

Cameroon

Status Index 4.3 (Democracy: 2.0 / Market economy: 2.3)		Management Index 2.9	
System of government	Presidential Republic	Population	15.4 mill.
Voter Turnout	64 % (Parliamentary elections 2002)	GDP p. c. (\$, PPP)	1,680
Women in Parliament	8.9 % (2003)	Unemployment rate	n. a.
Population growth^a	2.7 %	HDI	0.499
Largest ethnic minority	19 %	UN Education Index	0.64
		Gini Index	47.7 (1996)
Data for 2001 – if not indicated otherwise. ^{a)} Annual growth between 1975 and 2001. Source: UN Human Development Report 2003.			

1. Introduction

In terms of resources (wood, petroleum, water, cocoa, coffee, cotton, palm oil, etc.) and natural geographical conditions, Cameroon offers an excellent foundation for transformation, but the political and historical picture is predominantly negative. As a result of the October 1997 presidential elections, which were boycotted by the major opposition parties, President Biya (in office since 1982) will remain in power until 2004 and no successor is in sight. Parliamentary elections were held in June 2002, and dealt devastating setbacks to the opposition. Not a single election has been held on schedule or in regular form since the return to a multiparty system in 1990.

An assessment of the status of the country's democratic and market-economy transformation over the past five years (1998-2003) indicates that, despite some good reports from the Bretton Woods institutions, economic reforms are not advancing fast enough, and democratic transformation has even suffered significant regression. The gradual informalization of public institutions is gnawing away at the vestiges of state sovereignty. In view of its starting point, which was certainly poor by comparison to the world at large but rather favorable in central African terms, the government can claim hardly any management successes. The state is only gradually starting to identify itself with a reform program that was demanded and to a large extent formulated by donors.

Severe deficiencies remain in the rule of law and protection of human rights, in participation and representation, and in ensuring sustainable development. Thus it is legitimate to ask whether the transformation process can be designated as autonomous at all.

2. History and characteristics of transformation

Economic transformation processes in Cameroon began in the late 1980s, with political processes following in the early 1990s. The Cameroon government did not have to ask the World Bank and IMF for a structural adjustment program for a relatively long time. After the onset of a severe economic crisis (1985-1986), the country tried for two years to get by with savings programs of its own. This policy changed in 1988, when the IMF accepted Cameroon's letter of intent.

In May 1989 the World Bank approved an initial structural adjustment loan, to be disbursed in three tranches. By spring 1994 only two of the three had been disbursed because of the sluggish pace of reform. The program largely comprised the components typical of the early 1990s (reform of the banking sector, administration, and para-governmental enterprises; deregulation of trade and of marketing organizations for agricultural raw materials; control and reduction of government expenditures, partly in the course of the privatization of government functions).

It did not include interventions in monetary policy, since Cameroon belongs to the CFA Zone, which at that time had fixed rates of exchange against the French franc (as it now does against the euro). The devaluation of the FCFA against the French franc in January 1994 affected Cameroon as it did other African states in the monetary association. The intended boost in exports largely failed to materialize, especially because conventional agricultural export production had fallen into crisis and could not respond quickly. Meanwhile, the buying power of government institutions dropped off dramatically, as they had to cope with budget cuts as well. In the first half of the 1990s, the World Bank called Cameroon one of the most disappointing "adjusters." The IMF, for its part, set up a staff-monitored program (1996), emphasizing its lack of confidence in the government.

The pace of economic policy reform did not pick up significantly until the beginning of the period covered by this report. Some moves toward privatization had been completed (e.g., CAMSUCO in sugar, Camtel Mobile in mobile communications, Regifercam in railways, and Sonel in electric utilities). But others (the Camair airline, SNEC water utility, CDC rubber and palm oil business, and the Camtel fixed telephone network) were not implemented, in part for political reasons. The banking sector, 68 % of which is held by the French, is now considered to be restored. But donors continue to complain of a lack of "ownership" and commitment. Public budget management also continues to draw criticism.

In the aftermath of world political upheavals, democratic transformation began in 1990 with the arrest of the former chairman of the bar association, Yondo Black, and nine of his associates. Black had led the way in preparing the founding of a political party. As the country's sole party, founded in 1966 and renamed by President Biya in 1985 after an attempted coup d'état in 1984, had never achieved

constitutional standing, other criminal charges had to be found to foil Black's plans. The subsequent trial before a military tribunal and accompanying reports in the private press accelerated the democratization process, as did the founding of another party, the Social Democratic Front (SDF), in the English-speaking part of the country. Security forces put a bloody end to the founding activities.

President Biya acquiesced in permitting a multi-party system at the end of 1990, but steadfastly resisted the opposition's principal demand: the convocation of a sovereign national congress based on the Benin model. This inevitably would have meant a loss of power for the president. The administration used every means at its disposal to manipulate the presidential elections of October 1992. It now seems certain from the figures available that SDF candidate Fru Ndi won the election. Biya, the declared winner, subsequently established a "showroom democracy" with slightly improved but still restricted civil liberties (an expansion of freedom of opinion and freedom of association), but no allowance for a change of control at the top. The opposition remained divided, failed to establish democracy within its own parties, and dispersed into municipal offices.

Against substantial resistance from his party apparatus, Biya implemented a "national program of good government" in mid-2000—after a ten-month delay—which included plans for action in five sectors: public administration, the judicial system, decentralization, socioeconomics and finance, and civil society participation. The program vanished from the public discourse shortly after it was introduced. As a reaction to rising crime, Biya set up a "*commandement opérationnel*" (CO) in spring 2000 comprising members of the army, gendarmerie and police. It soon attracted attention through extralegal executions in the country's business hub, Douala. Among the most important actions in civil society during the period under examination were regular protest marches in spring 2001 demanding clarification of the "disappearance" of nine young people at the hands of the CO. Today, Cameroon is among the countries with the least democratic progress on the continent.

3. Examination of criteria for democracy and a market economy

3.1 Democracy

In transforming its political order, Cameroon has made progress in only a few of the areas under evaluation. There are still severe transformation shortcomings in political representation, participation, and the rule of law, as well as in implementing government decisions. These entirely preclude stable democratic institutions.

3.1.1 Political organization

(1) *Stateness*: Cameroon has significant problems maintaining its sovereignty in certain key areas of public life and in peripheral regions of its territory. There is no consistent state monopoly of power, even though the regime's capacity for repression can be considered above-average. Traditional rulers have their own security forces and prisons, especially in the northern and western parts of the country; the slums of Douala, a major city, are becoming "no go" areas; the border areas with Nigeria and Chad are no longer under the control of the state. Moreover, the government has been losing significance due to increasing privatization, and to the informalization or internationalization (through developmental cooperation) of the production of formerly public goods (health, education, safety).

Within the PRSP process the state has gradually taken up a more active role, especially in the field of health and education—even though under the continuous pressure of the donors. Defining citizenship and who qualifies as a citizen is a politically relevant issue. The majority of the English-speaking population (20 % of the total) feels like second-class citizens; a growing minority even prefers secession. In October 2002, the ICJ granted Cameroon sovereignty over the Bakassi peninsula in its border conflict with Nigeria, but the inhabitants rejected the decision; they consider themselves Nigerian. Around 4.5 million voters were registered for the parliamentary elections, but statistically this number should have been around 7.5 million. Thus *de facto*, not all citizens enjoy the same civil rights.

The constitutional separation of church and state is enforced, although some religious or spiritual groups have a discreet influence (the Essingan and Laakam secret societies, the Rosicrucians, and increasingly the Pentecostals). Nevertheless, the political process is largely secularized. The administrative system is functional only to a limited degree, and is highly corrupt. Public security is continuously compromised by criminality (sometimes in complicity with government entities) and there is extremely little confidence in the representatives of state power.

(2) *Political participation*: The constitution prescribes universal suffrage and the right of every citizen to stand for election. Since the reintroduction of the multiparty system, not a single election has been held on schedule and deemed to be "clean" (1992 and 1997 presidential elections, 1992, 1997 and 2002 parliamentary elections, 1996 and 2002 municipal elections). All official figures are questionable, even those relating to the participation of the electorate.

The opposition's continual demands for an independent elections commission have not been met, yet protests against manipulation have been declining. Cynicism has taken hold among committed citizens, who have unmistakably retreated into the private sphere. The electoral process is fundamentally

competitive, but major opposition parties boycotted the 1992 parliamentary elections and the 1997 presidential elections because of signs of impending manipulation.

In principal, President Biya and his government govern alone. The influence of the military has been undisputed since loyalists defeated the coup attempt against Biya in April 1984. The military is always monitored closely for any signs of discontent among its ranks (the most recent of which appeared in spring 2001).

The assertion of the constitutional rights of political organization and communication is subject to restrictions. Although the government, consistent with its policy of “divide and conquer,” has tended to encourage rather than hinder the registration of new parties, on a number of occasions it has forbidden party conventions. Non-governmental organizations can be formed relatively freely. Since 1999 a law provides their legal framework.

The state media are subject to massive influence from the government. The development of private radio has been hampered consistently. Over the past few years, editors and journalists for private newspapers have repeatedly been intimidated, arrested and sentenced to prison even for minor offenses. The freedom of information and the freedom of opinion are restricted where the president’s family, corruption within the innermost leadership circle or the military are concerned.

(3) *Rule of law*: Checks and balances among the executive, legislative and judicial branches are characterized by a number of transformation deficiencies. To date, the executive has had to face critical questions in parliamentary question and answer sessions only very rarely. Investigative commissions demanded by the opposition have not been formed. The majorities among the legislature’s officers and in the legislature as a whole normally succeed in preventing such reviews. Also, virtually no legislative initiatives originate in parliament.

The president appoints judges, including the supreme court judges who are in charge of elections—they receive regular salary increases. The judiciary in general is considered to be especially in need of reform, and hardly independent. Corruption is endemic, and has counted among the government’s chief problems since Cameroon’s repeated designation as the most corrupt country on earth, according to the Corruption Perception Index (CPI) findings published by the NGO Transparency International for 1998 and 1999.

The government under Prime Minister Mafany Musonge (in office since 1997) has made a few hesitant steps toward fighting corruption since 1998, including setting up anti-corruption units at major ministries. A small number of well-known representatives of the political elite have been arrested on charges of corruption, but only those who had already fallen into disfavor. Since then,

Cameroon has ranked eleventh in the CPI. Fundamental human rights are violated—not systematically, but often massively.

3.1.2 Political patterns of behavior and attitudes

(1) *Institutional stability*: No immediate threat to institutions is apparent. However, given its many deficiencies in participation, the rule of law, efficiency, the inclusion of population groups, and social justice, Cameroon is definitively not “structurally stable.” External upsets and episodes of violence can impair the superficial stability at any time. In some ways, republican—as already indicated, not necessarily democratic—institutions are *de facto* rendered questionable “from above” by the president, who holds irregular cabinet meetings and undermines the independence of the courts. English-speaking activists associated with the secessionist Southern Cameroon National Congress (SCNC) have been raising questions about the 1961 referendum and the resulting union of the French and British parts of the country, and thus about the entire constitutional apparatus.

(2) *Political and social integration*: A variety of regional and ethnic groups consider themselves integrated only conditionally or by force. British Cameroon stepped up its movement for autonomy during the 1990s, and increasingly is seeking secession in view of the government’s lack of willingness to negotiate. It is difficult to assess what percentage of the English-speaking population shares this wish. There is no question that the state, as a whole, is dominated by French speakers, and important measures to improve infrastructure in the English-speaking North West and South West provinces have been deferred for a long time.

The largest ethnic group, the Bamiléké (a collective conception that conceals internal differences) was defamed globally as rebels in a late colonial guerrilla war; they, too, are quite willing to view themselves as victims of the state’s politics of unfair distribution. But this can also be said of neglected zones in the extreme north and east of the country. The pygmies, who live on the margins of society, have hardly any political relevance.

The moderately fragmented party system (with five parties represented in Parliament) is ethnic and regional in character. Individual parties are rooted in different parts of society. Hopes of patronage predominate over ideological preferences. The results of the 2002 parliamentary elections, which must be interpreted with caution, suggest that support for the governing party is returning, especially in the northern part of the country. This party also offers the best opportunities for patronage. Opposition parties are mostly coalitions of personality-oriented election associations. Among themselves, they are able to form *ad hoc* platforms, but not to cooperate strategically for the longer term with the aim of bringing about a change in power.

Cameroon does not have a well-differentiated landscape of interest groups. The GICAM business association emancipated itself from government domination during the period under study, and the unions did so even earlier, but the unions have real power only in certain areas, mainly the educational sector. In the place of the former party-controlled single union, an increasingly fragmented system of individual unions has evolved, with two competing umbrella associations. The unions are all but irrelevant in the weak private sector.

Cooperation between the state and social interest associations depends heavily on the mediating personalities. The number of nominally non-governmental organizations surged in the 1990s. Some are quasi-NGOs under the influence of government officials. Only a few organizations are competent and truly committed to the transformation process. In this regard, certain church-related institutions and human rights organizations are more significant. The IMF has assigned non-governmental organizations a poor rating (“weak organization of civil society institutions,” January 2002), but also emphasizes the government’s lack of experience in cooperating with civil society.

3.2 Market Economy

Cameroon made a certain amount of progress in transforming its economic order during the period under study, but transformation deficiencies persist in every relevant sector.

3.2.1 Level of socioeconomic development

The key indicators show a low level of development. Measured in terms of the Human Development Index, the country’s level of development permits adequate freedom of choice for only a few citizens. Exclusion has caused poverty among disadvantaged groups (especially in the backward East and Extreme North provinces). The weaknesses of the educational system perpetuate social inequality. The gender problem is quite relevant, but no meaningful surveys exist. Existing imbalances in development among regions did not recede during the period under study.

3.2.2 Market structures and competition

The dense regulation of the economy has been reduced since the inauguration of the structural adaptation program. There have been complaints about favoritism toward French companies, especially in the privatization of state enterprises. But U.S. and South African investors have now established themselves as well. Since the elimination of state monopolies, small, foreign-dominated oligopolies have arisen.

The first general director to come from the private sector was able to pull the notoriously loss-making airline Camair into the black, at least temporarily (2001). The state monopoly of the SONARA refinery in the national oil market was eliminated in 1998. The elimination of price restraints on gasoline, stipulated by international financial institutions, led to significantly higher gasoline prices, which have fluctuated ever since. Foreign trade is liberalized to a large degree. Special regulation are valid for the export of products of the tropics. Since 2000 the export of certain timber is forbidden, in order to domestically improve their net product.

The restructuring of the banking sector, formerly forced to grant “political” loans, is considered complete. Banking supervision is now handled by the *Commission bancaire de l’Afrique Centrale* (COBAC), and thus is no longer subject to national bodies.

3.2.3 Stability of currency and prices

Cameroon’s inclusion in the franc zone has given it a highly stable currency. Monetary policy is the responsibility of the *Banque des Etats d’Afrique Centrale* (BEAC). The government’s fiscal and debt policy is stability-oriented due to the influence of the money-lending community, although the situation was rather the opposite in the early 1990s. Since 2000, Cameroon has profited from the Heavily Indebted Poor Countries (HIPC) Initiative. Even before the “completion point,” bilateral donors forgave substantial amounts of debt.

3.2.4 Private property

Property acquisition, especially the purchase of land titles, is not without problems, as conflicts arise between the competing “modern” and “traditional” concepts of law. The privatization of existing state companies has advanced over the past four years, but not at the pace planned—about half of the larger state companies still await privatization. One problem is that Cameroon firms have been granted licenses only in very rare cases. However, the privatization of companies has not always led to better service, especially in the cases of electrical power and of cocoa and coffee. The former is unable to supply sufficient power, while the overly hasty dissolution of the marketing board for the latter has proved detrimental for product quality. Here, too, only foreign companies profited.

3.2.5 Welfare regime

In rural areas, social risks are still largely absorbed by “traditional” family-based relationships of solidarity. This system is crumbling in the cities. Sometimes there is equivalent coverage through informal savings associations (tontines) or through

the solidarity of church congregations. State social insurance is notoriously overextended, and in the past has often been plundered under the table as a slush fund for the government. The state health care system is similarly overextended, and has been compromised significantly by corruption.

On the whole, access to public services cannot be taken for granted. Here the rural sphere remains significantly disadvantaged. There is a certain inequality of opportunities between the sexes in access to education. Access to a regular income and to public office continues to be more difficult than average for women (5.8 % of cabinet members are women; 5.6 % of the parliamentary delegates were women before the last elections, and 8.8 % afterwards).

3.2.6 Strength of the economy

Some macroeconomic fundamentals improved substantially in the period under study (after deteriorating sharply in the early 1990s). This can hardly be attributed to the government's crisis management; rather, IFI prescriptions have begun to take effect, and world economic conditions have been rather favorable to Cameroon. The country's respectable economic growth (1997-98: 5.0 %, 1998-99: 4.4 %, 1999-2000 4.2 %, 2000-2001: 5.3 %) still does not measure up to its potential—especially not to the targeted 7 % that would begin to promise a reduction of poverty.

Unused residual potential cannot be realized without profound institutional changes, a reversal of the state's process of decay, and an increase in both social cohesion and political legitimacy. Indeed, a collapse of growth rates must be feared once the oil deposits currently being exploited are exhausted and the temporary gain from construction of the region's most important project, the Doba-Kribi (Chad/Cameroon) pipeline, has evaporated (2004).

Agricultural export goods (coffee, cocoa, cotton, sugar, palm oil, rubber) have been suffering for a long time, and some will require both substantial investments and favorable prospects in the world market to become a driving force again. For this to occur, private investors' confidence must first be earned. The significant wood sector (mostly foreign-owned) probably will have to shrink further before the pioneering reforms of the past few years can take hold (a controversial Forestry Act in effect since 1999) and halt the felling that continued unchecked into the 1990s with serious, negative effects on ecology. Nevertheless, experts estimate that one fifth of all official reports of illegal felling still "disappear."

3.2.7 Sustainability

The wood sector is an example of how sustainable management has been ignored for decades. Another example is the reliance on petroleum, a fossil—and therefore

finite—fuel. The country is just beginning to appreciate its natural resources. The pipeline project mentioned above, along with the legislative procedure for municipal forest management, have generated only the rudiments of ecological awareness. According to an audit report (July 2002), numerous environmental and social standards have been ignored in the construction of the pipeline.

Cameroon has a mixed state and private system of primary and secondary education. About 50 % of the schools are run privately; these teach one third of the students. During the period under study, the educational system continued to be characterized by low performance, several scandals and numerous teacher strikes. The level of education, which is acceptable by African standards, could not be maintained without church-supported schools. In addition to the state universities, there is a Catholic university in Yaoundé, and these have been supplemented by a number of private initiatives.

The state's expenditures for education in the early nineties were 3.5 % of gross national product, or 19.6 % of total government expenditures. Within the HIPC initiative significant additional investments were planned that have already—even though hesitantly—been applied in 2002. So far parents had to make a substantial investment in school allowances, school uniforms and supplies. Formal education enjoys high social prestige. UNESCO figures place the level of illiteracy at 30 %. Experts estimate that this percentage has risen somewhat since the drop in private income early in the 1990s.

4. Trend

(1) *Democracy*: No progress worth mentioning occurred in the period under study. Indeed, citizens actually lost confidence in the present political system's ability to reform. The state continues to lose relevance for the citizenry. The last few years have been characterized by a retreat into private life, and a search for informal, sometimes illegal solutions to individual problems. The former single party, which was still shaky in 1997 in the municipal elections, has solidified its position thanks to manipulated elections and incompetence among the opposition. It has now become entirely inconceivable that the government could be controlled by parliament. At the same time, the opposition parties' achievements in political and social integration have declined.

Individual unions in the educational sector have demonstrated an ability to mobilize, but have seldom acted in concert. The business association voices criticism of the government's developmental policy, some of which is constructive. The Central African central bank, BEAC, and its associated supervisory body, COBAC, have gained respect and functional capacity, but this advance cannot be attributed directly to Cameroon.

The development of civil society interest groups and organizations is stagnating at what can be considered a medium level in context of the African continent. There is a lack of meaningful surveys to evaluate citizens' attitudes or changes in those attitudes. Slight improvements in the awareness of problems have occurred in fighting corruption and decentralization, but progress is still barely measurable. Although corruption remains widespread, the government has acknowledged and designated it as a problem. However, opinions differ as to whether the measures instituted hold any promise of efficacy.

The Ministry of the Interior has been renamed the Ministry of Territorial Administration and Decentralization (*Ministère de l'administration territoriale et de la décentralisation*); advances in shifting authority to the local level and in local participation will be one of the bases for defusing the problem with the English-speaking portion of the population, although this process certainly bears risks of its own. Superficial stability is being maintained, and certainly deserves mention in comparison to the neighboring countries of Chad, Central African Republic and the Congo (Brazzaville). However Cameroon is by no means "structurally stable."

(2) *Market economy*: The fundamental development indicators show steady improvement in some macroeconomic figures (especially GDP growth) for the period under study. It should be noted that this growth starts out from a low baseline after the collapse of the late 1980s. The HDI and GDI have deteriorated.

Table: Development of socioeconomic indicators of modernization

	HDI	GDI	GDP index	Gini index	UN Education Index	Political representation of women ^a	GDP p. c. (\$, PPP)
1998	0.528	0.518	0.45	47.7	0.64	5.6	1474
2000	0.512	0.500	0.47	-	0.65	5.6	1703

^a Percentage of women delegates in parliament after 1997 elections.

Sources: UNDP, Human Development Report, 2000, 2002,

<<http://www.undp.org/hdr2000/english/FAQs.html>>, <<http://hdr.undp.org/reports/global/2002/en>> [accessed Oct. 22, 2002].

As a whole, the institutional environment for a market economy has improved under the influence of donors, especially the World Bank and the IMF, but some privatizations have had disappointing outcomes. There have been setbacks, particularly in the provision of formerly state services. Some deficiencies still remain in the organization of the economy and in competition (for example, exceptions to rules governing value added tax). The reform regulations on paper

are less crucial than a uniform application of the rules, and here business people complain of “taxation” by officials who do not always have authorization.

On the whole, flouting the rules is widespread and seldom penalized. The momentum toward reform accelerated slightly during the period under study. Measured in terms of macroeconomic data, economic development gained substantial momentum compared to the time before the period under study. The role played by the state’s development policy is debatable, as is that of the donors, as well as whether the macro data have any significance for the real life of the average citizen.

Table: Development of macroeconomic fundamentals (1998-2002)

	1998	1999	2000	2001	2002
Growth of GDP in %	5.0	4.4	4.2	5.3	4.4
Export growth in %	-0.9	-6.6	26.3	0.2	-13.8
Import growth in %	7.0	2.9	3.7	5.0	3.0
Inflation in % (CPI)	2.2	2.2	-0.7	4.8	4.8
Budget deficit in % of GDP	-2.5	-4.1	-1.7	-1.7	-4.1
Current account balance in billion \$	-0.233	-0.440	0.021	0.018	-0.195

Sources: IMF, Public Information Notices 02/138, December 24, 2002

<<<http://www.imf.org/external/np/sec/pn/2002/pn02138.htm>> [accessed December 26, 2002]; Economist Intelligence Unit Country Report, November 2002 (2001 growth given there as only 4.4 %).

5. Transformation management

5.1 Level of difficulty

A low level of economic development, rudimentary fundamental market economic structures, a medium to low level of education in society, the presence of ethnic and regional conflicts, an inefficient administration of the state and the state’s spotty monopoly on power already added up to moderately poor conditions for continuing transformation at the start of the period. In terms of the structural socioeconomic conditions that dominate the political process for the long term, the level of difficulty of transformation must therefore be considered relatively high.

A basic consensus on democracy—though somewhat weak as to core democratic rules of the game—could be assumed among average citizens before the period

under evaluation, but was less well established among the elite and counter-elite. Systems previously experienced by the country were generally contradictory and heterogeneous. These included: differing traditional political cultures and institutions, though based mostly on consensus rules; colonial dominance through violence and bloody repression of a late colonial guerrilla war; a short-lived multiparty system after independence; authoritarian single-party rule until 1990. National and international economic conditions during the period under review were not unfavorable for a petroleum-producing country like Cameroon.

5.2 Reliable pursuit of goals

It is difficult to speak of any strategy for economic reform on the part of Cameroon's government. Since the most important imperatives came from Washington, the government was still blind to the need to provide a social cushion for structural adjustments in the early 1990s. The emphasis was on ensuring power, rent appropriation, and creditworthiness. No transformation goal for a consolidated market economic democracy per se was ever announced by the government. Instead, the talk was initially of "community liberalism" and later *démocratie apaisée*.

Political and social reforms make only gradual progress. A broader inclusion of social groups and organizations is one of the objectives of the PRSP process, but to date has succeeded in only a few segments (the Interim Poverty Reductions Strategy Paper dates from August 2000; a final paper was actually supposed to be completed in mid-2002 and presented in 2003). So far, any progress made in the democratic transformation process has occurred without the help of the government. In fact, over the past five years hardly any progress has been achieved here; backsliding tendencies predominate.

There is some willingness among the opposition and the government to act cooperatively, but this is manifested almost exclusively in cases where the government offers sinecures to coalition partners from among the ranks of the opposition. None of the parties represents a consistent policy of expanding democracy. There is no sense of confidence that expectations can be fulfilled.

5.3 Effective use of resources

The government is now making better use of available staffing and organizational resources in the interest of an economic transformation policy, but is certainly not using them effectively yet. A number of well-trained younger technocrats have recently gained influence in several key ministries, but the old guard remains in office as well. With 55 positions, the cabinet is one of the largest in Africa. Due to opposite interests within the government reforms are often hesitantly or incompletely implemented. Range and quality of public services offers

insufficient prerogatives for transformation process. Public funds continue to be misappropriated regularly in some sectors. Investigations and punishment seldom follow.

Despite a great deal of rhetoric, the battle against corruption is only beginning. The legal framework is inadequate. Unless the political independence of tax authorities and public prosecutors is reinforced, progress is unlikely. Such reinforcement does not appear to be in the interest of those close to the top, some of whom are likely to be subjected to such investigations themselves. The dominant cultural and social traditions lend themselves better to defending patronage practices than to bringing about neutral regulation.

5.4 Governance capability

One would expect that the government's organizational capability is great because it holds a very large majority in the National Assembly. But this does not necessarily mean that it has authority. Apart from the military, the government does not have to take particular consideration for anyone—the era of large-scale mobilization by the opposition is obviously over. Instead, resistance to the reduction of special privileges is voiced on a regular basis from within the governing clique itself.

The misallocation of economic resources, in the past most familiar in the founding of state-owned enterprises, has declined through the very nature of current conditions. But the government still has only limited credibility among the population. In the 2004 presidential elections, special expenditures are expected to ensure that the incumbent, who presumably will run again, will be reelected by a presentable margin. The main problem is that state policies are difficult to implement in the face of declining capacity, a lack of commitment by government employees, and a general trend toward informalization.

5.5 Consensus-building

Although most players in the society agree that a market economy and democracy are the goals of reform, this is only partly true when it comes to the government. In any event, the government is unlikely to get involved in establishing any social consensus. The individual parties' programs for reform have been kept vague for the most part, and offer neither material nor scope for forming a consensus. Thus, in principle, every party can be considered capable of forming coalitions with any other. But consensus-building has been impeded by episodes of violence and the experience of government manipulation. Locally, some traditional rulers can be considered antidemocratic players with veto power.

Corporatist forms of coordinating interests among the unions, business associations and the state are largely unknown. The economic and social council formed for such purposes is entirely meaningless. However, the lines of conflict do not run along such fronts, but between the regime and its opponents (as well as between French speakers and English speakers). Both the unions and the business associations include supporters and opponents of the government. The most important influence on the government's economic and social policy is exercised by donors and the Catholic Church.

5.6 International cooperation

The net improvements in economic transformation since 1997 are associated with greater cooperation with outside players (the IMF, the World Bank, and the donor community). The government is now showing a strong willingness to comply with the formal aspects of requirements, but still does not use of the resources furnished by international players effectively. There is still a tendency to play off donors against each other. The greatest opportunities for reform arise when the IMF, the World Bank and France all throw their weight in the same direction.

After Cameroon was selected twice in a row as the most corrupt country on earth, the government invited Transparency International to found a national chapter. However, the role of outside players in the democratic transformation process continued to be insignificant during the period under study. There was little pressure on Yaoundé, especially as compared with other African countries.

The bilateral relationship with Nigeria fluctuates, but potentially poses a problem. In the 1990s there was a low-intensity armed conflict with Nigeria (the Bakassi Affair; see above), on which the government agreed to accept the ICJ's ruling without reservation—even before the decision turned out in its favor. Within the CEMAC Central African economic community, Cameroon is the most important market and production site. Rivalry with Gabon persists—for example, over the location of a regional securities exchange. There are criticisms that the government shows too little interest in regional issues. Relations with Equatorial Guinea are considered poor. Those with the Central African Republic were sometimes tense in 2001. Relations with Chad and the Congo (Brazzaville) are normal. Cameroon's foreign policy is quite passive, hardly consistent with its relatively large economic importance in the region.

6. Overall evaluation

In view of the initial conditions, the current status and evolution that has been achieved, as well as the players' political achievements (management), this assessment arrives at the following concluding evaluations:

(1) *Initial conditions:* The starting conditions for transformation can be rated as slightly negative overall. Even before the observation period, the country had few functional or effective market economy structures. There is certainly a nation-state identity (which becomes evident, for example, when the successful national soccer team plays), but it is not uniform in every region. The state itself was not a particularly capable performer even before the observation period. The background of traditions in the rule of law, civil society and democracy was mixed and slightly negative. It can be assumed that democratic values proliferated in the early 1990s. But neither a “government loyal to democracy” nor an “opposition loyal to the system” are present here.

(2) *Current Status and Evolution:* Democratic transformation showed signs of regression during the period under study, although the multiparty system remains fundamentally unchallenged. There has been no consolidation whatsoever. Despite the multiparty system, there is no possibility for alternation of power, and no transition has actually occurred. There has been regression in participation and state sovereignty. Citizens’ rights to demand that the state provide public goods such as safety, education and health have declined overall.

Transformation toward a market economy has advanced somewhat further, and is tending in the right direction. Decision makers have been able to stabilize fiscal development and to achieve growth rates that are steady and above the African average. The banking system has recovered and some privatization actions have advanced, though not at the desired pace. Donors have acknowledged this progress, but are unanimous that it is insufficient to reduce poverty.

However, without a political transformation, the net level of success is unlikely to improve. The issues here are the assurance of justice (for investors and citizens), confidence in the state’s ability to regulate, and the prevention of potentially violent conflicts through suitable reforms (e.g., decentralization).

(3) *Management:* The verdict on the actors’ relative management performance is rather negative. The economic transformation process picked up speed during the period under study in comparison to the previous period (in other words, from a low baseline). This process, however, is considered donor-driven, and not accompanied by sufficient participation.

The government’s management power through manipulative machinations in power politics must be assessed as high. The internal policy reforms needed for a transformation process (decentralization, reform of the justice system, fighting corruption) have been approached halfheartedly, if at all. Without political reforms, the interim results of macroeconomic reforms will be unstable. Such instability precludes overly optimistic expectations of success.

7. Outlook

The overall negative transformation picture contradicts the public assessments of the IMF and World Bank, but not the observations of experts whose judgments are more politically minded. The two Bretton Woods institutions gave good ratings only to themselves and a small group of reform-oriented technocrats. In Cameroon's case, one must doubt that the direction of transformation is already established, and that only the pace need be appraised. Rather, it must be feared that the trend toward informalization and a gradual crumbling of the state will continue. Temporarily strong macroeconomic growth rates say little about the realities of life and general prospects, which for the vast majority of the population are poorer than they were twenty years ago.

Cameroon is also poorly equipped for the future because it is unclear what the state's principal source of revenue is to be after the foreseeable end of the petroleum age. The donors' strategy since the 1980s, which is directed primarily toward economic policy, has long since proved ineffective. Without the requisite political transformation, in particular, the strengthening of participation, the rule of law, and the efficiency of administration (by reforming the administration of elections, promoting independence of the courts, systematically fighting corruption, etc.), and without a reversal of the tendency to exclude the English-speaking population, the modest economic successes of the period under study will all prove to be built on shaky foundations.