

BTI 2016 | Cameroon Country Report

Status Index	1-10	4.26	# 100 of 129	
Political Transformation	1-10	3.80	# 96 of 129	➔
Economic Transformation	1-10	4.71	# 87 of 129	➔
Management Index	1-10	3.63	# 106 of 129	
	scale	score	rank	trend

This report is part of the Bertelsmann Stiftung’s Transformation Index (BTI) 2016. It covers the period from 1 February 2013 to 31 January 2015. The BTI assesses the transformation toward democracy and a market economy as well as the quality of political management in 129 countries. More on the BTI at <http://www.bti-project.org>.

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Key Indicators

Population	M	22.8	HDI	0.504	GDP p.c., PPP \$	2971.1
Pop. growth ¹	% p.a.	2.5	HDI rank of 187	152	Gini Index	42.8
Life expectancy	years	55.0	UN Education Index	0.486	Poverty ³	% 54.3
Urban population	%	53.8	Gender inequality ²	0.622	Aid per capita \$	33.2

Sources (as of October 2015): The World Bank, World Development Indicators 2015 | UNDP, Human Development Report 2014. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.10 a day at 2011 international prices.

Executive Summary

The indirect election in 2013 of 70 senators, plus the presidential appointment of another 30, realized one of the last provisions to be implemented of the 1996 constitution. The ruling Cameroon People's Democratic Movement (Rassemblement Démocratique du Peuple Camerounais, RDPC) controls four-fifths of the Senate and won a slightly reduced but still overwhelming majority in the postponed legislative elections in 2013. Municipal elections were also held in the same year. All in all, the three events passed without serious problems, though the opposition cried foul again. Theoretically, over 8 million citizens should be of voting age, but only about 68% of those were registered. Participation rates (officially over 75%) therefore given an inexact picture of the support the government enjoys. Cameroon's political climate remains characterized by immobility. Most senators are very old and staunch supporters of Biya. Under the constitution, the speaker of the Senate would take over if Biya should die in office; the speaker himself was 79 years old when elected. Major doubts persist on what would happen were Biya unable to complete his seven-year term (running until 2018). The opposition looks weak and split into too many camps, and only a few individuals in different parties claim some popularity. Ever since independence, the experience of Cameroonians is that the government cannot be changed via elections. This remains a dangerous legacy. One major institution provided for under the 1996 constitution remains to be established - the Constitutional Council.

During the review period, one major security challenge has developed dramatically. With acts of piracy on the coast going down, it was clearly the Boko Haram threat of hijackings and armed incursions destroying property, burning mosques and killing people that made most headlines. The security forces stepped up their presence in the affected area and new personnel was recruited. Those acts happened in the Far North Province and close to the Nigerian border, so in the periphery of Cameroon. However, the potential to further expand territorially and to seriously threaten peaceful religious coexistence is regarded as substantial. No terrorist acts in major cities have been recorded so far. In addition, the ongoing crisis in neighboring Central African Republic (CAR) is

creating headaches in Yaoundé. Refugee camps in the border zones are visible signs of an impact on Cameroon, but diverse rebel movements from the CAR also operate occasionally on Cameroonian territory.

The economy fared reasonably well with growth rates of 5.6% and an expected 5.0% in 2013 and 2014 respectively. Public investment in highly needed electricity generation measures showed effect, and will continue with the government willing to issue new debt bonds in early 2015. In January, the Cameroonian government announced that it would issue CFAfr 320 billion (\$553 million) in sovereign debt in 2015, a rise of 14% on the CFAfr 280 billion issued in 2014. However, the IMF noted new risks for macrostability, with increasing debt rates and the usual obstacles to raising taxes. Oil production significantly increased and represented the most important source of government income. However, with declining prices on the world market, the government had to react by announcing a number of austerity measures. The World Bank continued to criticize the lack of commitment to reducing poverty, specifically the country's low public investment in both health and education.

A deep-seated culture of corruption remains a problem and is apparently not mitigated by the high-profile acts of Operation Sparrow Hawk. Some of the former ministers sentenced to long prison terms were thought to have been indicted arbitrarily, or because they had nurtured political ambitions.

History and Characteristics of Transformation

The discovery of offshore oil deposits in the Gulf of Guinea affected a once predominantly agrarian economy and society significantly. Its exploitation since the mid-1970s has negatively shaped elite behavior specifically. Cameroon's process of economic transformation began in the late 1980s, with political processes of change following in the early 1990s. Although Cameroon's first President Ahmadou Ahidjo ruled with repression for twenty years, agriculture, education, health care and transport improved under his rule. 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 in 1985-1986, the country tried to survive on its own saving program for two years. 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 phases. By spring 1994, only two of the three had been disbursed because of the sluggish pace of reform. The program was comprised largely of components typical for the early 1990s, including reforms in the banking sector, administration and para-governmental enterprises, the deregulation of trade and marketing organizations for raw agricultural materials, and the control and reduction of government expenditures. This program did not include monetary policy

intervention, as Cameroon is a member of the CFA franc 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 CFA franc against the French franc in January 1994 affected Cameroon as it did other African states in the monetary association. The intended boost in exports failed to materialize fully. Hit hard by a crisis, conventional agricultural export production could not respond quickly. Meanwhile, the buying power of government institutions dropped dramatically, as they had to cope with budget cuts. By the early 1990s, according to the World Bank, Cameroon was one of the most disappointing “adjusters.” The IMF, for its part, set up a staff-monitored program in 1996, emphasizing its lack of confidence in the government.

The pace of economic reform did not pick up significantly until 2000. Some major para-state companies were privatized, others like the national phone company (CAMTEL) failed to attract private investors. The ailing airline CAMAIR ceased to exist.

Following the end of the Cold War, democratic transformation began in 1990 following the arrest of the former chairman of the Cameroon Bar Association, Yondo Black, and nine of his associates who attempted to found a new political party. The subsequent trial before a military tribunal and accompanying reports in the private press accelerated the democratization process, as did the founding of the Social Democratic Front (SDF) in the English-speaking part of the country. Security forces put a bloody end to these activities.

President Biya acquiesced and permitted a multiparty system at the end of 1990. The administration used every means possible to manipulate the presidential elections of October 1992. According to several different sources, SDF candidate Fru Ndi won the election. However, Biya was the declared winner. He subsequently established a “showroom democracy” with slight improvements to civil liberties, such as expanding freedoms of opinion and association, but made no allowance for a change of control at the top. The opposition remained divided, failed to establish democracy within its own parties and dispersed throughout municipal offices. The National Assembly approved a change of the constitution in March 2008 allowing Biya to run again for elections in 2011, winning easily a further seven-year term. Postponed legislative elections were held in 2013, and again were not devoid of doubts on their regularity. 2013 also brought the indirect elections and presidential nominations that finally created the long-awaited senate. Rhetoric against corruption was followed by the indictment of several “big men” beginning in 2006, a wave of indictments of a good dozen formerly high-placed personalities occurred and led to severe penalties including long prison terms. Currently, Cameroon is among the countries with the lowest level of democratic progress on the continent.

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

Armed Boko Haram incursions into northern Cameroon since autumn 2014 have challenged state security more than any other past development. The movement was already operating in northern Cameroon for about two years and the government did not manage to control it. Chadian troops were allowed to enter state territory in the pursuit of combatants. Cameroon is certainly not a standard example of a “weak” or “fragile” state. Unlike some of its neighbors, such as the CAR, Chad, Congo or Nigeria, it never went through a prolonged period of a breakdown of public order. But below the surface, the picture is less reassuring. Some non-governmental and para-state actors are still able to use violence to pursue their goals, without government interference. Traditional leaders frequently control their own police forces and may even operate prisons. While these leaders may not be acting to enforce their own policies, the government must work to co-opt them to its agenda. The government continues to have difficulty guaranteeing public safety and order in the slums of Douala and the border areas with Nigeria, Chad and the CAR where highway robbers operate openly.

The main dividing line of Cameroonian society is cultural with evident political roots: Cameroon is a bilingual country that was formed from two distinct United Nations mandate territories. The initial federal constitution was abolished in 1972, and Biya’s government changed the flag that had symbolized the two parts of the country. Calls for separatism started in the eighties following the discovery of oil offshore in the (Anglophone) Southwest Region. The power struggle was exacerbated when a multiparty system was authorized (1991-92). A division persists between Francophone and Anglophone regions, with segments of the Anglophone elite openly calling for autonomy. Some basic rights are withheld from Anglophone activists, and public demonstrations for more autonomy or separation are prohibited. Although “national unity” served as the government’s watchword from the 1960s to the 1980s, little progress has been made in that direction. Basic citizenship rights are frequently

Question
Score

Monopoly on the
use of force

6

State identity

6

withheld from segments of the population, although this seems to be more a problem of the rule of law and not so much a denial of citizenship as such. For example, Pygmies in the southeast undergo frequent discrimination. Mbororo nomads in the northwest have organized themselves more efficiently, but the arrival of new Mbororos fleeing from Central African Republic may complicate peaceful coexistence with settlers for this minority. It is now common knowledge that inhabitants of the once disputed Bakassi peninsula identify themselves more with Nigeria than Cameroon; this is only indirectly related to the so-called “Anglophone problem”.

The constitutional separation of church and state is generally enforced. Salafist movements within Cameroon have been monitored with greater scrutiny since the massive attacks by Boko Haram on villages in the Far North region. The government’s relatively liberal handling of religious affairs is set to change. Some religious groups do wield discreet influence. Rosicrucians and Freemasons are believed to hold considerable influence within government circles. Rather surprisingly, the government ordered the closure of nearly 100 Pentecostal churches in key cities in 2013, first citing criminal practices organized by pastors (allegedly taking money from impoverished nations); and, in early 2014, Information Minister Tchiroma warned that Pentecostal churches would disturb public order. It is believed that 500 Pentecostal churches are operating in the country, while only 50 would be operating legally (i.e., with government accreditation). The current leadership of the Catholic Church is divided but mostly favors the current regime, including its divisive politics with regard to ethnicity in its own ranks.

No interference of religious dogmas

7

Many state-sponsored institutions are ineffective, and many formerly public goods such as health and education are now administered in part by development agencies and NGOs. The government has also been shrinking due to the increasing privatization of services such as electricity.

Basic administration

5

Indirect senatorial elections were finally held in 2013, 17 years after the second chamber was established in a constitutional amendment. The Senate comprises representatives of the ten provinces, with 70 out of the 100 senators elected by the municipal councilors and 30 appointed by the president. One and a half years after the Senate’s creation, the institution has not gained any weight in the public discussion. Senators do not yet put meaningful pressure on the provincial branches of the central administration. Therefore, decision-making remains strongly centralized in Yaoundé, and the process of decentralization, intended to bring government administration closer to citizens, is not yet a tangible reality. While major ministries provide provincial- and sometimes district-level services, these frequently lack resources. In 2012, 45% of the population had access to improved sanitation and 74% to an improved water source, which would seem to indicate a medium level of government care.

2 | Political Participation

Universal suffrage and the right to campaign for election are provided for by the constitution. However, in practice, this has not led to free and fair elections. Legislative and municipal elections that should have taken place in 2012 were finally held in September 2013. The opposition did not trust the electoral administration and, in the aftermath, accused the ruling party of fraud, much in line with preceding elections. The Rassemblement Démocratique du Peuple Camerounais (RDPC) won 148 of the 180 seats (compared with 153 in 2007); the main opposition party Social Democratic Front 18 seats (+2); Union Nationale pour la Démocratie et le Progrès (UNDP), allied with the RDPC, five; Union Démocratique du Cameroun (UDC) four; Union des populations du Cameroun (UPC) three; Mouvement pour la Défense de la République (MDR) and the new Mouvement pour la renaissance du Cameroun (MRC) one each. President Biya had been elected in 2011 with 78% of the vote. Together, the results of all recent elections confirm Cameroon's status as an electoral autocracy. All official results remain questionable, but particularly those on voter participation. Independent electoral observers put the participation rate at around 65% in the 2013 elections, but based on a number of registered voters that is about 50% lower than the estimated voting age population. Despite irregularities such as the inconsistent use of identification cards due to the lack of expertise of local polling officials, opposition parties generally accepted the results. The U.S. State Department reported the inconsistent use of identification cards due to lack of expertise of local polling officials, as well as occasional refusals to grant opposition parties permission to hold rallies and meetings. According to the State Department, SCNC and Southern Cameroons Liberation Movement activists were sometimes arrested for participating in political activities.

Free and fair elections

3

President Biya turned 85 in early 2015 and has had many health problems. This puts the scenario of a natural death in office on the agenda. In recent years, presidents have died in the considerably more democratic African countries of Ghana, Malawi, Nigeria and Zambia, and all those countries managed to follow the constitutionally fixed process of replacement. In the Cameroonian case, however, it is expected that the military would play an important role in a succession crisis. The influence of the military has been very strong since loyalists defeated a coup attempt against Biya in April 1984. The top echelons of the military are occupied by officers who should have retired many years ago, and the most influential positions are held by those with the same ethnicity as the president. In both 2011 and 2012, there were rumors of rising discontent within the security forces; faced with challenges at the borders, the government massively recruited soldiers in 2013 and 2014. In the periphery, the power of traditional authorities frequently exceeds the power of state representatives. Both the military (nationwide) and some traditional authorities (in specific areas) can be considered veto players.

Effective power to govern

2

One technique of the regime to split the opposition was to encourage the formation of new political parties. Biya faced 22 candidates in the 2011 presidential election, and candidates from 29 parties ran for positions in the 2013 legislative elections. Most opposition parties are also disorganized and tactically weak. Association rights are comparatively better guaranteed in practice than assembly rights, though both are part and parcel of constitutionally-guaranteed civil and political rights.

Association /
assembly rights
5

According to the U.S. State Department, the government often refused to grant permits for assemblies organized by persons or groups critical of the government and used force to suppress public assemblies for which it had not issued permits. The government also prevented civil society organizations and political parties from holding press conferences where criticism of corruption and abuse of power were expected.

For example, in February 2013, security forces in Douala prevented the opposition Movement for New Independence and Democracy party from holding a scheduled press conference at the party's headquarters in a private home. As already mentioned, government officials also refused to grant the SCNC permission to hold rallies and meetings, and security forces arrested and detained SCNC activists.

The state media are under stiff government control. Private newspaper editors and journalists frequently are intimidated and sometimes arrested and convicted to prison terms for minor issues (e.g., libel cases). The creation of private radio stations has been impeded over a long period of time. Apart from the official Cameroon Radio Television (CRTV) and the government press Cameroon Tribune, some private newspapers have an established track record and mostly show strong sympathy with the opposition. Among the topics censored by the National Communication Council is cooperation with Nigeria on combating Boko Haram. Cameroon is routinely rated "not free" in the Global Press Freedom Survey (Freedom House). The ranking by Reporters Without Borders has gone down significantly from 2013 to 2014 (from rank 120/179 to 133/180). In July 2013, Eric Ohena Lembembe, a Cameroonian journalist and outspoken LGBTI human rights activist, was murdered. There are complaints that the government is not investigating the crime. This adds to a climate of fear within the LGBTI community. As already stated, freedom of expression is also limited for ordinary citizens and political activists.

Freedom of
expression
3

3 | Rule of Law

The legislative and judicial branches have little control over the executive. The 1996 constitution provides for a powerful president, who is elected for seven years, but the executive has rarely been criticized or held accountable by parliament; the elections in 2013 did not alter this well-known picture. The overwhelming majority (148 out of 180 seats) held by the governing party ensures that the lower chamber, or National Assembly, is largely subject to the wishes of the executive; the Senate is composed of 82 RDPC members (56 elected). President Biya made sure that no SDF or UDC member was among the 30 appointed senators, although he did not only choose close associates, but also four members of parties that had only recently claimed support for him. The current Senate is composed primarily of elderly former ministers and traditional chiefs. Niat Njifendji is the Senate speaker. He is a member of biggest ethnic group, the Bamiléké, which is not believed to be the most loyal group to the regime. But for a long time he has been an RDPC heavyweight. The opposition's demands for investigative commissions are routinely blocked by these parliamentary majorities. Given that the opposition is so weak, any serious contestation must come from within the ranks of the ruling RDPC party. Prime Minister Philemon Yang comes from the Anglophone minority; his role is limited to government coordination.

Separation of
powers
3

The judiciary is plagued by corruption, lacks independence and adequate resources, and is considered in urgent need of reform. The Supreme Court exercises the powers that the 1996 constitution confers on the Constitutional Council, a body that has yet to be established. Biya announced its creation again in 2013, but little movement to this effect is recognizable. Instead, the president "guarantees" the independence of justice. He nominates and sanctions the magistrates – including those judging the validity of elections - assisted by the Superior Council of Magistracy (Art. 37). Since 2011, a series of trials against homosexuals attracted international attention. According to Human Rights Watch, in no other sub-Saharan country are more gay people prosecuted than in Cameroon. Those arrested are reportedly maltreated in custody. Prison conditions in overcrowded cells are often life-threatening.

Independent
judiciary
4

Corruption is pervasive, and prosecutions against offenders are typically politically motivated. A double standard is widely applied. For example, the former Minister of Territorial Administration and ex-Secretary of the Presidency, Hamidou Marafa Yaya, has been sentenced to a 25-year term for embezzling money in a deal to buy a new plane for the president in 2012. Marafa was a potential challenger to Biya in his own party and now is considered a political prisoner by the U.S. State Department. The Marafa case continues to attract public attention. Le Monde published a column signed by Marafa in 2013 titled "The post-Biya era must begin." In 2013, a court sentenced former health minister Urbain Owono Olangouena to 20 years in prison in the context of a fake contract to deliver mosquito nets to hospitals. Ephraim Inoni, a

Prosecution of
office abuse
4

former prime minister, was sentenced to 20 years in prison for the embezzlement of public funds. In 2014, the director general of the country's oil refinery SONARA was charged with corruption. Despite these high-profile convictions, corruption persists at every level of the administration.

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.

Civil rights
4

Civil rights are frequently violated by the government itself. The government restricts freedom of assembly, freedom of speech and freedom of association. Like in previous years, leaders and supporters of the Southern Cameroon National Council (SCNC), an Anglophone secessionist group, were harassed. In July 2014, security forces disrupted the "state funeral" of the former SCNC chairman, Chief Ette Otun Ayamba, in Mamfe. Basic rights of some groups of the society are not well protected by the government, the LGBTI community being an obvious example. The government claims it is trying to stop the practice of female genital mutilation, but does not effectively implement such policies.

4 | Stability of Democratic Institutions

Cameroon is an autocracy with a facade of democratic republican institutions that have not developed a life of their own. The National Assembly cannot be considered a democratic institution, nor can the newly created Senate (see above). Deficiencies in the rule of law, the social and economic exclusion of entire population groups (i.e., ethnic groups and sexual minorities), little esteem for social justice, plus the absence of participatory policies precludes the country from having "functional equivalents" to institutions of representative democracies.

Performance of
democratic
institutions
2

Cameroon is a strongly personalized electoral autocracy. Institutions are only democratic in name and the government does not seek respective change. The president can change the rules of the political game when it suits him. He weakens institutions by holding cabinet meetings only at random. It is highly unlikely that a succession crisis would be dealt with constitutionally.

Commitment to
democratic
institutions
2

5 | Political and Social Integration

Cameroon's party system is characterized by a dominant (hegemonic) ruling party, which is only partially balanced by less institutionalized opposition parties. The SDF, the strongest opposition party, has its strongest support in the Anglophone part of the country, while the ruling RDPC has a nationwide base and a robust institutional framework.

Party system
4

The postponed 2013 elections only slightly altered the composition of the National Assembly, with a slight decline of the RDPC's share of MPs, by five, and a somewhat strengthened SDF. The second most important opposition party, UDC, maintains significant support in the home area of party leader Ndam Njoya (Département du Noun), but has demonstrated only slight appeal beyond. One of the newly founded parties, the Mouvement pour la renaissance du Cameroun (MRC) made its entry into the National Assembly. Party leader Maurice Kamto is a well-known intellectual and former minister. The regionalist Mouvement pour la Défense de la République (strong in the Far North) represents the deep split within northern elites (mostly between the Fulbe and minority groups). In the context of the Boko Haram incursions and attempts to repress the group, deeper scissions may develop in the political landscape in the North. With the exception of SDF and UDC, all other parties represented in the legislature are actual or potential coalition partners of the RDPC. The most loyal ally is the Union Nationale pour la Démocratie et le Progrès (UNDP), which holds five seats.

Cameroon does not have a well-differentiated landscape of interest groups. With only a few organizations committed to the political transformation process, certain church-related institutions and human rights organizations have the most significance in this regard. The interests of the rural population and of women are underrepresented not only politically, but also within societal organizations. The powerful GICAM Business Association continues to criticize government policies vocally. Consumer protection has become an important issue for civil society organizations. Many associations defend their ethnic interests openly.

Interest groups
4

Given the authoritarian character of the regime, opinion polls about political issues could not be conducted for a long time in Cameroon. Afrobarometer data released in summer 2014 show that 12% of those interviewed see Cameroon as not a democracy, while 40% see it as a democracy with major problems, 64% see democracy as the preferable form of government. The relative dearth of such interview data is partly attributable to government hostility toward opinion polls. In January 2015, the National Commission on Human Rights and Liberties launched a bigger opinion poll on noise pollution, access to water, health and education, but not on human rights as one would have expected. Many observers agree that the population has relatively little trust in government, but potentially also in opposition parties and the current political system as a whole.

Approval of
democracy
n/a

Inter-communal trust is weak. When contacting state institutions, ordinary people frequently try to approach ethnic kinsmen somewhere in the hierarchy - and not the officially competent individual. The legacy of local conflicts, mostly over land, has made efforts to build up social capital in rural areas challenging. Solidarity networks in urban neighborhoods do exist, but mostly in ethnically homogeneous communities. The official slogan of “national unity” is therefore mostly void of any reality. NGOs can be formed relatively freely under a legal framework laid out in 1999, and many government officials have been establishing such organizations in order to profit from foreign aid. Also, NGOs are frequently made up of one ethnicity. In summary, social capital is generally strong within identity groups, but cross-culturally weak.

Social capital
4

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. This is particularly true with regard to poverty alleviation; Cameroon is set to attain one single Millennium Development Goal (fighting HIV, Malaria and other transmissible diseases). New data on the incidence of poverty are lacking. Cameroon is ranked 152nd on the HDI, and only qualifies as a country with “low human development.” The calculated HDI value of 0.504 is slightly higher than previously. GDP per capita stands at \$2,400 and is unevenly distributed, though the (somewhat dated) GINI coefficient of 40.6 (2007) is not surprisingly low or high. Thirty percent of the population are estimated to live on or below \$2 per day (again latest available figures are from 2007), and the poverty rate is close to 40%. Only 13 countries are ranked worse than Cameroon in the Gender Development Index with a GDI given at 0.622 (up from 0.634 during the last observation period). Cameroon has the socioeconomic prerequisites for an adequate freedom of choice status, but lags behind with regard to performance. Literacy rates - generally cited at 71.3% are not gender-neutral (only 64.8% of women are literate, but 78.3% men are), the gross re-enrollment rate stands at 110.5% in the primary (Enrolled students who are older than the age group that officially corresponds to the level of education, e.g. repeaters, can cause enrollment to exceed 100%). Enrollment was 50.4% in the secondary - a rather strong improvement - and 11.9% in the tertiary education sectors. The female-to-male student ratio has further increased over the observation period, from 86.2% to 87.6%.

Question
Score

Socioeconomic
barriers
3

Economic indicators		2005	2010	2013	2014
GDP	\$ M	16587.9	23622.5	29567.5	32548.6
GDP growth	%	2.3	3.3	5.6	5.9
Inflation (CPI)	%	2.0	1.3	1.9	1.9
Unemployment	%	4.4	3.8	4.0	-
Foreign direct investment	% of GDP	1.5	2.3	1.1	-
Export growth	%	1.4	7.8	26.0	9.9
Import growth	%	1.9	15.7	18.3	5.6
Current account balance	\$ M	-495.4	-856.3	-1127.8	-
Public debt	% of GDP	51.5	11.5	18.7	25.4
External debt	\$ M	7700.1	3193.7	4922.3	-
Total debt service	\$ M	818.9	197.4	215.9	-
Cash surplus or deficit	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	10.0	11.6	11.6	11.3
Public expnd. on education	% of GDP	3.1	3.3	-	-
Public expnd. on health	% of GDP	1.1	1.6	1.8	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.3	1.5	1.3	1.2

Sources (as of October 2015): The World Bank, World Development Indicators 2015 | International Monetary Fund (IMF), World Economic Outlook, October 2015 | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database 2015.

7 | Organization of the Market and Competition

Uniform rules of the game for market participants are provided in the Central African Economic and Monetary Union (Communauté économique et monétaire de l'Afrique centrale, CEMAC) framework, but the state still intervenes. The institutional setting for free markets and competition is inadequate. Poorly functioning public institutions cannot prevent corruption and enforce rule of law in the economic arena. The informal sector plays a comparatively large role. Despite slight improvement, Cameroon ranks very low on the Index of Economic Freedom 2014, at 136th out of 178 countries (“mostly unfree”). However, according to the Doing Business Report

Market-based
competition
4

by World Bank, Cameroon has lost 10 ranks compared to a year ago (158 in 2015 from 148 in 2014). Overall, market competition operates under a weak institutional framework.

Formerly intensive regulation of the economy has been reduced since the inauguration of the IMF's structural adjustment program in the 1990s. There have been complaints about privileged treatment of French companies, especially in the context of privatization of state enterprises. Chinese investments are on the rise including in the oil sector (and Australian and Indian investments in the broader mining sector). The state monopoly of the national oil market with its SONARA refinery was eliminated in 1998. Following the elimination of state monopolies, small, foreign-dominated oligopolies have arisen (e.g. in the telecommunications sector). However, they are regulated to some extent.

Anti-monopoly
policy
5

Foreign trade is distorted by state regulation, special rules, and tariff barriers. However, Cameroon is visibly integrated into the world market. Foreign trade is liberalized to a large degree. The export of certain timber in unprocessed form has been forbidden since 2002 in order to stop the dramatic loss of rainforest due to uncontrolled and illegal logging. Cameroon's membership in CEMAC has facilitated the establishment of some common trade rules. Cameroon's trade partners are fairly diversified with the largest exporter to Cameroon being Nigeria (16%), France (12%, down from 19% in 2011) and China, while the main importers of Cameroonian goods are China (15%), Spain and Portugal.

Liberalization of
foreign trade
5

Cameroon has been a member of WTO since 13 December 1995 and a member of GATT since 3 May 1963.

The legal underpinnings for the banking system and capital market exist under the supervision and control of the Commission Bancaire de l'Afrique Centrale (COBAC), which is associated with the Bank of Central African States (Banque des États de l'Afrique centrale, BEAC). Political pressure has occasionally been misused to grant bad loans that are almost never repaid. The BEAC itself lost credibility after a broad-based embezzlement scheme implicating top administrators in 2009. Biya has supported finance minister, Alamine Ousmane Mey, appointed in 2011, a highly respected banker with an excellent sense of the banking sector. The IMF had repeatedly voiced concern about the vulnerability of Cameroon's banking sector. However, in 2014 it noted significant improvements. The balance sheets of two banks were restructured and were now deemed sound. The IMF also lauded the COBAC for becoming more active in its supervision of the financial sector. However, according to the Heritage Foundation, foreign investors may face bureaucratic hurdles, and state-owned financial institutions dominate the sector and influence lending.

Banking system
6

8 | Currency and Price Stability

Cameroon's inclusion in the CFA zone has given it a highly stable currency. Monetary policy is the responsibility of the BEAC which tries to regulate monetary policies by modestly changing interest rates. Consumer price inflation was low in 2013 (1.9%), but should be well above 2% in 2014, after the increase in fuel retail prices (July 2014). However, there is no risk that Cameroon would not meet the CEMAC convergence criteria (of 3% inflation). The real effective exchange rate stands at 99.5% and also reflects a rather healthy foreign exchange situation.

Anti-inflation /
forex policy

8

With total reserves standing at \$3.3 billion (2012), a public debt of 28.4% of GDP (external debt reaching \$5 billion) and a moderate debt service now standing at \$215.9 million, Cameroon's macroeconomic situation appeared stable for most of the observation period. However, at the occasion of its last Chapter IV consultations, in mid-2014, the IMF found macro-stability slowly deteriorating compared to one year before. According to the IMF, the fiscal position has worsened and public debt has been rising at a less sustainable pace. Also, government deposits have dwindled and payment delays have continued. The current account balance is deteriorating to -\$1,127.8 million, and some essential information, for example on government consumption, is unavailable. In December 2014, the government presented an emergency three-year plan to create more substantial growth. In January 2015, the government announced that it would issue \$553 million in sovereign debt (a steep rise of 14% on bonds issued in 2014). It is therefore expected that public debt will continue to rise and may become again unsustainable.

Macrostability

5

9 | Private Property

Property acquisition, and especially the purchase of land titles, remains problematic, as conflicts arise between "modern" and "traditional" concepts of the law. This is a salient feature with regard to land rights in rural areas. A growing number of investors are interested in arable land, while the purchase of urban land titles has always produced disputes. Property rights are formally defined but cannot be considered satisfactorily safeguarded because of shortcomings in the rule of law, usually due to corruption. According to the World Bank, it takes 86 days to register a property (and five procedures); this places Cameroon amongst the worst countries in this category.

Property rights

4

The World Bank's Doing Business Report 2015 shows a strong decline of Cameroon's overall rank, which fell from 148, in 2014, to 158. Starting a business is comparatively easy and takes on average only 15 days, unchanged from 2014. However, a strong decline has been recorded with regard to obtaining construction permits (-34). Truly problematic for private businesses is the workload associated with filling out tax forms and the sheer amount of individual transfers needed.

Private enterprise

4

Cameroon ranked 181st on the ease of paying taxes in the 2015 report. The business association Groupement Inter Patronal du Cameroun (GICAM) continues to press the government to simplify procedures. Improvements are registered with regard to the protection of minority investors, rising 13 positions to a still weak rank of 117th. Private companies can act freely in principle, but in reality, they encounter economic barriers to development. Cameroon's attractiveness to domestic and foreign investors varies from sector to sector. In recent times, investment by private international firms in the mining sector has increased enormously (e.g. iron ore, cobalt, bauxite). State companies occupy some strategic positions, most evidently in the hydrocarbons sector, but also in the agro-industry. In fact, Cameroon Development Cooperation (bananas, rubber, palm oil), a para-statal, is the second largest employer after the state itself. Privatization of state-owned companies has slowed down, and past privatizations were not uniformly well-prepared. Particularly contested is the 2003 privatization of the state electricity company SONEL (now ENEO).

10 | Welfare Regime

State measures to avert and alleviate social risk are limited. The public social insurance system (Caisse nationale de prévoyance sociale, CNPS) was for a long time notoriously overextended, poorly managed and under-performing, and in the past has often been plundered as a slush fund for the government. Some progress in management practices have been recognized in recent years, and the CNPS is now reaching out to retail traders (bayam-sellam) and offers voluntary insurance schemes. Family structures and other primary solidarity networks are viable options for reducing risk, and these function comparatively well. The famous informal credit and savings associations called "tontines" remain very popular in Cameroon. The state healthcare system is overextended and has been compromised significantly by corruption - including at the top level of government ministers. Public expenditure on health stands at a low 1.7% of GDP, and translates into comparatively bad health services. Life expectancy at birth stands at 54.6 years - below Malawi and Somalia. The under-five mortality rate is still high, with 95 per 1,000 births (2012).

Some informal institutions exist to compensate for gross social differences, but they are limited in scope and quality. In rural areas, social risk is still largely absorbed by "traditional" family-based relationships of solidarity. This system is crumbling in the cities. Sometimes there is an equivalent coverage through tontines or through the solidarity of church congregations.

Social safety nets

4

Women have a somewhat limited access to education and to public office. Women make up one-fifth of the Senate, and their share of National Assembly seats rose to 31%. Only a few state enterprises are led by women. Women held nine of 66 cabinet posts, and a few of the higher offices within the major political parties, including the CPDM. Opposition activist Kah Walla was the first vocal female candidate to run for president in 2011, and she earned 0.7% of votes (a second female candidate earned 0.3%).

Equal opportunity
5

Equal opportunity is also limited in ethnic terms, with Anglophone citizens complaining about some discrimination. The U.S. State Department reports that the Baka people, commonly known as Pygmies and discriminated against, took part as candidates in the municipal and legislative elections in 2013. However, none were represented in the Senate or National Assembly, or in the higher offices of government.

11 | Economic Performance

According to the latest figures, Cameroon has a GDP of \$29.6 billion (2013), below Bolivia and Côte d'Ivoire, which were just behind Cameroon in the last observation period. This may reflect the recovery of Côte d'Ivoire, Cameroon's main economic rival within French-speaking Africa, after years of turmoil and civil war. But it is also a sign that Cameroon is not making progress despite quite similar sociopolitical and economic conditions. Cameroon, largely spared the same hazards, could have fared much better. Over the past decade, Cameroon had on average a 3% growth rate, but the average for other oil-exporting countries was much higher, around 7.5%. This trend may reverse thanks to oil deposits exploited since 2013. Over the last couple of years, GDP growth rates (5.6% for 2013, 4.6% in 2012) have exceeded population growth, which should translate into better performance data. Indeed, GDP per capita has now grown to \$2,830 (slightly above Kenya). However, qualitatively, Cameroon is not performing as well as it could. According to the Economist Intelligence Unit, Cameroon's economic growth remains far below potential, and insufficient for it to achieve its oft-stated goal of becoming an emerging-market economy by 2035. Official unemployment rates among those 16 years and older shifted insignificantly from 67% in 2011 to 68% in 2012, though the government's employment data should be viewed skeptically. Some other important indicators related to output strength cannot be explored due to the lack of recent data (e.g., on gross capital formation). While consumer prices are comparatively stable, some serious concerns remain, not least with regard to road, energy and telecom infrastructure. Foreign direct investment fluctuates year to year, but stood at 1.9% of GDP in 2013, representing some improvement. Potentially this is linked to some efforts by the government over the last couple of years to reduce investment barriers. Nevertheless, those barriers remain high (see Doing Business Report findings above).

Output strength
6

12 | Sustainability

Timber production has ramped up again, but it may not qualify as sustainable development. Under the terms of an agreement with the European Union, wood products from Cameroon exported to the European Union must be accompanied by evidence that they were logged legally. The land deal that Herakles Farms struck with the government attracted so much criticism by national and international NGOs that it was revoked. However, in the observation period, the local subsidiary of the U.S. firm obtained a permit by the forestry ministry to cut down 2,500 hectares of forest, including endangered species. According to Greenpeace, it paid 17 times less than average compensation to the local community. Those kind of deals invite serious skepticism with respect to the government's environmental commitment. Forest coverage of Cameroon declined from 52.4% in 1990 to 42.6% in 2011. Local NGOs question the government's policy in attracting foreign investors for boosting agricultural export, when the country has to import food. Palm oil, for example, has higher consumption than production nationally, raising the question of why Cameroon should help palm oil exporters. Once the only noteworthy seaside resort in Cameroon, Kribi saw the construction of a major oil pipeline (with a subsequent spill in 2007), and in 2011 work began on a deepwater port. The government launched the construction of a container terminal in 2014 in Kribi as well. Kribi was always seen as an arbitrarily created competitor to Douala, where opposition to the government remains strong - Kribi by contrast is located in the president's home region (South). Cameroon ranks 141 out of 178 countries on Yale University's 2014 Environmental Performance Index, with a value of 36.7.

Environmental
policy
4

Cameroon has made some progress in education policy over the last couple of years. This resulted in an increase of the literacy rate to 71.3%. The gross enrolment rate for secondary schools is now at a respectable 50.4% (while tertiary education remains modest at 11.9%). Disparities in educational opportunities for men and women persist and are more serious the higher the level of education (ratio of female to male enrollment in the primary sector: 87.6%; secondary: 85.6%; tertiary: 73.5%). Public expenditure on education represented 3.1% of GDP in 2012, following a downward trend, but is still significantly higher than spending on health. Some obvious problems remain: the three northern regions (Far North, North and Adamawa) and the East, all now hardest hit by insecurity originating in Nigeria and the CAR, lag behind in education; the accumulation of grievances in those regions is dangerous. The government has created so-called priority education zones to improve educational access, attendance and achievement in those regions. In fact, a relatively high number of Cameroon's primary and secondary schools are private institutions. About 50% of schools are run privately, and one-third of all students receive their education at private schools. An acceptable level of education could not be maintained without church-supported schools. In addition to state universities, there is a Catholic

Education policy /
R&D
4

university in Yaoundé. A number of private initiatives have led to the establishment of further institutions of higher education, most well-known the University of the Mountains in the Bamiléké heartland. The regime's lack of support for tertiary education is evidenced by the appalling conditions at the public universities and repression against striking students.

Transformation Management

I. Level of Difficulty

Structural economic and social constraints on governance are moderate, particularly in comparison with some neighboring land-locked countries with lower literacy rates. Cameroon has a medium score on the UN Education Index (0.486). A number of typical features of African economies are present in Cameroon, including strong reliance on export production and a reduction of human resources as a result of exposure to tropical diseases. Oil production is again on the rise, reversing the trend until 2011, but world market prices became less favorable than in the last review period. Major discoveries of oil deposits in northern Cameroon will keep the country on roughly the same level as before. Production in the oil sector is expected to increase even further, from 76,100 barrels per day in 2014 to 103,600 barrels in 2019, according to the Economist Intelligence Unit. In the past, reliance on oil translated into a lack of transparency of state income and limited regard to business in other sectors. Now that oil is again seen as the main driver of the economy, there are concerns that this history could repeat itself. Cameroon has agricultural potential and still has reserves of arable land, but years of neglect have left their marks. Agriculture still is the slowest-growing sector. Most obstacles to economic transformation are due to government policies rather than external factors.

Structural
constraints

6

The landscape of civil society organizations is somewhat varied, but not all societal groups are represented. Church-based NGOs are relatively strong and engaged in the Poverty Reduction Strategy (PRS) process, and self-help organizations are fairly strong in the southern half of the country. A couple of human rights organizations are active, and they do put pressure on the government. A consumer's defense association is involved in fighting corruption, and public sector trade unions are fairly active and visible. However, social trust is extremely low and social capital rarely bridges ethnic divisions. Compared to some of its neighbors, Cameroon's civil society is varied and can trace a strong engagement with public affairs to the early 1990s. Most opposition to the government was remarkably peaceful, which may be taken as evidence of a more than moderate degree of civic culture.

Civil society
traditions

7

The spectacular incursions of Boko Haram combatants (originating from Nigeria) into Cameroon since the second half of 2014, which culminated in the attack of Fotokol in February 2015, with reportedly more than 80 civilian victims and the burning of a mosque, shows that the country is situated in a dangerous conflict zone. Additionally, the civil war and its unstable aftermath in Central African Republic impact negatively on Cameroon. Refugees, small arms and rebel groups are crossing borders. The hitherto negligible religious fault lines may become more important with the fight against Boko Haram. Those external threats should not conceal that a lot of conflict potential is also evident domestically. Society and the political elite are deeply split into ethnic and linguistic communities, with occasional violence occurring between them. Many regional and ethnic groups, and particularly the Anglophone minority, consider themselves only conditionally, or forcefully, integrated into Cameroonian society. The government is dominated by French speakers, and measures to improve infrastructure in the English-speaking northwest and southwest provinces are continually stalled. It is difficult to assess what percent of the English-speaking population favors secession, mainly because Anglophone communities are dispersed throughout the country. The largest ethnic group, the Bamiléké (an umbrella term for a group with internal differences), was portrayed as rebels in a late colonial guerrilla war and pro-government organizations sometimes use this stereotype against them. The Bamiléké generally view themselves as victims of the state's unfair resource distribution, and they have difficulty forming alliances with non-Bamiléké groups. Neglected regions in the extreme north and east of the country rarely organize to voice their grievances, and the marginalized pygmies have very little political voice. Local conflicts persist in several regions, and violence between neighboring villages over land rights erupts sporadically, especially in the Northwest Region. The ethnic and political cleavages run parallel to the political structure with main opposition party SDF receiving above-average results within the Anglophone and Bamiléké electorates. The last violent episode of nationwide anti-regime protests was in 2008, but satisfaction with the government is overall limited.

Conflict intensity
7

II. Management Performance

14 | Steering Capability

For a long time the government has shown little genuine commitment to reform. Most of the reform agenda has been driven by external actors, and likely as a result, it has been poorly implemented. The political leadership only turned to more sustainable economic policies due to international pressure. As a result of the new economic policies, though, public debt is under better control than it was at the turn of the millennium. The government completed the HIPC process in 2006, and a relatively

Question
Score

Prioritization
3

low level of indebtedness has been maintained so far. Government initiatives are generally rare and weakly supported. There is an elite group of Western-educated technocrats and a handful of reform-oriented bureaucrats, but the majority of government is not reform-oriented. Still, some of the most pressing economic problems have been eased in recent years. The construction of some large infrastructure projects (including the Lom Pangar Hydropower Project, funded mainly by the World Bank) and efforts to improve agricultural productivity are in the works. Shortages of power and unannounced power cuts have long hindered industrial development. It appears that the Kribi gas station will help alleviate this problem. While those ameliorations are piecemeal and do not translate into a genuine reform agenda, the government expressed recently its ambition to turn Cameroon in an emergent market by 2015. This has triggered two developments: a decision to expand public investment based on lending money, and - in the context of declining oil prices - austerity measures within the administration. Worse is the situation in the political field: Among forces blocking reform are the security forces and the judiciary. Only a handful of members of parliament could be described as reform-oriented, and they come from different political parties including the ruling RDPC. Overall, there are very few drivers of change in power positions and the political leadership lacks a political vision. The high degree of immobility is linked to the personalization of power in the president himself. Given the president's old age, many are discussing, albeit discreetly, what the post-Biya era will look like. No substantial new democratic reforms have been established since 1991-1992 when basic reform laws regarding political parties and freedom of the press were adopted, but the standard of freedom has remained more or less unchanged since then.

The majority of prescriptions for economic reforms continue to come from international partners, but the government is getting slowly more successful in implementing some of them. So-called roadmaps were established for all ministries in 2011, and some progress in several fields can be documented. The introduction of program budgets for each ministerial department should, in principle, allow for better and more decentralized governance, but the government failed to implement them swiftly. The World Bank in its January 2014 Cameroon Economic Update notes progress in some sectors of the economy, including export-oriented agricultural production. Rubber and cotton exports were steadily growing and the negative cocoa exports trend could be reversed (but not in the case of coffee). However, despite increased economic growth - poverty rates have not declined, showing that growth could not be termed "pro-poor growth." To the contrary, in the country's poorest north and eastern regions, poverty and hunger persist. Most social indicators are weak. Inequality has even potentially increased during the observation period. The IMF noted with satisfaction that the government finally engaged in a public investment program, particularly by commissioning new dams and thermal plants. Those should help tackling the old problem of lacking capacities to produce electric power. All in all, however, the IMF looked again more severe in its criticism over the

Implementation

4

review period, particularly criticizing generous tax exemptions and the continued fuel subsidies (this happened in June 2014). In July 2014, the government raised fuel prices. The government fails to make growth more tangible to the lower strata of the population.

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. 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. However, at least some progress on the question of who will succeed Biya seems to have been made with the installment of the Senate and therefore the speaker of the Senate, Niat Njifendji.

Policy learning
3

15 | Resource Efficiency

The government uses only some of its available resources efficiently and continues to pay for politically motivated sinecures. Most administrative positions are acquired through clientelistic relations and political allegiance, rather than on merit. For most of his time in office, President Biya has reshuffled his government very frequently. This has evidently changed in recent years, the current government has remained stable since 2011. But this also means that about 60 ministers and secretaries of state continue to make up the cabinet, while most crucial decisions are taken by the president's office, which demonstrates a great waste of resources. The prime minister (from the Anglophone part of the country) has a coordinating role, but can not impose his authority against ministers without backing "from above." Ministerial posts are considered part of the patronage system rather than a rational legal system. The cabinet often meets only twice a year. In summary, the government fails to guarantee, and sometimes actively sabotages, the efficient use of its human and organizational resources.

Efficient use of
assets
3

With both the president's office and the office of the prime minister playing a somewhat competing coordinating role, and with cabinet meetings held only occasionally, it is not surprising that governmental affairs are poorly synchronized. Newly appointed officials often learn early on that their careers will suffer if they are overly ambitious and seek to accelerate reform processes without a "green light" from the president's office. Because Biya's ultra-loyalists have the final say, and every major decision has to be assessed by an elite few, decision-making is routinely slow. In such a blocked environment, officials and citizen groups rely on informal channels and ethnic solidarity to pursue their interests. Horizontal forms of coordination

Policy
coordination
4

between different ministerial departments are rare. In a rare show of self-criticism, the economy and planification minister in January 2015 blamed the state's underperformance inter alia on insufficient preparation of investment projects and a weak appropriation of the budget reforms within the state apparatus.

Corruption remains one of the main obstacles to meaningful development, despite the prosecution of an increasing number of former ministers under an initiative known as Operation Sparrow-Hawk. Some of the indicted or convicted personalities have chosen to go public and denounce the problematic circumstances of their arrests, alleging political motivations. Some citizens believe that things are changing with some "untouchables" ending up in prison. However, the Afrobarometer survey shows little confidence in their representatives: 47% of all respondents said that members of government are either all or in their majority corrupt (combining two options to answer the relevant question). This is less than with police and tax administration, but significantly higher than with members of Parliament (36%). Recipients of government contracts are no longer be routinely obliged to relinquish 30% of their awards to the civil servants who process their vouchers, as in the late-1990s. However, corruption continues to negatively affect the attraction of foreign investment, and places private property in danger of being confiscated. The Commission Nationale Anti-Corruption (CONAC), the official body that investigates corruption allegations, announced in 2014 it would focus more strongly on the private sector. However, some CONAC reports were rejected by third parties (for example the French Development Agency, when two French firms were pinpointed by CONAC); at least one may say that the reputation of CONAC is disputed. More generally, widespread cynicism persists despite the government's anti-corruption efforts. It is difficult to safeguard legal rights, including contract and property claims, within the Cameroonian judicial system.

Anti-corruption
policy
3

16 | Consensus-Building

There is virtually no effort to seek consensus with major political and economic players on major reform issues, although this could be done rather easily. The hunger for public debate on major issues, including employment, taxes, the environment and minority rights, is strong, but government never addresses these issues. Although most players in Cameroonian society would agree on some general goals of reform – namely a market economy and democracy – this is only rhetorically so for the government. As a consequence, radical activists, especially those with Islamist tendencies, can exploit the apparent immobility. The government is unlikely to establish social consensus, as it has remained in power by exercising a "divide and rule" strategy and by favoring the president's own ethnic group. Approximately one-third of cabinet members are from the Beti/Bulu group, while Anglophone Cameroon is represented by only two ministers (plus the prime minister).

Consensus on goals
4

Government officials would not openly voice doubts on the principles of a market economy, but in reality, many existing obstacles are maintained actively, including the absence of rule of law.

Given that Cameroon's political system is essentially autocratic, the most significant anti-democratic actors are those sitting in government. The picture is not much better for the National Assembly. The 2013 legislative elections did not alter the picture fundamentally, though the number of the country's ten regions in which all seats are held by the ruling party is down, from four to two. The parliamentary opposition serves mainly a decorative function. The democratic standards of procedures within opposition parties are also questionable. Rumors of President Biya's health problems have persisted during the review period with analysts predicting that a coup would be the most likely outcome of a power vacuum. Constitutionally, the new speaker of the Senate, Niat Njifendji (born in 1934) would become interim president in the case of a death in office. Some ministers in the government were chosen for their technical competence (e.g., Finance Minister Alamine Ousmane Mey), but potentially there are more reformers on a lower level in the hierarchy. Cameroon always had competent technocrats in the administration, but they lack tangible influence on policy-making. All major decisions are made by the president.

Anti-democratic
actors

3

The major Francophone-Anglophone divide continues to be the most problematic, long-term cleavage, but additional cleavages play a role: north-south, Christian-Muslim, urban-rural and rich-poor divisions. Within the Muslim community, there is overt competitions for influence between different movements and belief systems. The Boko Haram menace may further exacerbate tensions and could marginalize Salafists - strong sympathies with this movement have not been recorded. The 2008 riots over rising food prices and fuel signaled a growing generational cleavage with unemployed youth increasingly ready to revolt. When the government raised fuel prices again in summer 2013, they also raised the salaries of civil servants to cushion the effects. But obviously this did not help those in the informal sector (at least not directly). The government does not address major grievances of either the youth or the Anglophone minority other than through repression. It is also silently watching the growing religious divisions in the country.

Cleavage /
conflict
management

3

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. This is also made possible due to the generally weak mobilization capacity of respective groups, with some trade unions in the education sector and church-related groups being the most notable exceptions. Consultation of civil society groups throughout the process of the poverty reduction strategy prescribed by the World Bank was not systematic and remained selective. In early 2015, the Economy and Planning Minister promised to strengthen participation of elected representatives and of the civil society at all levels (local, departmental, regional and national) in the execution of the budget, but this signifies only that it was weak.

Civil society
participation

4

In its history, Cameroon has gone through several phases of widespread violence and state repression. These include the UPC rebellion and its repression in the early 1960s, a bloody coup attempt in 1984, and the so-called “years of burning” (“années de braise”) in the context of the opening towards multi-party elections and the ensuing manipulated elections (1991-93). In addition, parts of the population still feel Nigerian after the international ruling in 2002 handed over large parts of the Bakassi peninsula to Cameroon. The government has not actively pursued a policy of reconciliation regarding those, or any other, cases. The closest Biya’s regime has come to a reconciliation effort was the rehabilitation of figures like the mythical founder of the UPC, Ruben Um Nyobe, in Biya’s early years. Plus, the regime carried out some limited acts to address grievances of the family of former President Ahidjo (implicated in the 1984 coup attempt and dying in exile in Senegal). However, in late 2012, a daughter of Ahidjo said that there were no negotiations between the government and her family to transfer the remains of Ahidjo from Senegal to Cameroon for reburial, contrary to media reports. Another opportunity passed in November 2014 with the 25th anniversary of Ahidjo’s death.

Reconciliation
4

17 | International Cooperation

A new phenomenon occurred in early 2015 when Cameroon (like Nigeria) allowed the Chadian army to enter its territory in its fight against Boko Haram. This signals a less rigid stance on sovereignty. The French government is most likely to also lend more support to Yaoundé to fight this serious threat. Cameroon is seen as the central pillar of regional cooperation within the Economic Community of Central African States (Communauté Economique et Monétaire de l’Afrique Centrale, CEMAC). Compared to many other countries in the region, Cameroon is international engaged. In fact, most significant bilateral or multilateral international donors, as well as many international NGOs, are present in Cameroon. This presence signals that the international community has a certain level of trust in Cameroon’s political system. Many of the international partners have experienced disappointment, however, with their Cameroonian counterparts’ weak commitment to reform. The tendency to use development aid as a clientelist instrument for granting favors and privileges is strong, and tacitly acknowledged by most donor organizations.

Effective use of
support
5

The aforementioned strategic position and superficial stability of Cameroon provides the country with leniency by most donors. This attitude might even grow in the given circumstances, with both northeast Nigeria and the CAR facing particularly difficult times. The Cameroonian government was praised for its helpfulness in resolving several cases of Europeans hijacked by Boko Haram and other rebel groups coming from the CAR. The credibility of the government in donor circles is nonetheless strongly limited. In contrast to other heads of states of the sub-region, it is rare for Biya to express himself on important issues of national or international relevance.

Credibility
6

This makes it impossible to gauge what course the government will take in matters of regional conflict management or national governance reforms.

The business climate in Cameroon is not very attractive to outside investors. As already mentioned in previous indicators, Cameroon's ranking in the World Bank's Doing Business Report fell by ten ranks between 2014 and 2015. Other assessments, for instance by the Heritage Foundation, are similarly unfavorable.

Relations with Nigeria were arguably never as good as they are today as both countries face the Boko Haram challenge and are compelled to cooperate closely on security. Mutual distrust may not have disappeared, but this is a completely new page of the common history. Nigeria's federal government occasionally receives calls from Nigerians living on the Bakassi island and in the border area to revoke Nigeria's agreement with Cameroon, but this has become an unrealistic perspective. Border incidents between Cameroon and the CAR were again reported in the review period. Cameroon plays an important role in the U.N. peacekeeping force for the CAR, not least by providing the current force commander (Major General Martin Chomu Tumenta). Rarely has Cameroon engaged so strongly in international affairs. Yet tensions prevail in the region. Rivalry with Gabon persists. In addition, relations with Equatorial Guinea are far from friendly. In a further sign of the lack of regional unity, President Biya is regularly absent from regional summits. Within CEMAC, Cameroon is the most important market and production site. Besides its central position within CEMAC, Cameroon is also a member of the monetary union of the Francs CFA as well as the AU.

Regional
cooperation
5

Strategic Outlook

The most recent elections, in 2013, and before Biya's re-election, in 2011, confirmed the tight grip of the RDPC on Cameroon's politics. Observers would not even exclude the option that Biya – frequently reported to have health problems – could stand again in elections in 2018 (and win those). Apparent overall stability is superficial and veils a treacherous situation. The regime has invested strongly in controlling the ambitions of candidates coming from its own ranks, partly by launching corruption charges against them. Additionally, it spared no effort to split the opposition within and outside Parliament. The ruling party, and in fact the entire elite, seems ill-prepared for a health-induced resignation of Biya (or death in office). The constitution stipulates that, in the event of the president's death, the successor be the president of the Senate. However, the newly constituted Senate has a chairman of roughly the same age as the president. A coup by the Cameroonian security forces may not be an immediate threat, but during a succession crisis, it is one of the most probable scenarios. There are currently no signs of a "Cameroonian spring," similar to events in Burkina Faso, for example. Most probably, Cameroon will remain an electoral autocracy for the next couple of years.

The military is now facing a serious threat with the Boko Haram incursions into Cameroonian territory. Some media reports suggest that the Cameroonian security forces have left the initiative to attack Boko Haram to Chadian troops. Potential frustrations within the military, exacerbating deep splits between elite units and significantly less well-equipped but more numerous ordinary army units, may heighten the risk of infighting. The Malian scenario, with a coup following military humiliation at the northern front, should not be overlooked.

Given the meager popularity of the formal political competition, one could expect a stronger engagement in various social movements. Some more radical movements, including religious ones, stand a chance to step into the void left by largely discredited opposition parties. Food and price riots in 2008 were violently suppressed by the security forces; they remain a warning sign of the destructive force frustrated youth could deploy (43.6% of the population is below the age of 15).

The government has voiced its ambition to transform Cameroon into an emerging economy by 2015. Much has to be done to reach this goal. One of the challenges is the transformation to a non-oil economy given the current dependence on oil exports. The government pursues a double course concentrating on public investments on the one hand, and imposing austerity measures on the state administration. But without developing a sound tax base outside the export economy, little sustainable progress can be expected. To the contrary, risks of becoming unsustainably indebted again have resurfaced. The Cameroonian government is reluctant to tax its population precisely because this could create new demands for more participation.