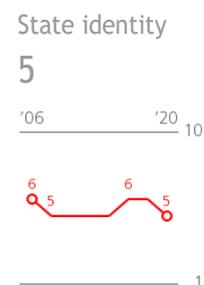
July 2017. The diversion of military forces from these areas to English-speaking regions could potentially even further threaten the state's monopoly on the use of force in these areas.

A large percentage of the population accepts that Cameroon is a legitimate nation-state, but the growth of the secessionist movement in English-speaking regions has presented a significant challenge. Anglophone identity is linked to Cameroon's unique bifurcated colonial heritage. Once a German colony, by 1916 Cameroon was partitioned into a larger French-speaking and a smaller English-speaking territory under French and UK mandates respectively. A process of political centralization and the abandonment of federalism in 1972 raised perceptions of cultural, economic, and political, discrimination among Anglophones. In many circles this is referred to as the "Anglophone problem." Until recently, the majority of Anglophone demands were contained within the notion of a unified Cameroon.

The protest movement that began in November 2016 has now evolved into a widespread secessionist movement. There are currently two rival governing institutions that advocate for "Ambazonian" independence – the Interim Government of the Federal Republic of Ambazonia and the Ambazonian Governing Council (AGC). The latter also oversees the armed Ambazonia Defense Forces (ADF). Both groups enjoy significant popular support and have been heavily repressed by the government. In January 2017, the leadership of the interim government was extradited from Nigeria to Cameroon and tried by a military tribunal on charges of terrorism. Much of civil society and the political class in English-speaking regions support a return to federalism, but not necessarily secession from Cameroon.

It is also important to note lingering effects from the conflict with Boko Haram in northern Cameroon. Recruitment of Cameroonian youth was often forced or motivated by economic concerns. However, Boko Haram also deliberately targeted members of the Kanuri group, who have cross-border cultural and familial ties. More broadly, the historically limited state in periphery regions of Cameroon raises concerns about state identity.

There is generally a separation of church and state, although this provision is not explicitly defined in the constitution. There is no official state religion in Cameroon, but the regime enjoys close ties with members of the Catholic Church, and many northern politicians have ties to Muslim religious leaders called Fons or Lamidos. These latter figures became key allies when Biya came to power in 1982. Local leaders - regardless of their religious orientation - have at times been given much leeway to manage local affairs. Legal codes adopted from the colonial era explicitly recognize customary and Muslim law. Local courts (called Alkali courts in Anglophone regions and Tribunaux de Premier Degré in Francophone regions) have at times overruled statutory law, especially with regard to issues of inheritance, succession, and personal law. It should also be noted that socially conservative values influenced the government's attitude toward the LGBTI community, but these



attitudes are deeply rooted in traditional values regardless of monotheist faiths. Same-sex sexual activity is illegal in Cameroon, with a penalty of up to five years in prison.

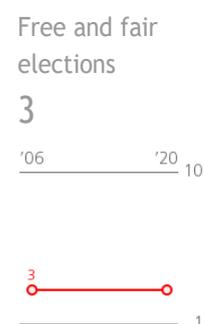
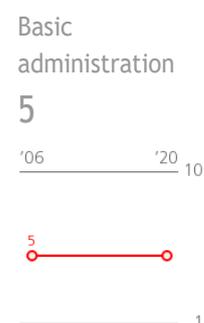
The spillover of the Boko Haram conflict from Nigeria (affecting the north) has also influenced the role of religion in Cameroon.

Government agencies and administration are present in most parts of the country, but are largely ineffective in terms of performance or the provision of public services. Cameroon is divided into 10 regions, each led by an indirectly elected regional council and presidentially appointed governor. The regions are subdivided into 58 divisions or departments, which are headed by presidentially appointed divisional officers. Departments are divided into sub-divisions that correspond with 360 elected municipal councils and 14 unelected urban councils. Despite constitutional provisions, decentralization has only partially been implemented and has not translated into effective resource allocation (local councils do have the ability to levy local taxes and licensing fees). Consequently, access to public services remains limited, especially in rural areas where roughly half the population lives. In rural areas, only 47% of the population has access to sanitation.

All levels of government are eroded by corruption. It is common to find instances of petty corruption among the police, judiciary, and tax and customs officials. While several high-level government officials have been prosecuted for corruption, many have had their charges dropped and it is assumed that many elites in Cameroon are involved in large-scale corruption. The prosecution of high-level elites, which is referred to locally as “Operation Sparrowhawk,” is perceived as politically motivated against Biya’s rivals.

2 | Political Participation

Multiparty elections and near universal suffrage have been extended since 1992; however, there have been persistent concerns with the integrity of the electoral process. Legislative elections were postponed by one year in both 2012 and 2018. During the foundational election of 1992, international observers concluded that there was sufficient manipulation to alter the results. In subsequent elections, outright fraud has declined, but opposition parties have rejected election results and accused the election management body and the regime of bias. The president appoints all members of the election management body (ELECAM), and there are persistent issues with voter registration and election management. Opposition actors are also often intimidated and harassed, and freedom of speech and assembly are curtailed. Likewise, the ruling CPDM’s domination of the political system has translated into an uneven playing field. The incumbent regime can bank on an extensive patronage network and control of the state apparatus, including the state media. President Paul



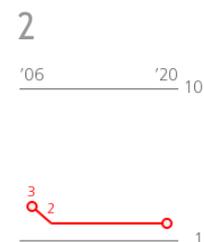
Biya has been in power since 1982 and changed the constitution in 2008 to remove term limits.

In 2018, indirect senatorial and direct presidential elections were held in the context of the Anglophone crisis. Municipal councilors elect 70 of the senators, while the president appoints 30. The ruling CPDM won 90% of the senate seats, and the remaining seats went to the main opposition party, the Social Democratic Front (SDF). Incumbent Paul Biya won another term in office with 71.3% of the vote. Both elections were heavily criticized by the opposition, and turnout in Anglophone areas was only 10%, due to the threat of violence by separatist movements. Following the presidential election, opposition candidates filed over 18 complaints with the Constitutional Court and demanded the annulment of the election results. All of these petitions were rejected. The postponed legislative elections are scheduled for October 2019.

While Cameroon has a nominally democratically elected legislature and local councils, political power is heavily concentrated within the office of the presidency. The constitution of Cameroon provides the president with extensive formal powers, including the ability to singlehandedly appoint ministers and senior civil servants. Presidentially appointed governors, district officers, and subdistrict officers wield significant political power that can override elected officials. Similarly, government-recognized traditional authorities are also dependent on the presidency and can exert influence over elected officials. The president is also the commander-in-chief of all military units and appoints the bulk of the senior officer core. Presidential power is amplified through ambiguously defined emergency powers bequeathed by the French. The president can suspend the rule of law for renewable three-month terms. These powers were expanded in 2014 with the passage of an anti-terror bill that defined terrorism as any activity that threatened the functioning of the state and allowed for certain crimes to be prosecuted in a military tribunal.

The president of Cameroon wields additional power through his control of the ruling party and his centrality in the Cameroonian political system. Since the ruling CPDM dominates politics in Cameroon, it is the main avenue for political ambition. As chairman of the party, the president essentially controls political careers in the party and parliament and can cultivate political loyalists. Paul Biya has been in power for over 35 years and, during that time, has created extensive patronage networks throughout the state apparatus and military. These patronage networks hold together a tenuous multiethnic coalition that generally benefits Biya's southern co-ethnics. The question of succession has loomed large in Cameroon for many years, and many elites believe that a challenge to Biya's authority would spell destabilization.

Effective power to govern



In principle, the constitution guarantees the freedom of association and assembly, but in practice these rights are significantly curtailed. Generally speaking, citizens can create associations and political parties. There are currently over 100 registered political parties and numerous civil society groups. However, in January 2017, the government used its authority under the 2014 anti-terror bill to ban two Anglophone advocacy groups: the Southern Cameroon National Council (SCNC) and the Cameroon Anglophone Civil Society Consortium (CACSC).

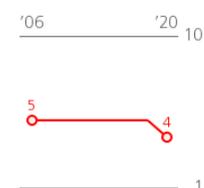
Assembly rights are more often hindered than association rights. District and subdistrict officers are responsible for issuing permits for assemblies and have frequently denied such requests from opposition political groups for unspecified reasons. The government has also suppressed activities under the guise of the 2014 anti-terror bill. For instance, in 2018 a district officer banned defeated presidential contender Maurice Kamto from holding a press conference, citing a threat to public order. Assembly rights in Anglophone regions have especially deteriorated. Throughout 2017, there were several demonstrations that were violently dispersed by government forces. In September 2017, 17 people were killed and hundreds were arrested during an upswing of government resistance to the Anglophone protest movement. Since the growth of violent conflict in these areas, there are frequent curfews that significantly limit the freedom of association.

As with freedom of association and assembly, the constitution only provides token protections for freedom of speech. State media is under strict government control, and private media outlets are often intimidated. Cameroon's media regulatory body, the National Communication Council (CNC) frequently bans newspapers and sanctions journalists for reporting on censored issues and spreading supposedly false information. Cameroon's libel laws are particularly lenient, which allows the government to prosecute reporters and media outlets for defamation and insulting the presidency. The 2014 anti-terror bill has considerably expanded the range of offenses about which the government can censor media. This power was used to limit reporting on government activities during the fight against Boko Haram in northern Cameroon.

The environment for freedom of expression has declined noticeably since the start of the Anglophone crisis in 2016. Between 2016 and 2018, dozens of journalists and local reporters were detained under the 2014-anti terror law for reporting on the crisis. For instance, in 2018, editor Michel Biem Tong was charged as an apologist for terrorism and spreading false information. Later that year, TV presenter Mimi Mefo was charged with propagating information that infringed on the territorial integrity of Cameroon. Freedom of expression was also significantly curtailed when the government regularly shutdown internet services to Anglophone regions between January 2017 and March 2018. Internet service has remained spotty.

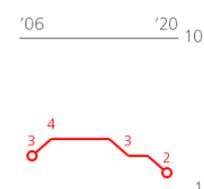
Association / assembly rights

4



Freedom of expression

2



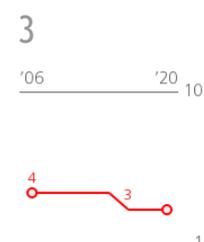
3 | Rule of Law

Given the formal powers provided to the presidency and the ruling party's decades-long domination of the country's institutions, neither the legislature nor judiciary can hold the executive accountable. The ruling party controls the overwhelming majority of seats in parliament (148 out of 180) and the senate (88 out of 100) and controls the bulk of the local municipal councils (305 out of 360). Opposition figures do hold some leadership positions in the legislature, including a vice presidency in the national assembly and the vice chair of the important finance committee. But their influence is very limited and the opposition's demands for investigative commissions are routinely blocked. Since the president can control the nomination process within the CPDM, this further guarantees a compliant legislature. The speaker of the national assembly, Cavaye Djibril, has held the position since 1992 and is a longtime regime loyalist. In the senate, Marcel Niat Nijifendi has held the speakership since the creation of the institution in 2013 and he has been active in the ruling party for decades. The president also essentially appoints the judiciary, since he chairs the consultative Higher Judicial Council of Cameroon. The prime minister's office, which was created in 1992 and has traditionally been held by an Anglophone, is also appointed and his role is limited to government coordination.

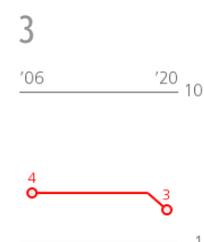
The judiciary in Cameroon is not independent, but rather subordinate to the executive. While the constitution provides for the independence of judicial power from legislative and executive power, the president is noted as the guarantor of the judiciary's independence. The president is responsible for appointments, promotions, and disciplinary sanctions under the advice of the Higher Judicial Council. However, the president chairs that council and appoints most of its members, and therefore wields ultimate control over the careers of justices and magistrates. While justices enjoy tenure, the president can use disciplinary standards to transfer justices, stifle promotions, temporarily dismiss justices, and force early retirement. In addition, the judiciary is highly dependent on the executive for its financing, and the executive can use decrees to delay salaries and allowances. In 2018, a Constitutional Council was finally formed, as required by the 1996 constitution. This council took responsibility for constitutional law away from the Supreme Court and is responsible for adjudicating disputes during presidential elections. The president appoints the Constitutional Council's eleven members for renewable six-year terms. Clément Atangana, who was perceived as a CPDM insider, was appointed as the council's president.

The independence of the judiciary is further undermined by the creation of special tribunal and court systems for the prosecution of financial crimes and terrorism. In 2011, the Special Criminal Court was created to deal with cases of public financial misappropriation. However, many view this court as a way for the ruling regime to punish political detractors and opponents. The 2014 anti-terror bill defines terrorism

Separation of powers



Independent judiciary



broadly to include any activity that threatens the territorial integrity of the nation and allows the government to fast-track prosecutions through a military tribunal rather than through the normal judicial system. Opponents of the bill note that these new powers have been used to stifle political dissent and freedom of expression, in particular, over the government's activities in northern Cameroon to combat Boko Haram, and in Anglophone regions.

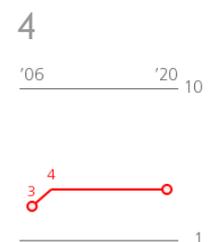
Public corruption is pervasive, affecting all levels of society and the state. Prosecutions against offenders are selective and typically politically motivated. Cameroon has had several institutions ostensibly created to fight corruption. In 2000, the National Anti-Corruption Observatory was founded, but lacked a sustained financial basis or any independence from the executive. In 2006, the National-Anti-Corruption Commission (NACC) replaced this institution, and in 2011, the Special Criminal Court was created to prosecute state officials involved in particularly egregious corruption scandals. In 2006, a coordinated anti-corruption effort known as Operation Sparrow Hawk was launched, and it continues to operate to this day. In consequence, there have been several high-profile prosecutions of public officials including ministers, a former prime minister, and several managers of state-owned corporations.

However, critics note that these anti-corruption drives are slow moving, half-hearted and used to silence critics. For instance, in 2012, former Minister of Health Urbain Awono was sentenced to 20 years in prison for embezzlement in relation to a fake contract to deliver mosquito nets to hospitals. But, Awono was arrested in 2008 following his criticism of the abolishment of presidential term limits. In 2012, Interior Minister Marafa Hamidou Yaya was arrested and sentenced to 25 years in jail for his involvement in a scandal relating to the purchase of a new presidential jet (The Albatross Affair). The following year, former Prime Minister Ephraim Inoni was sentenced to 20 years in prison for embezzlement. Both Yaya and Inoni were seen as potential challengers to President Paul Biya. Despite these prosecutions, many other trials have stalled, and Cameroon continues to top corruption watchdog lists. Likewise, the executive has not implemented a 1996 law that requires public officials to declare their assets (Law 2006/001).

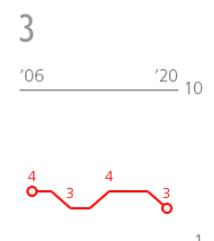
On paper, citizens enjoy the right to seek redress for alleged wrongs through administrative procedures or through the legal system. However, according to an assessment by the U.S State Department, both options involve lengthy delays and there are problems enforcing civil court orders due to bureaucratic inefficiency and pervasive corruption.

Many civil rights are frequently violated, especially those of political opponents. The government restricts freedom of association, assembly, and expression. As in previous years, supporters of the Anglophone secessionist movement are increasingly targeted. Likewise, the government has declared states of emergency and imposed curfews in Anglophone areas and parts of northern Cameroon, which has

Prosecution of office abuse



Civil rights



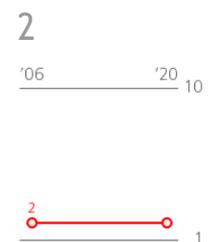
significantly restricted freedom of movement. It is common for the government to arbitrarily detain hundreds of people and hold them in lengthy administrative detentions. Prison conditions are notoriously horrible, and human rights organizations have noted issues with overcrowding, subpar sanitation, food shortages, and have reported on systematic torture and rape. Moreover, the increased use of military tribunals under the guise of the 2014 anti-terror law has severely restricted civil rights. In 2017, civil society leaders of the Anglophone protest movement were held for trial by a military tribunal. They were detained with no opportunity for bail, and their trial was delayed without official explanation until the president ultimately pardoned them. In 2018, 47 political leaders of the Anglophone separatist movement were extradited from Nigeria to a military tribunal in Cameroon, in violation of international asylum law. These persons were denied legal representation while being questioned at an undisclosed location.

There is also evidence of significant discrimination and unequal access to justice. Since 2011, the LGBTI community has experienced a series of trials of homosexuals (which is criminalized in Cameroon). According to a 2013 Human Rights Watch report, Cameroon prosecutes homosexuality more aggressively than any country in the world. Women also suffer from judicial and de facto discrimination in terms of inheritance, employment, and property rights. Domestic violence is believed to be widespread, and female genital mutilation impacts approximately 1% of women. In reaction to the Boko Haram insurgency that staged a number of terrorist attacks in northern Cameroon, the government continues to monitor Muslim places of worship, and has previously banned full-face veils.

4 | Stability of Democratic Institutions

Cameroon is an autocracy with a façade of democratic republican institutions that have not developed a life of their own. The National Assembly and the Senate cannot be considered democratic institutions. Rather, these institutions are arenas where the regime can placate the ambitions of elites through patronage and corruption. Deficiencies in terms of democracy and rule of law are deep-rooted, and are an inherent element of the political architecture on which Paul Biya's rule rests. This bleak reality is mirrored by popular attitudes as people are increasingly disappointed in democracy in Cameroon. According to recent Afrobarometer surveys, over 50% of Cameroonians believe that Cameroon is non-democratic. The escalation of the crisis in Anglophone regions into a full-blown secessionist insurgency is another indicator of the failure of democratic politics in Cameroon.

Performance of democratic institutions



Cameroon is a strongly personalized electoral autocracy, with little commitment to democratic institutions. The president's centralization of power means that he can manipulate institutions to position supporters and punish detractors. The president weakens democratic institutions by holding cabinet meetings only at random. The ruling party, the Cameroon People's Democratic Movement (CPDM), does not even convene regular party congresses, as the party's chairman, President Biya, decides even when these take place. There is no apparent institutional mechanism within the ruling party for choosing a successor, and a succession crisis is likely at some point in the future that could further destabilize democratic institutions.

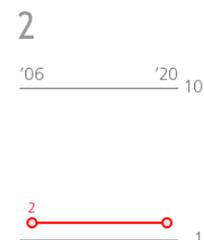
Opposition parties and civil society organizations have historically participated in democratic politics, but have also frequently boycotted elections or refused to participate in the National Assembly. However, the clampdown on state institutions by the ruling party is so pervasive that some opposition figures have been co-opted into the government over the years.

5 | Political and Social Integration

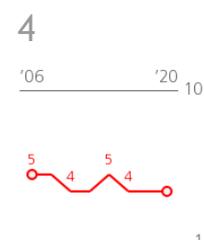
Cameroon's party system is characterized by a dominant or hegemonic ruling party, which is surrounded by an increasingly fragmented array of opposition parties. The main opposition party, the SDF, holds 18 seats (the majority of which are in the Anglophone northwest). This reflects continuous decline in the strength of opposition parties since 1992, when the ruling party actually had no legislative majority. While the SDF is still a major opposition party, others have been coopted and have entered into alliances with the ruling party.

Cameroon's political parties are institutionally weak and have very limited social roots. Outside the ruling party, there have been five parties that have persistently won some representation in the National Assembly – the Social Democratic Front (SDF), (National Union for Democracy and Progress (UNDP), Union of Peoples of Cameroon (UPC), Cameroonian Democratic Union (UDC), and Movement for the Defense of the Republic (MDR). Each of these parties is rooted in specific regions or is strongly ethnic. For instance, the UDC is only competitive in Bamoun, while the UNDP is considered a northern party. These parties have limited organization or internal democracy, do not operate much between elections, and are heavily personalized. This has led to persistent factionalism and party splits. At each election new parties emerge to cater to the ambitions of specific elites. For instance, in 2018, Maurice Kamto, a former member of the ruling party, founded the MRC as a vehicle for his presidential nomination. Cameroon has over 300 “mushroom parties,” which participate in elections with no intention of winning seats. Some of these parties are seen as a way for the regime to “muddy the waters,” while others are simply mechanisms for local elites to generate patronage resources. Still, it is noteworthy that in 2018 the SDF held its first presidential primary to choose a presidential candidate, Joshua Osih.

Commitment to democratic institutions



Party system



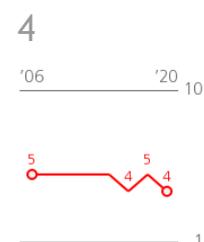
The ruling party claims to have a physical organization throughout the country that reaches down to the village level. However, in reality the party's organization is fluid and emerges particularly strongly during elections. If election results were to be trusted, they would show widespread support for the ruling party throughout the country with peaks in the northern, central and southern regions. While the north is demographically strong, the south and center are ethnic bases for the president. The ruling party makes appeals to political stability in its campaigns, but also engages in extensive clientelism and outright vote buying to mobilize support.

A number of societal interests are represented in Cameroon, but many interests are underrepresented and those interests that are organized often suffer from weak membership and government intervention in their affairs. Formal workers can form trade unions, and the Confederation of Cameroon Trade Unions (CCTU) coordinates most union activity. However, membership remains low (~200,000) and the vast majority of workers in Cameroon are in the underrepresented informal sector. Moreover, the CCTU is heavily monitored, and the government has encouraged the creation of rival organizations. Agricultural interests are organized into a number of cooperatives, but these are much stronger in western and northwestern regions. The business community is organized into a number of employers' associations, the most important of which is the Groupement Interpatronal du Cameroun (GICAM). However, its leadership has strong ties with the ruling party. Cameroon also has various elite associations based on village and ethnic ties, which are often penetrated or coopted by the ruling party. Women are relatively underrepresented in Cameroon's interest groups. Likewise, there is no real advocacy network for civic education, governance or democracy.

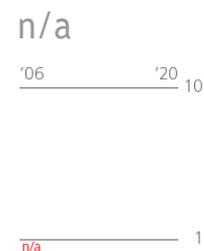
Since 2016, interest groups in Anglophone areas have endured intense repression. In January 2017, the government banned the Southern Cameroons National Council (SCNC), which advocated for the self-determination of Anglophones. The government also banned the Cameroon Anglophone Civil Society Consortium (CACSC), which was an umbrella organization that brought together local legal groups, teacher unions, and student organizations to advocate for a redress of cultural and economic grievances.

Although living in an authoritarian state, Cameroonians are generally in favor of a democratic system; however, the recent trend has been negative. According to the latest Afrobarometer poll, 16% of Cameroonians do not believe their country is a democracy, which is up from 10.2% a few years ago. Similarly, 62% of Cameroonians are not at all or not satisfied with the state of their democracy, and generally register low levels of trust in most institutions (in particular, the election commission, parliament, and the police). There has also been a decline in support for the notion of democracy in Cameroon. In Afrobarometer's 2017/2018 survey, 62% of Cameroonians preferred democracy to other forms of government, which is down from 67% in 2014/2015.

Interest groups

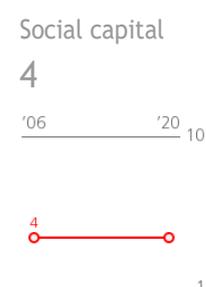


Approval of democracy



Elections in Cameroon are generally nonviolent, and while losers might reject the results of an election, they have not organized violence in opposition. However, the current secessionist movement in Anglophone areas reflects a rejection of the state of democracy in Cameroon, and of the notion that the conflict can be resolved through democratic procedures.

Public opinion surveys on solidarity and trust among citizens do not exist, but social capital in Cameroon is primarily bonding rather than bridging. Intercommunal trust is weak, as evident by the prevalence of ethnic associations and the importance of kinship in accessing the state hierarchy. These patterns often extend from rural to urban areas, where it is common to find village associations that cater to communal life. Likewise, perceptions of ethnic bias in the distribution of resources and accusations of under- or overrepresentation of certain groups in state structures and prestigious institutions permeate political discourse. Government narratives of national unity mask a strategy of ethnic balancing and divide-and-rule tactics that reinforces primary identities. These tendencies are exacerbated by persistent economic insecurity, which leads ordinary citizens to seek recourse through their primary identity.



II. Economic Transformation

6 | Level of Socioeconomic Development

Cameroon's economic structure and performance do not meet the criteria for a socially responsible market democracy. Despite significant improvements in poverty alleviation and human development since the 1990s, Cameroon still ranks low and the rate of improvement has stalled. Cameroon has currently only met one of the Millennium Development Goals (MDG2: net school enrollment). The current crises in the Far North and Anglophone areas have had a devastating humanitarian impact. The United Nations has reported that 1.4 million people are in need of humanitarian assistance, and that over 400,000 have been internally displaced.



With a per capita GDP of \$1,466 in 2017, Cameroon is a lower middle-income country. Cameroon's calculated HDI value of 0.556 now places it at the very low end of "medium human development" spectrum, and the country is ranked 151 out of 188 countries assessed. Life expectancy is 58 years old, 38% of the population lives on less than \$3.10 a day, and 24% of the population lives on less than \$1.90 a day. This reflects only a slight improvement from levels in 2010 and means that Cameroon still has a very high level of poverty. Likewise, there have been mixed improvements according to other indicators of development. Between 2010 and 2017, infant mortality fell from 110 per 1,000 births to 84 per 1,000 births, which is still

considered high. At the same time, primary school completion rates have remained flat for many years at 70%

In addition, socioeconomic development is strongly shaped by persistent inequalities. Over 40% of the population lives in rural areas, and poverty is heavily concentrated in the rural Extreme North and East Region. For instance, in urban areas, 93% of the population uses an improved water source, while in rural areas that rate is just 54%. In addition, approximately 38% of the urban population lives in slums with poor sanitation conditions. Cameroon's HDI value falls to 0.366 when accounting for inequality. This value is below the average for sub-Saharan Africa (0.372) and far below the average for medium HDI countries (0.483). Gender inequality is also an issue, most evident in differences in educational attainment and labor force participation. Cameroon's Gender Inequality Index is currently 0.569, which is the average for sub-Saharan Africa but above the average for medium HDI countries (0.489). Economic inequality has gotten slightly worse over the past decade.

Economic indicators		2015	2016	2017	2018
GDP	\$ M	30916.2	32621.5	34922.8	38502.1
GDP growth	%	5.7	4.6	3.5	3.9
Inflation (CPI)	%	2.7	0.9	0.6	1.1
Unemployment	%	3.5	3.5	3.4	3.4
Foreign direct investment	% of GDP	2.2	2.0	2.3	1.8
Export growth	%	6.4	-0.6	-1.6	-6.9
Import growth	%	-0.3	-1.5	-0.6	8.2
Current account balance	\$ M	-1173.2	-1037.2	-949.3	-
Public debt	% of GDP	32.0	32.8	37.6	39.1
External debt	\$ M	7282.0	8239.9	10477.0	11493.3
Total debt service	\$ M	508.2	927.9	721.1	1061.7

Economic indicators		2015	2016	2017	2018
Net lending/borrowing	% of GDP	-2.4	-5.4	-3.4	-
Tax revenue	% of GDP	12.6	12.1	12.2	-
Government consumption	% of GDP	12.3	12.1	11.1	11.5
Public education spending	% of GDP	2.8	2.7	3.1	-
Public health spending	% of GDP	0.7	0.6	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.2	1.3	1.3	1.3

Sources (as of December 2019): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Market-based competition is structured by a number of legal frameworks to streamline the ease of doing business. But nonetheless there are significant hindrances to a free market environment. Cameroon is party to the Central African Economic and Monetary Union (CEMAC) framework. Likewise, Cameroon is also a member of the Organization for the Harmonization of Business Law in Africa (OHADA), a set of laws and regulations to streamline business regulations in 17 African countries. Cameroon's banking is also subject to the Bank of Central African States (BEAC), and it is also a foundational member of the African Intellectual Property Organization (OAPI).

However, the conditions for a free market are not fulfilled. Nearly 90% of the population is employed in the informal economy, and state intervention, corruption, and poorly functioning public institutions are persistent impediments. The state exercises price and import controls on certain goods, such as primary foodstuffs and petrol. There are also over 130 state-owned enterprises that dominate certain aspects of the economy. According to the World Bank's Ease of Doing Business Index, Cameroon ranks 166 out of 190 countries and scores below the regional average. Starting a business takes 13 days and five procedures with a cost of 24.6% of GNI per capita, amounting to 86.26 out of 100 (92nd out of 190 countries). In particular, Cameroon stands out for its considerably higher capital requirements for business permits and lengthy and expensive processes for registering property. In addition, Cameroonian businesses pay high tax rates, and spend approximately twice as long and 33% more money on securing import permits than the average country in sub-Saharan Africa. There are also significant deficiencies in contract enforcement, and the legal system suffers from logistical challenges. Property rights are generally ensured, though unevenly. But low levels of registration, as well as corruption in the

Market
organization

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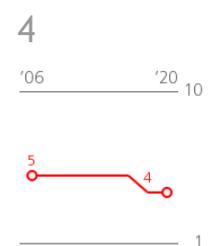
justice sector, have led to land disputes in rural areas. Despite membership in OAPI, intellectual property is poorly protected, given weak enforcement mechanisms and the influence of supply countries like China and India. On the positive side, there are no restrictions on currency conversion by foreign investors or heavy restrictions on access to foreign exchange for investment purposes. Likewise, there are few restrictions on Foreign Direct Investment (FDI), but the abovementioned factors have limited FDI to 2% of GDP.

The National Competition Commission (NCC) in the Ministry of Commerce is the national authority, which in theory enforces competition rules. However, in reality competition in many sectors is restricted, in part due to the pervasive presence of over 130 state-owned companies. For example, Cameroon Telecommunications (CAMTEL) controls the national telephone and internet infrastructure and is expanding into the retail mobile sector. There is also a national refinery (SONARA), sugar company (CAMSUCO), palm oil company (SOCAPALM), cotton company (SODECOTON), and brewery (Brasseries du Cameroun). In addition, the government has come under criticism for preferential treatment given to French companies, such as Total in the oil sector, Lafarge in the building material sector, and Société Générale in investment banking. Despite existing antitrust rules, including merger control, Cameroon is characterized by high levels of concentration. The implementation of competition laws is therefore still insufficient.

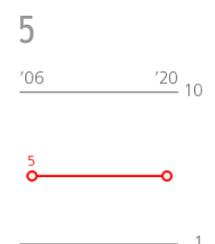
Cameroon depends heavily on the export of commodities (oil, gas, timber, and agricultural products such as cocoa and coffee) for the economy. The EU is Cameroon's largest trade partner (approximately one-third), followed by China, Malaysia, the United States, Nigeria, and Chad. Cameroon adheres to the multilateral trade system, in particular the agreements of the WTO, the agreements of the World Customs Office (WCO), and common trade rules set out by CEMAC. Cameroon has signed a number of limited bilateral trade agreements and has maintained a few Foreign Trade Zones (FTZs), where certain trade barriers are reduced. Cameroon's membership in the Commonwealth and Franc Zone are also meant to facilitate trade. In 2016, the Economic Partnership Agreement (EPA) with the EU came into effect. The EPA provides Cameroon with duty free exports of most goods to Europe in exchange for a reduction in tariffs on EU imports. In 2018, Cameroon signed on to the African Continental Free Trade Area (AfCFTA). If ratified by a sufficient number of countries, the AfCFTA would create a continental free trade zone.

However, there are still formal barriers to free trade, and corruption and institutional weakness limits free trade in practice. According to the World Bank's 2019 Doing Business report, Cameroon ranks 186 out of 190 countries in terms of ease of trade. Complex and inefficient bureaucracies, particularly at the Douala port, translate into long delays and high costs. Cameroon applies CEMAC's common external tariff, which sets four tariff rates, ranging from 10% on raw materials to 30% on certain consumer goods. In reality, this masks much higher costs due to lengthy and at times

Competition policy



Liberalization of foreign trade



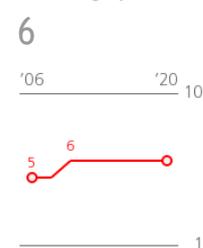
costly permit and registration processes. There are also issues with customs valuation practices on certain products (certain textiles, meat, imported sugar alcohol and nicotine products), which are not always based on the transaction value but a reference price set by the government. There are no export subsidies or import quotas in place, but the government imposes grade certifications on the export of coffee, cocoa, gold, and diamonds, and bans the export of certain types of forestry products as a means of environmental conservation.

Cameroon has 14 commercial banks and over 800 micro-finance institutions. The Central African Banking Commission (COBAC) regulates the banking sector, and the regional Bank of Central African States (BEAC) acts as the central bank. Political pressure has occasionally been used to grant bad loans that are almost never repaid. BEAC lost credibility after embezzlement schemes in 2009 and 2010 implicated some of the organization's most senior administrators. The IMF notes that while Cameroon's financial system is the largest in CEMAC, it remains shallow and is highly concentrated. The four largest banks account for 59% of total bank assets, and Yaoundé and Douala generate about 90% of all bank credits and deposits. There has been improvement in bank profitability and liquidity, and by the end of 2017, the capital to asset ratio stood at 7.9%. But, four banks (~13% of all bank assets) are in distress and three have negative capital. Likewise, the percent of nonperforming loans rose to 11%, which is indicative of declining economic activity, particularly in the construction and extractive industries. By and large, banking services are poorly developed and not readily available outside of major urban areas, or to small retailers and enterprises. Although micro-finance institutions and mobile money meet small-scale saving and borrowing needs, as of 2018, only 10% of Cameroonians had a bank account.

8 | Monetary and fiscal stability

Monetary policy is managed by the regional central bank, BEAC, which seeks to limit inflation. Overall this task is facilitated by Cameroon's inclusion in the CFA zone, which has given it a fairly stable currency. Consumer price inflation in 2017 and early 2018 remained low at just 1.4%. According to World Bank figures, inflation (CPI) was 0.6% in 2017. The trend reflects a decline from rates of 2.7% in 2015. This rate is below the CEMAC convergence criteria of 3% inflation. The real effective exchange rate stands at 99.75% and also reflects a rather healthy foreign exchange situation.

Banking system



Monetary stability



Like many other countries in sub-Saharan Africa, Cameroon has increased public investment over the last decade, which has been funded primarily by non-concessional debt. Consequently, Cameroon has rapidly accumulated public debt over the past decade, which now stands at 38% of GDP. The majority of that debt (75%) is external, with China as the major lender. In recent years, Cameroon's ability to pay its external debt has been impacted by a decline in oil revenues and conflict in northern Cameroon and Anglophone regions. In addition, state-owned enterprises currently hold an unknown amount of debt, which the IMF approximates at 12.5% of GDP. Cameroon has run deficit of between 2.5% and 5% of GDP for the past few years.

These trends, while not unsustainable or necessarily alarming, have nonetheless raised some concerns with the IMF. The IMF notes discrepancies in reporting between the Ministry of Finance and Cameroon's debt agency, the Caisse autonome d'amortissement (CAA). Many debt-funded projects move forward without approval from the National Public Debt Committee (CNDP), and loan tracking remains inadequate. In 2018, the IMF assessed that Cameroon's risk of debt distress was high and recommended stricter implementation of fiscal constraints. Cameroon's Ministry of Finance has noted that infrastructural investments are needed and expressed confidence in future growth. Likewise, Cameroon has committed to continued prioritization of concessional loaning.

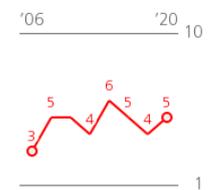
9 | Private Property

Property rights are recognized in Cameroonian law, including the rights of tribes and farmers. In principle, liens must be recorded in the contract and there is a registry of land title. However, land registration rates in Cameroon are extremely low, and less than 1,000 titles are issued a year. Just 2% of Cameroonian land is registered, concentrated in urban areas. In rural areas, land is mostly subjected to specific land tenure regimes, which has led to conflict over informal sales of land and illegal occupation. Large-scale agricultural investments in rural areas have also led to conflict with local communities. Cameroon also ranks 176 out of 190 countries in terms of ease of registering property. It takes substantially longer in Cameroon to register projects, and individuals and business spend on average 19% of the value of the property during the registration process, as compared to the average 7.6% in sub-Saharan African and 4.2% in high-income OECD countries. Since 2016, the conflict in Anglophone regions has further challenged property rights, as the government has been able to use emergency powers to confiscate land and has indiscriminately destroyed large tracts of property. According to human rights organizations, over 100 villages in English-speaking regions have been destroyed.

A number of other issues restrict property rights in Cameroon. First, the Cameroonian government can expropriate private land from any person or entity in the name of public interest. The government has used this right to facilitate major infrastructure projects like hydroelectric dams or roads. While there is a compensation process in

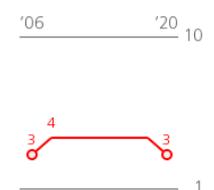
Fiscal stability

5



Property rights

3



place, over the years, corruption schemes have marred several cases. Second, while Cameroon hosts the headquarters of the African Intellectual Property Organization (OAPI), there are few legal structures or enforcement mechanisms. Infringement on intellectual property in media, pharmaceuticals, software, and print is common, and intellectual property rights are deteriorating due to an influx of Chinese and Indian counterfeit goods.

In the World Bank's Doing Business Report 2019, Cameroon still ranks 166 out of 190 countries. The biggest difficulties concern the registration of property, paying taxes, and trade. Legal safeguards are rather poor.

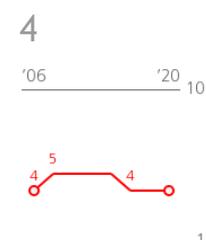
The business association Groupement Interpatronal du Cameroun (GICAM) continues to press the government to simplify procedures. Private companies can act freely in principle, but in reality, they encounter barriers to development. Paul Biya's regime has long been wary of substantial private capital formation that it cannot control. Cameroon's attractiveness to domestic and foreign investors varies from sector to sector. In recent times, private international firms have expressed interests in investing in the mining sector (e.g., iron ore, cobalt, bauxite), but few investments have been actually made. Despite privatization efforts, state-owned enterprises still dominate many sectors and strategic positions, most evidently in oil refining. The Cameroon Development Corporation (CDC), a parastatal, is actually the country's second largest employer after the state. Between 2016 and 2018, the climate for private business declined considerably, given the conflict in Anglophone regions. Nigerian trade and investments across the border have declined, and the government's frequent shutdown of internet services has limited a range of businesses, in particular, the nascent tech sector known as Silicon Mountain around Buea.

10 | Welfare Regime

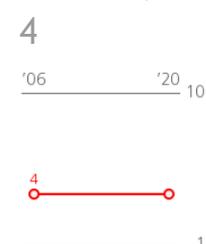
State measures to avert and alleviate social risk are limited. The public social insurance system (Caisse nationale de prévoyance sociale, CNPS) now covers 20% of Cameroon's workforce, most of whom are in the formal sector. The CNPS provides old age, disability, survivor, work injury, and family allowance benefits. The CNPS was for a long time notoriously overextended, poorly managed, and underperforming, and in the past has often been plundered as a slush fund for the government. In 2016, the CNPS ran a deficit of 16.5 billion XAF.

Over the past few years there have been efforts to strengthen and expand the CNPS. As of 2014, the informal sector can contribute on a voluntary basis. Since the inception of this scheme the CNPS has registered approximately 140,000 self-employed contributors. To shore up the CNPS's finances, in 2016, the government raised the contribution rate from 2.8% to 4.2%. In 2018, the CNPS began to experiment with mobile payment of benefits, following previous issues with the

Private enterprise



Social safety nets

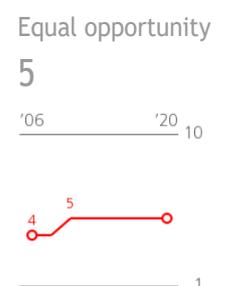


quality of service provided by Express Union. Still, the vast majority of the informal sector has no access to a formal social insurance program. For these individuals, family structures, churches, and other primary solidarity networks are the only viable options for reducing risk. For many years, Cameroon has had an informal system of community savings and credit known as “tontines” that offer some degree of social security to the informal sector.

Other elements of social welfare in Cameroon are also weak. Cameroon’s national healthcare system was reformed in 1985 and introduced cost recovery efforts. But Cameroon spends just 5.1% of its GDP on health expenditures, which is below the continental average. This translates into a poor and overextended health service. Employers are in theory supposed to provide healthcare benefits to formal workers through a mutual fund, but this is poorly enforced. Life expectancy is 58 years, which is also below the continental average, and the infant mortality rate remains high. As in most African countries, Cameroon has no unemployment scheme, and sickness and maternity benefits are dependent on the employer rather than a social insurance risk pool. There is also only a small pilot social assistance program, the Cameroon Social Safety Nets Project, which includes public works and an unconditional cash transfer to needy households.

Equal opportunity is only partially achieved, and discrimination based on gender, ethnicity, and region exists. Cameroon has ratified many international conventions and relevant accords to eliminate all forms of discrimination against women. In practice, however, women continue to encounter barriers to economic, cultural, educational, and political participation. Women make up one-fifth of the Senate, and their share of National Assembly seats has increased to 31% due to gender quotas. Likewise, women now chair two parliamentary committees. However, following a cabinet shuffle in January 2019, there is now only one female cabinet minister. Women are also severely underrepresented among diplomats, public administrators, and magistrates. Disadvantages for women are reflected through other indicators as well. Men register higher literacy rates than women (78% vs. 65%), and there remains some discrepancy in secondary school enrollment rates (66% vs. 57%) and labor force participation rates (81% vs. 71%). According to the UN, many social practices also limit equal opportunity for women. More than one third of women in Cameroon report domestic abuse (half report lifetime physical violence), and one third report participation in a child marriage. One percent of women report genital mutilation.

Perception of discrimination is high among Anglophones and the government’s heavy-handed response to demonstrations led to a violent secessionist movement. Anglophone activists cite historical cultural, economic, and political grievances that date back to the abolishment of federalism in 1972. These include the diversion of major infrastructural investments to other areas, the absence of sufficient accommodations for English in educational testing and higher education, and the relegation of the tradition of British Common Law to secondary status. The



government has tried to address some of these issues by launching a teacher recruitment drive, legislating the creation of a Common Law Bench on the Supreme Court, and revising its training program at the National School of Administration and Magistracy (ENAM). In addition to the Anglophones, the U.S. State Department reports that the Baka people, derogatorily known as Pygmies, are often discriminated against and are not represented in higher offices of government. Perceptions of ethnic favoritism in private employment are also quite common.

Other forms of discrimination are also prevalent. As in other African countries, albinism and HIV-positive status creates significant social stigma. LGBTI rights are not protected in Cameroon, and members of that community face severe discrimination. Same-sex sexual activity is illegal, and each year, members of the LGBTI community are jailed, harassed, or publicly exposed.

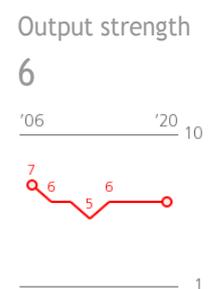
11 | Economic Performance

Cameroon's GDP was estimated to \$34.8 billion in 2017, roughly the same it had been in 2013 but far above levels in the early 2000s. GDP per capita in PPP terms stood at \$3,694 in 2017 (having steadily increased in the last decade).

Economic growth increased in 2018 to 3.8% and inflation remained low, but this rate is below what Cameroon needs to fundamentally restructure its economy. GDP per capita growth (constant local currency) was only 0.5% in 2017, slightly below the five-year average.

The economy has evolved substantially, but in recent years has faced significant challenges. Cameroon has had to weather a decline in oil prices and weaker economic performance in the CEMAC region. Likewise, the Anglophone crisis has taken a toll, and has led to weaker than projected agricultural exports and the shutdown of a major oil refinery. Cameroon's growth has been sustained by continuing an expansionary policy that invests heavily in infrastructure and public works. This has been financed by a combination of domestic debt and bilateral borrowing (both concessional and non-concessional). The fiscal deficit fell between 2016 and 2018 from 6.2% of GDP to 2.6% of GDP. But, at the same time, the current account balance remained in deficit at a calculated 3.2%, which is a slight uptick from 2017. Consumer price inflation was 0.6% in 2017.

Cameroon's output is expected to grow in 2019, driven in part by its infrastructural investments. The deep port in Kribi is predicted to increase production with natural gas exploration, and the highly anticipated Memvele hydropower plant will be connected to the electric grid. Nonetheless, there are major issues that restrict economic output. While Cameroon's economy is the most diversified in CEMAC, it still depends heavily on world prices for raw materials (66% of exports). Further deterioration in Anglophone regions will continue to limit agricultural production, primarily of cocoa, coffee, and palm oil. Likewise, the Anglophone and the Boko



Haram crises could expand an already large defense budget, which will take resources away from investments in economic infrastructure. As in many African countries, tax revenue is collected from a narrow stratum of society and depends heavily on VAT and taxes on goods and services. Cameroon's tax to GDP ratio is 14.4%, which is below the continental average. The vast majority of Cameroon's workforce is in the informal sector, where taxes are rarely collected and the level of actual economic output is unclear.

12 | Sustainability

Environmental concerns are taken into account, but there are insufficient environmental initiatives or regulations, and enforcement is deficient. Cameroon relies heavily on fossil fuels for energy production, and there have been severe issues with land, water, and air pollution. Increased investments in palm oil, mineral extraction, and road development have led to higher rates of deforestation over the past decade (~1% annually, the second highest in the Congo Basin). There is little regulation of the use of pesticides, and poor waste management systems have led to the discharge of large amounts of refuse directly into the environment. Similarly, industrial waste and poor management of wastewater (less than 1% of sewage water is treated) have degraded water sources and supplies. The government has little money to even measure air pollutants, but rates are likely rising rapidly in major cities due to urbanization. Cameroon is also highly susceptible to climate change, which has begun to cause desertification in the northern regions.

The current legal and regulatory environment is inadequate to these challenges. In 2009, Cameroon created the National Climate Change Observatory (ONACC) as a national implementing body of climate change policies. Similarly, in 2012, the Ministry of Environment, Nature Protection, and Sustainable Development (MINIPED) formed a Steering Committee to direct legislation on deforestation and forest management. Neither body has produced significant guidelines or proposed legislation. In 2017, MINIPED only began a pilot reforestation effort through a grant from the Bonn Challenge initiative. In 2011, the legislature passed a new electricity sector law that mandated that new developments should give preference to renewable sources, but made exceptions for when such resources are scarce or at high cost. Discussions have been ongoing for many years about revising Cameroon's 1994 Forest Law, but there is no new legislation on the horizon. Cameroon currently ranks 161 on Yale's Environmental Performance Index. Cameroon is a signatory to the Convention on Biological Diversity, and participates in other regional and global environmental efforts, including the 2015 Paris Accords.

Environmental
policy

4

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1

Cameroon has made progress in education policy, most notably with its increased literacy rate and near 100% enrollment in primary school education (primary school fees were abolished in 2000). Likewise, enrollment rates in secondary school have improved, and currently are 62%.

Public expenditure on education has been relatively constant over the past ten years (averaging 3% of GDP). Cameroon's United Nations Education Index has likewise been approximately 0.5 for the past decade (ranking 153 in 2017). Little data exists for expenditures on research and development. However, universities certainly do not meet international standards.

Despite some progress, there are still serious issues with the educational system. There are regional disparities in levels of access, and enrollments are far lower in the North and Extreme North regions. Levels of income and gender also lead to unequal levels of access to educational opportunities. (Cameroon's Anglophone regions have actually had very well-run schools and universities, leading to a substantial influx of Francophone families sending their children to English-speaking schools and universities in the North and Southwest.) Absenteeism of teachers and corruption in the Ministry of Education and school education has impacted the quality of education. Tertiary education has received far less investment than primary and secondary education. Since the beginning of the Anglophone crisis in 2016, separatists have specifically targeted the education system and subsequently intimidated access to education. The quality of education in these regions has therefore declined drastically as schools have been closed for long periods of time. Anglophones have long complained about the influx of French-speaking teachers with poor English literacy in the school system of Anglophone regions.

Education policy /
R&D

4

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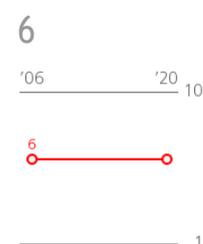
Governance

I. Level of Difficulty

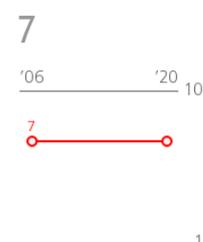
Structural economic and social constraints on governance in Cameroon are moderate, particularly in comparison with some neighboring landlocked countries with lower rates of literacy and higher rates of extreme poverty. Cameroon's HDI places it in the medium developed category. A number of typical features of African economies are present in Cameroon that can be regarded as structural constraints. This includes a strong reliance on natural resources as a source of export revenues and national income, a reduction in human resources due to exposure to tropical diseases, rural poverty, and more recently desertification due to climate change. Oil prices have not recovered as much as expected, but the exploration of offshore natural gas has the potential to compensate. Still, Cameroon has one of the more diversified economies on the continent, and the most diversified economy among the CEMAC countries. There are many structural features that are actually advantageous: a relatively large and educated workforce, a vast endowment of natural resources, favorable geographical and climatic conditions, access to the sea, and a strategic location straddling Central and West Africa. This is not to downplay the importance of structural constraints, which have undoubtedly shaped political institutions and policy-making in the past. Moreover, colonial legacies partially underlie the current crisis in Anglophone regions. However, most obstacles to political and economic transformation are due to government policies rather than structural factors.

There are a variety of civil society traditions in Cameroon, but decades of authoritarian rule and have limited its development. Compared to other African countries, a large proportion of civil society organizations did not emerge independently from the state and has not been immunized to political machinations. Under Cameroon's first president, Ahmadou Ahidjo, independently organized interests were highly distrusted and coopted by the state. While civil society played an important role in the transition to multiparty elections in the early 1990s, since then it has undergone a process of fragmentation and political demobilization. Many of the more recent civil society groups are explicitly ethnic and used as vehicles for securing government patronage. Participation in NGOs is limited to towns and cities, and many of these organizations lack even basic offices. Approximately 50% of the population lives in rural areas where it is integrated into local civil society traditions and participate in community-level events, but not part of national movements. There

Structural
constraints



Civil society
traditions

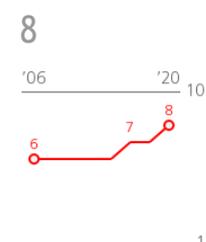


has been a steady decrease in electoral participation. The Anglophone crisis has exacerbated much of this and created more severe issues of social trust. Much of the militant and pro-secession civil society movement in the Anglophone regions has been banned.

In recent years, Cameroon has been faced with serious social and religious conflicts. The Anglophone protest movement of 2016 is now eclipsed by an armed separatist movement, which could evolve into a civil war. The conflict has taken a heavy humanitarian and economic toll. Over 1,500 people have been killed, 400,000 internally displaced, and 30,000 became refugees in Nigeria. Government forces have come under heavy criticism for their indiscriminate use of violence, including the complete destruction of over 100 villages and the use of rape and torture. The separatist movement is highly fragmented, and most of its elements have resorted to organized violence and targeted government forces and civilians who are perceived as government collaborators, or who appear to violate imposed economic and political boycotts. The crisis has led to steep declines in agricultural exports and multiple school and university closures. During large segments of 2017, the government shut down internet services in Anglophone regions. This conflict began as the government was still dealing with the Boko Haram insurgency in the Extreme North. That conflict has similarly taken a heavy toll, leading to the death of some 1,500 people and the displacement of 155,000. Over the past year, the government has also come under considerable criticism for its human rights violations there. Boko Haram was never a popular movement in northern Cameroon, but it was able to recruit among disgruntled youth with no future prospects.

The potential for other forms of violence is real, given pervasive structural problems (e.g., poverty and inequality) and a high degree of polarization in society. Ethnic, regional, and religious identities are reinforced and salient, and are often mentioned in private and public discourse to evoke alleged marginalization or favoritism. The practice of scapegoating certain groups to mobilize support or secure legitimacy for would-be leaders is not uncommon. Some groups are persistently framed in confrontational terms. For example, the West Cameroonians Bamiléké are widely believed to be entrepreneurial and to monopolize economic power. As a result, they are often accused of being overly ambitious. Such criticisms were recently lobbed at presidential candidate, Maurice Kamto. Other groups like the Beti (Biya's co-ethnics) are perceived as highly entrenched in the upper echelons of political power and unwilling to ever cede that power.

Conflict intensity



II. Governance Performance

14 | Steering Capability

The government sets strategic priorities, most notably with its Cameroon Vision 2035 program, the 2010 to 2020 Growth and Employment Strategy Paper (GESP), and a commitment to the United Nation's Sustainable Development Goals (SDGs). However, political leadership's prioritization is heavily dependent on external actors, and is often much more concerned with the political survival of Paul Biya. A strong economic policy team has helped Cameroon commit to large-scale infrastructural projects, like the dredging of Kribi's deep-water port and the construction of a few hydropower plants. At the same time, an elite group of Western-educated technocrats and a handful of reform-oriented bureaucrats have helped to establish stronger macroeconomic conditions through targeted privatization of state-owned enterprises, reforms to public expenditure management, and liberalization of fiscal and monetary policy. Many of these reforms were hard fought with multilateral lenders after decades of non-compliance and remain incomplete.

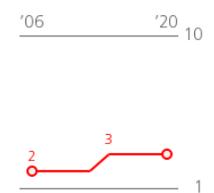
But, these important developments aside, much of the government appears to be oriented around the political survival of a narrow stratum of elites. Corruption is still rampant in the Cameroonian government, and only half-heartedly prosecuted. Many government institutions are not led by competent individuals, but rather used as opportunities to position supporters so they can access patronage resources. This extends to an oversized cabinet (the largest in Africa), a bloated civil administration, and a very weak national legislature. The pockets of technocratic expertise that do exist inside these bureaucracies have limited steering authority. Decisions almost always have narrow political objectives, namely regime survival. Real reform of political and economic institutions would eat away at the ability of regime supporters to access patronage, and therefore threaten a core feature of the regime.

The difficulty the government has to stick to its strategic priorities was evident in its reaction to the Anglophone protest movement in 2016. At the time, the protestors' demands were primarily in the realm of cultural and economic grievances that could be addressed with some creativity and political will. The government only mustered an ad-hoc committee, which was met with skepticism by representatives of Anglophone civil society. While negotiations were underway, the government deployed the military to violently crackdown on public demonstrations and shut down internet access. Hundreds of people were arrested and dozens were killed in these clashes, which led to a collapse of negotiations and helped escalate the conflict. These reactions were driven by fear of regime survival, and an inability to forge a consensus within the regime about the correct response.

Question
Score

Prioritization

3



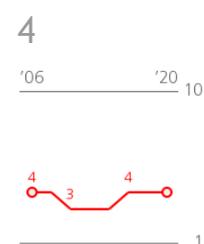
Pervasive corruption, limited accountability, and a fragmented bureaucracy limit the implementation of many major policy initiatives. Cameroon has passed its IMF reviews with satisfactory marks. The IMF notes Cameroon’s leadership role in CEMAC and its ability to meet most of the required macroeconomic benchmarks (with the noted exception of a ceiling on non-concessional borrowing). However, the IMF also notes persistent issues with public finance management reform, bank sector reform, the balance sheets of state-owned enterprises, and cost planning for nearly two dozen major projects. Likewise, implementation of the GESP suffers considerably not only from falling oil revenues, but also from poor investment execution due to corruption. Many programs are also unevenly implemented, which perpetuates regional inequalities between the Extreme North/East Regions and the rest of the country. In a 2016 report, the World Bank noted issues with proposed reforms to the Investment Code of 1990, which has limited Foreign Direct Investment. Conflict in Anglophone regions has also limited the government’s ability to implement programs in northwestern and southwestern regions. As with prioritization, corruption underlies a political logic meant to help keep the current regime in power.

The political leadership has shown limited willingness to learn from its mistakes, but it listens to advice and adapts to some outside calls for reform. By and large, the government is hostile to open criticism. One example is human rights: Though the government finally admitted Amnesty International delegations into the country to visit prisons and to conduct appropriate research, the government is not giving in to critique. Mild forms of critique unleash harsh reactions, as evident in the crackdown on freedoms of expression surrounding the fight against Boko Haram and the Anglophone crisis. Officials typically use their power extensively and ignore critical voices. Serious efforts to engage in dialogue on controversial issues are simply absent. Committing to a reform program by its own initiative is rarely observed.

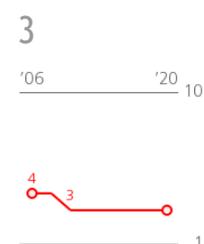
15 | Resource Efficiency

The government is inefficient in its use of assets, and resources are primarily deployed to be used as political incentives to create support. Pockets of administrative efficiency exist and Cameroon has been able to balance its budgets, but corruption is rampant in the public sector. The government loses vast resources during the process of public procurement, and informally must account for leakage at the local level during program implementation. The cabinet and civil administration are bloated, and appointments are not made based on merit and expertise, but rather on political expediency. For instance, in Yaoundé, there is a minister of Public Health, a secretary of state to the Ministry of Public Health delegated from the president’s office, and ten regional representatives of the Ministry of Health. Such repetition and redundancy are not uncommon across the government. In December 2018, the finance minister announced that up 25,000 civil servants receiving pay were either deceased or no

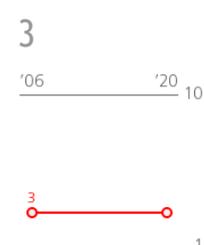
Implementation



Policy learning



Efficient use of assets



longer working for the state. Decisions on the distribution of resources are similarly tainted by political considerations rather than effectiveness. For example, the WHO has found severe geographical inequalities in the distribution of health personnel, with rural regions with high infant mortality rates suffering the most.

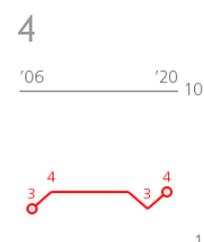
The centralization of political authority within the office of the presidency also causes inefficiencies and redundancies. There is a de-facto shadow government within the presidency, such that the president takes the most crucial decisions, sometimes without involving relevant ministers and civil servants. The cabinet meets infrequently, and there is little consultation with parliament. The prime minister's office only has coordinating authority.

The centralization of authority within the office of the presidency severely limits policy coordination. While the prime minister does have coordination responsibilities across government ministries, the government often fails to come to decisions, since it must wait on the president's decisions. Paul Biya spends at least one-third of the year abroad, and at one point two years passed between cabinet meetings. The bloated size of Cameroon's government further limits policy coordination. Most ministers are appointed based on perceptions of political loyalty. The president also appoints a vast majority of senior to middle-ranking officials. This includes secretary-generals of various ministries, as well as officers from the presidency delegated to monitor activities. This creates a conflict-ridden environment, where there is often competition and poor coordination within individual ministries. It is difficult to effectively implement policies at the local level for the same reason – governors, district officers, subdistrict officers, and urban mayors are all political appointees, who owe their careers to the president. In 2017, the World Bank highlighted the fragmentation of coordination of and monitoring mechanisms for public investments. Coordination mechanisms like local public investment monitoring committees are weak, and often compete with other government entities and do not effectively share information.

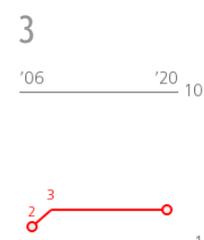
The government has structures in place to detect and prosecute corruption, but in reality, these are poorly enforced and perceived as highly politicized. The two main institutions that prosecute corruption are the National Anti-Corruption Commission (NACC) in the office of the presidency and the Special Criminal Court. Since 2006, there has also been a coordinated anti-corruption drive known as Operation Sparrow Hawk, which has reportedly produced dozens of convictions. The Supreme Court's Audit Bench is said to have some independence from the government, but most government finances are under the purview of the Supreme State Audit, which reports to the president and is therefore not completely independent.

In collaboration with multilateral lenders, the CEMAC region has moved to harmonize public finance management, but Cameroon is just at the start of that process. Standard budgetary practices are frequently not respected by ministries. The National Procurement Regulation Agency (ARMP) in the Ministry of Public Works

Policy coordination



Anti-corruption policy



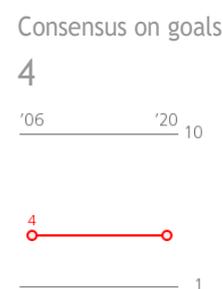
regulates public procurement, but specific rules are circulated as presidential decrees (the Public Procurement Code). In 2015, the ARMP moved much of the process online in order to reduce the prevalence of petty bribery. State-owned enterprises are often informally exempt from official public procurement processes. Office holders are not held accountable since Article 66 of the constitution, which requires civil servants to declare assets, is not enforced. Likewise, Law 2006/001, which expands the range of public officials who are required declare conflicts of interest, is not enforced. Finally, while public financing is available to parties, there is little regulation or transparency in party financing. It is assumed that the ruling CPDM can raise money from public enterprises and the business elite without disclosure or any cap on contributions.

16 | Consensus-Building

The authoritarian nature of the regime silences debate and pushes major actors in society, and importantly also crucial segments of the electorate, toward support of the status quo. This includes a tacit endorsement of unfair elections, rampant corruption, and state intervention in the economy in order to sustain the regime. Likewise, the manipulation of ethnicity as a basis for political gain limits the degree of consensus. Within the regime, there is a reform-minded elite, particularly among a younger generation, but they have only forged a consensus around marginal improvements to economic management.

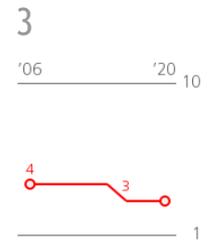
The lack of consensus on Cameroon's long-term goals is evident in the re-election of Paul Biya in 2018, and the escalation of the Anglophone conflict. Paul Biya's re-election essentially perpetuates the status quo because there is no consensus over what a post-Biya environment would look like. Questions about his succession and importantly what ethnic group or region will end up on top are a source of factionalism within the ruling party. The government also has no sense of how to deal with the fundamental issues that triggered the Anglophone crisis. Where some see real historical grievances that must be addressed through market and political reforms, other see a threat to the survival of the regime.

Cameroon lacks any real capacity or willingness to seek consensus with major political and economic players on major reform issues. Most players in Cameroonian society would agree on general goals of reform, namely a market economy, improved governance, and democracy. However, the government provides no platform for an actual exchange on these issues.



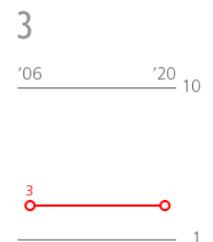
Cameroon's authoritarian regime precludes the emergence of strong reform-minded political actors. The few reformers that do exist, from within and outside of the ruling party, do not have the clout to rein in non-democratic actors, who constitute the vast majority of government and public administration personnel. The most significant anti-democratic actor is the president himself. The re-election of Paul Biya in 2018 maintained the status quo, and further limited the reform momentum within the regime. As long as Biya is alive and in office, it is safe to assume that potential reformers will be hesitant to act for fear of repression. The creation of a Senate and the designation of the speaker of the Senate as interim president in case of a death in office is not an indication of any empowered reform movement inside the regime. Biya's control over the ruling party and decimation of any opposition – political and civil-society based – leaves little room for reform-minded interests to gain power.

Anti-democratic actors



The political leadership is largely unable to manage cleavage-based conflict, and in reality, actually takes steps to encourage societal and political fragmentation. The policy of “regional balancing” (i.e., public sector appointments that respect regional quotas) has been poorly implemented and has not prevented several identity groups from claiming that they are under-represented in government and public administration. The internal debate within the CPDM about who would succeed Paul Biya is primarily about what ethnic group would emerge on top. Many anticipate that this process could end up in violence, in part because the military is also divided along ethnic lines. The government benefits from this division, since it ensures a strong base of core supporters for the regime (the Beti), who feel threatened by changes to the status quo.

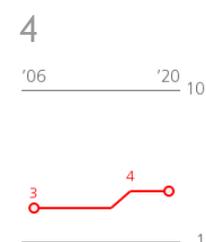
Cleavage / conflict management



The inability to manage cleavage-based conflict is now most evident in the Anglophone regions. The Francophone-Anglophone colonial legacy has historically been one of the most challenging long-term features of Cameroon's society. Representatives of the Anglophone minority feel that the government is trying to eradicate their social, cultural and legal specificities by ‘francophonizing’ the whole country. Protests arise around the willingness to preserve the Anglophone legacy. The government's delegation of an ad hoc committee to negotiate with protestors while simultaneously using state violence only exacerbated tensions. As of writing, conflict in the region is acute and on the verge of civil war. The government has not offered any concessions that would be palatable to representatives of the protestors and has not suggested any platforms for encouraging dialogue and finding common ground.

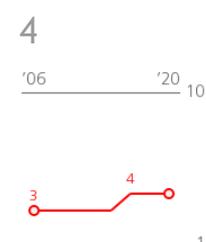
The political leadership fails to promote social capital and is largely indifferent to the role of civic engagement. Likewise, the government frequently ignores civil society, which it considers an oppositional force. In 2017, the government banned the Cameroon Anglophone Civil Society Consortium (CACSC), which cut off its main avenue of dialogue with the Anglophone protest movement. The government has also escalated its attack on freedom of association and expression, under the pretense of the threat of terrorism and the legal coverage of the 2014 anti-terror law. This attitude toward civil society participation is true in other realms. The government generally snubs civil society groups and thereby ignores the potential expertise some civil society groups may have on specific issues (climate change, poverty reduction, economic transformation). Consultation of civil society groups throughout the process of the poverty reduction strategy prescribed by the World Bank was not systematic and remained selective. Local planning councils are often co-opted by government and are not arenas for civil society participation.

Civil society participation



The government appears unable and unwilling to publicly cope with legacies of violence and past injustices. Cameroon has gone through several phases of widespread violence and state repression that are rarely given the national spotlight. The most significant case would be the UPC rebellion of the late 1950s and early 1960s, which was violently repressed by the French and Cameroonian governments. Until today, this liberation movement is disparagingly referred to as a “rebel” movement. When, in 2015, Francois Hollande became the first French president to break the taboo of speaking about this period during a short visit to Yaoundé, President Biya is reported not to have responded to Hollande’s comments. Other moments include a bloody coup attempt in 1984, the ‘years of burning’ in the context of opening up to multiparty elections, and the 2008 nationwide protests against the abolishment of presidential term limits.

Reconciliation



More recently, the government has had to cope with the legacy of its conflict with Boko Haram in the Extreme North and the ongoing brutality of its confrontation with Anglophone separatists. In July 2018, video emerged of two women, a child, and a baby executed by armed men in the Extreme North. This exposed fresh wounds over the government’s brutal tactics against Boko Haram, which often led to severe civilian collateral damage. In August, the government announced that it was investigating the incident, but took no further steps. In Anglophone regions, it is estimated that over 100 villages have been destroyed and between 800 and 1,500 civilians have been killed. There are also credible reports of rampant human rights abuses. In December, the government created a committee on disarmament, demobilization and reintegration. However, the announcement was met with skepticism from Anglophones.

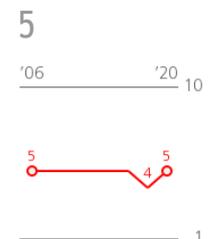
17 | International Cooperation

Cameroon's leadership use international partners primarily for engagement on issues of economic development and regional security, but very little on questions of democracy and governance. Many of the major aid donors are present in Cameroon, targeting a range of sectors. In 2017, the World Bank lent Cameroon XAF 112 billion for budget support and currently oversees 23 projects that range from rural electrification to livestock development. In 2017 the IMF also approved a XAF 43 billion Extended Credit Facility (ECF), which it repeatedly reapproved after Cameroon reached specific monetary and fiscal benchmarks. The European Union contributes funds and expertise to combat illegal forest exploitation, and the Agence Française de Développement (AFD) funds projects that boost agricultural productivity, address climate change, and supports vocational training in rural areas. The WHO and many other NGOs also operate programs and offer technical expertise. USAID is engaged on issues of HIV/AIDS, while DFID closed its offices in 2004 and ended all direct programming in 2011. Political leadership uses this assistance, but this does not translate into a consistent long-term strategy for development.

Since the growth of the Boko Haram threat, Cameroon has also increased its regional and international security cooperation. Cameroon contributes troops to the Multinational Joint Task Force (MNJTF) and has allowed the Nigerian and Chadian army to enter its territory. Likewise, Cameroon has permitted the United States to operate a drone base in the Extreme North. Cameroon also contributes troops to the United Nations Multidimensional Stabilization Mission in the Central African Republic.

Cameroon lacks international partners to support efforts to improve democracy and governance. Since the early 1990s, the number of credible international election observation missions has declined. The Commonwealth Secretariat and the Organisation Internationale de la Francophonie are the most persistent observers, but they have also been the subjects of criticism for their unwillingness to seriously criticize the regime and the state of democracy. During the recent 2018 election, the government falsely claimed that Transparency International had deployed an observation mission. Cameroon receives relatively low amounts of democracy aid and is not home to major institution-building efforts. The programs funded through USAID and the National Endowment for Democracy (NED) are focused on promoting youth leadership and mitigating the impact of conflict in northern Cameroon. The EU funds the Civil Society Strengthening Program (PASC), but has had difficulty finding local contract partners.

Effective use of support



Cameroon's superficial stability as well as its strategic position in a restive region provides the government with an enormous amount of leniency with international partners. With the spillover of Boko Haram since 2014 and the Central African Republic crisis, diplomats and international aid workers have found further justification for ignoring poor implementation of reform initiatives and to support the regime. This was once again notable with the tepid international response to the crisis in the Anglophone region. Outside of diplomatic calls for peaceful dialogue, no serious pressure has been exerted to force parties to the negotiating table. Consequently, and evident throughout its engagement with the international community, Cameroon has been able to skirt major reforms and resist real structural change to its politics or economy.

Cameroon has been seen as the pillar of the CEMAC region, but its credibility as a reliable partner has been mixed. For decades, Cameroon was a reliable partner of the French in the international arena, especially during disagreements with powerful states like the United States. Yet, in 2003, Cameroon was willing to abstain on a possible UN Security Council resolution on the Iraq War in exchange for American military aid. Similarly, Cameroon abstained from a UN vote that backed the Goldstone Report on the 2005 Israel-Gaza conflict, with the United States reportedly offering to support Cameroon in its territorial dispute on the Bakassi Peninsula. Cameroon is a reliable partner in regional security operations, but is also not a party to the International Criminal Court (ICC).

Cameroon is a member of many regional organizations such as the African Union (AU), the Economic Community of Central African States (ECCAS) and the Economic and Monetary Community of Central Africa (CEMAC). Within CEMAC, Cameroon is the most important market and producing economy.

Cameroon has fostered closer ties with Chad and Nigeria, in particular on security issues. Since resolving the Bakassi Peninsula dispute, its relationship with Nigeria has improved. Nigeria and Cameroon partner on issues of regional security to fight Boko Haram, and in early 2018, the Nigerian government extradited members of the self-proclaimed "independent Ambazonia" government. In 2003, Cameroon and Chad completed the Petroleum and Pipeline Project, which connected oil fields in Doba to Kribi. Since 2014, Cameroon has been a member of the (Multinational Joint Task Force (MNJTF), which primarily focuses on regional security cooperation.

While sheer necessity has forced Cameroon into closer cooperation with Chad, Nigeria and others since 2015 in the fight against Boko Haram, the government is not a leader of regional integration in Central Africa, which remains poorly developed in comparison to other regions in sub-Saharan Africa. President Biya's indifference to regional issues is also evident with regard to the fact that he is never participating in regional summits.

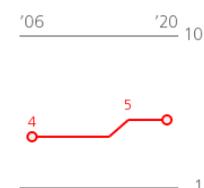
Credibility

6



Regional cooperation

5



Strategic Outlook

Despite some progress on macroeconomic reform, Cameroon remains mired in a state of malaise that it seems unable and unwilling to overcome. With the re-election of Paul Biya, Cameroon has bucked a continental trend, which has seen ageing rulers ousted from power or forced to resign, as in Angola and Zimbabwe. While the Anglophone crisis helped place issues of political stability at the forefront of voters' minds, Biya's re-election is indicative of Cameroon's unpreparedness to cope with change. Indeed, the question of a "post-Biya" Cameroon has been one of the recurring themes of all analyses of Cameroon over the past two decades and is one with no apparent answer. Biya will likely pass away in office, and Cameroon is not prepared either politically or institutionally for this event. That transition is likely to be very contentious, and potentially violent. Mutual distrust, factionalism, and a hyper-dominant ruling party make the question of succession zero-sum in the eyes of many.

A permissive international environment that views Cameroon as an "island of stability" in a strategically important environment has sustained this reality. Cameroon's close relationship with France, and more recently with the United States, have shielded it from serious criticism of its state of democracy and economy. Moreover, international support has helped ensure that Cameroon remains in the good graces of international lenders. This cooperation is likely to continue, and to provide the government with some protection from the domestic challenges it faces.

Even if the transition following Biya's departure is relatively peaceful, the institutions in place and the style of politics inculcated over the past 30 years are likely to continue and exert an impact. The use of patronage to build political support has been the primary cause of widespread public corruption. Regime resistance to economic and political reform is driven by the elite's dependency on rents derived from the state to sustain political support. Unless the political incentives are realigned, it will be difficult for reform-minded elites to exert sufficient control to push Cameroon toward real economic and political transformation. Much depends on what specifically happens after Biya leaves office, but a pathway to real democratic transformation will not be guaranteed by Biya's departure.

For this reason, the economic returns on Cameroon's infrastructural investments and exploration of offshore natural gas are likely to be limited. Absent policy reforms and equal investments in human capital, economic gains will likely remain limited to a few and will be eaten away by corruption and bureaucratic inefficiencies. Cameroon does not spend enough money on health care and education, and state intervention in the economy limits the ability of the private sector to grow and to create jobs that can lift the country out of poverty. Combatting corruption, liberalizing the bureaucracy, and investing in the rule of law should be government priorities, but are not, given its political incentives. The strategic outlook is an economy that continues to muddle by and display some signs of fiscal and macroeconomic strength, while performing far below its estimated potential.

This prolonged period of malaise has also had a severe social impact that is likely to continue and get worse. There is a massive demand for jobs and viable livelihoods among Cameroonians under the age of 25 (roughly 60% of the population). Coping with this demand will remain a key challenge for Cameroon in the years to come. However, nowhere is the breakdown of social trust more evident than in the Anglophone regions. The degree of violence has polarized society, and, for Anglophone separatists, Biya's re-election signaled an untenable status quo. Within the regime, the willingness to limit the use of violence and increase opportunities for reconciliation is limited. Therefore, in all likelihood, the conflict will continue and take a serious toll for years to come.

The Anglophone crisis is only one of several security challenges the government is facing. Though seriously lower, the Boko Haram crisis still requires constant attention from the country's defense and security forces, as does the growing insecurity at the border with the Central African Republic, particularly in the Adamaoua province. The management of these crises, which require massive investments, will shape Cameroon's ability to drive broader economic reforms in context of political contestation of Biya's re-election.