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Intereconomics

Suggested Citation: Ndongko, Wilfried A. (1974) : Regional economic planning in Cameroon, Intereconomics, ISSN 0020-5346, Verlag Weltarchiv, Hamburg, Vol. 09, Iss. 5, pp. 154-157, <https://doi.org/10.1007/BF02927292>

This Version is available at:

<https://hdl.handle.net/10419/139021>

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Regional Economic Planning in Cameroon

by Dr Wilfried A. Ndongko, Yaounde *

The purpose of this paper is to present a survey of the Cameroonian experience in development planning with emphasis on the regional dimension. In the course of analysing the planning process and implementation, an attempt will be made to shed light on some of the major problems which have been encountered in evaluating the development effort at the regional level.

Cameroon has since 1966 adopted a regional approach to planning with a view to ensuring a balanced distribution of investment resources and the fruits of economic progress. Cameroonian experience in regional planning began with the Second Five Year Economic and Social Development Plan (July 1966 – June 1971), and has continued with the Third Five Year Plan (July 1971 – June 1976).

The Planning Machinery

The Constitution of 1961 created two decision-making institutions with extensive economic and political powers and responsibilities at the national level. These institutions are the Presidency and the National Assembly which have the regulative capacity to control and influence the planning process. To this extent, the authority relating to matters of development planning, economic policies, control and organization of credit, establishment of national budget and the determination of taxes and all levies required to meet national government expenditure, have been exercised jointly by these two institutions.

Specifically, the President of the United Republic of Cameroon is responsible under the terms of the Constitution for ensuring the management of the affairs of the United Republic. In his capacity as Chief of State, he defines the main lines of the planning policy (in a Presidential Circular), and takes the major decisions. The National Assembly debates and votes on the law to approve the development plans.

The planning machinery at the national level – the Ministry of Planning and Territorial Development – is headed by the Minister who is responsible for the general co-ordination of studies and procedures concerning the preparation of the plans and the control of their execution. A special point of view is the territorial development.

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The Department of Planning, in cooperation with the other Departments of the Ministry, is responsible for the preparation of medium and long-term development plans, controlling the execution of the plans, the planning of human resources and the development of the national territory.

At the provincial level, there is a Provincial Economic Service which is responsible for:

- ☐ Collecting, centralizing and forwarding to the Provincial Governor and the Minister of Planning and Territorial Development economic data on the province, and particularly ensuring that the control forms concerning the execution of the plans are kept up to date, and
- ☐ organizing the regionalization of the economic and social development plans by undertaking the secretarial duties of the Provincial Planning Boards.

Apart from Provincial Economic Services, there are also Provincial Development Councils which deal with all problems relative to the specification of the development targets and implementation of the projects earmarked for each province. In particular, the Provincial Development Councils propose regional action programmes and determine the order of priority of the operation to be adopted. In addition they analyse the local means available and encourage the co-ordination of technical services, public agencies and private enterprises. At the divisional level, there is a Divisional Development Committee which is chaired by a Prefect. The Committee comprises local technical services, deputies, mayors and private citizens. It examines the methods and the means employed to ensure the satisfactory execution of the plans as well as the progress made by the programmes. Further it ascertains the results of programmes in the field of rural action and submits its views on requests for subsidies by Local Councils. The Divisional Prefect is assisted in his work by a Regional Development Officer who is a technical

representative of the Ministry of Planning and Territorial Development.

In effect, then, Cameroon has so far attempted to combine at each level, both the policy and technical planning functions. Under the Cameroonian planning system, technicians, politicians and administrators are brought together with a view to ensuring continuous cooperation in the formulation and execution of development objectives at the national, provincial and divisional levels. As a result, it has been possible to initiate programmes that are necessary to help each province to attain its economic and social potential. It has also been possible to undertake an overall regional economic and social analysis so as to ensure that all levels of planning machinery may proceed from a common base of information.

Preparation of Regional Plans

The process of preparing regional development plans consists of two stages. Firstly, an exercise which consists of the identification of the potentials for economic and social development and problems impeding growth in each region, including specific public/private investment programmes which can help develop those potentials, is carried out. Further, areas which in each region's judgement are most likely to have the potential for future growth and centres from which the population can be served in order to promote the overall development of the region, are also identified.

Following this exercise, a determination of investment priorities is undertaken with a view to ensuring maximum gains from public and private capital invested. These benefits are in the form of improved opportunities for permanent employment and increased levels of income on a continuing rather than on a temporary basis. A further exercise involving a scheduling and programming of feasible projects for implementation is undertaken. On the basis of this work, the Head of State issues directives to all ministries and provincial authorities reiterating the basic guides and fixing the objectives of the plan and the strategic operations to be adopted. The second stage consists of the meeting of the national and provincial planning boards.

For the national plan, particularly for the 3rd Plan, it has been possible to use a growth model which considers only a single factor of production — capital. The underlying assumptions are that:

- ☐ the growth of the Gross Domestic Product is solely a function of the investment made, and
- ☐ the capital-output ratio or capital coefficient will remain fairly stable during the period of each plan, which usually covers five years.

These assumptions have been based on the rationale that labour or "manpower" has not, in general, constituted a bottleneck in Cameroon. This is partly because foreign technical assistance has provided a stop-gap to cover the shortage of local experts in the various economic sectors, and partly because statistical data on available and expected capital resources are more accessible than on labour. Assuming the national capita-output ratio of 3, it has been possible to make projections for the various sectors and the GNP.

However, it has not been possible to employ the same model to make regional projections, mainly because of the absence of statistical information on gross regional output, capita-output ratios, consumption, inter-regional trade, average rate of change of price level, and regional population growth rates. In addition rapid structural changes have been taking place at the regional level that makes it difficult to compile reliable data for regional projections.

Regional Allocation of Investment

Considering the Cameroonian policy of maintaining equilibrium between regions, the planning process would be expected to give adequate attention to the spatial dimension of economic development of the nation. This important feature of planning in a unitary setting would be reflected by the nature of the decisions taken by the planning process with respect to the allocation of public and private resources between the various regions.

However, in the 1960–65 Plan, the planning process gave no consideration to the regional dimension of development. The absence of this dimension in the 1960–65 Plan can be explained by the fact that the Plan was originally formulated for former East Cameroon, before the two states joined to become a Federation. The lack of any comprehensive feasibility studies of possible development projects in former West Cameroon made it difficult to extend the Plan immediately to that state. Consequently, the total planned investment of 53 bn Francs CFA was earmarked for projects in East Cameroon.

With respect to the 1966–71 Plan, it should be pointed out that this was the first regionalized plan which was formulated for the six economic regions under the federal setting. For the first time, the planning process gave consideration to the spatial dimension of national development. The distribution of planned investment between the regions is shown in the Table. It will be observed from the Table that the largest share (18 p.c.) of planned investment went to the littoral region which in 1965 accounted for 10 p.c. of the total

population. The South-Centre region, which had 20 p.c. of the total population, was allocated the second largest share, i.e. 12.2 p.c. Projected investment in West Cameroon region, which contained 21 p.c. of the total population in 1965, was approximately 11.8 p.c. of the total planned investment.

For the 1971–76 Plan, investment allocations were not made on a regional basis as was the case in the 1966–71 Plan. Rather allocations were made on sectoral and project bases. The information contained in the Plan on the pattern of resource allocation, does not lend itself to regional analysis with a view to determining the volume of planned investment that was earmarked for each province. It has, therefore, been extremely difficult and frustrating to determine precisely whether or not investment allocation under the 1971–76 Plan was made with a view to fostering the government policy of maintaining equilibrium between the different economic and administrative regions of the country.

Plan Implementation

Generally, there exist two schools of thought regarding the appropriate institutions or governmental agencies that should be responsible for the implementation of national and regional development programmes. Thus, while some people who favour executive powers for a central planning agency believe that it should be responsible

for implementing plans, others advocate that autonomous institutions be set up to perform this function. This latter school of thought maintains the view that plan formulation, as an advisory and goal specification function, is incompatible with the executive responsibilities inherent in the co-ordination and implementation of plans.

The policy of "concerted development" in Cameroon required that separate institutions, apart from the Ministry of Planning and Development, be set up at the national and regional levels for the coordination and implementation of development plans. Thus, at the national level, the National Planning Council has been created and empowered to sit in specialized committees and departments charged with studying, for example, the problems of implementation of projects in the various sectors.

Rural institutions are of vital importance, particularly as administrative supervision at the divisional level cannot go right down to the level of each village and to the scattered rural inhabitants who must be made aware of their own potential and contribution towards economic and social progress and the means of achieving that progress. For this reason, the policy in the various plans has been a progressive replacement of mobile rural teams by Rural Training Centres, where more lasting and concrete action can result in the formation of well-informed farmers who, by their example, can inspire others.

Regional Allocation of Investment in the 1966–71 Plan

(In bn of Francs CFA)

Economic Sector	East Cameroon						West Cameroon	Undistributed	Total Investments
	North	East	South-Centre	Littoral	West	Total			
General Studies	0.9	—	0.06	0.05	0.06	1.1	0.113	1.11	2.3
p.c.	39.1	—	2.8	2.2	2.5	47.9	4.9	48.5	
Rural Production (Agriculture)	3.8	1.0	4.8	6.1	4.0	19.7	7.3	5.4	32.4
p.c.	11.8	3.1	15	18.8	12.3	62	22.5	16.5	
Industry	3.2	1.2	3.8	14.5	1.9	24.6	3.9	11.1	39.4
p.c.	8	3	10	37	5	63	9	28	
Trade and Tourism	0.5	—	1.5	0.7	0.06	2.8	0.1	0.8	3.7
p.c.	29.9	—	41	16	3.1	46.8	4.9	48.3	
Infrastructure	6.5	1.2	3.2	2.7	2.3	15.9	4.4	21.6	41.9
p.c.	11.1	2	4.8	4.9	3.9	27.7	7.6	64.7	
Road Transport	—	—	0.2	0.1	—	0.3	—	15.9	16.2
Education	1.4	0.6	1.7	1.0	1.2	5.9	2.1	2.4	10.4
p.c.	13.5	5.5	17.2	9.1	11.6	56.9	20.2	22.9	
Public Health	0.9	0.2	0.5	0.2	0.8	2.6	0.9	0.6	4.1
p.c.	21.6	4.7	11.2	14.7	18.8	60.8	22.6	16.6	
Town Planning and Housing	0.8	0.2	4.5	3.8	1.0	10.4	1.0	0.3	11.7
p.c.	6.6	2.2	38.8	33.3	8.3	89.2	8.1	2.7	
Administration	—	—	—	—	—	—	—	3.5	3.5
Total	18.8	4.4	20.2	29.0	11.2	83.8	19.4	62.0	165.2
p.c.	10.9	2.7	12.2	17.6	6.8	50.2	11.8	38.0	100

Source: Ministry of Planning and Territorial Development: Second Five Year Plan of Economic and Social Development, 1966–71, Yaounde, 1966, p. 477.

Notwithstanding, a network of various institutions at the various levels, there is no doubt that the centralized nature of the administrative machinery has led to the close supervision of the institutions for coordinating and implementation of the various plans, from the national level, especially by the Presidency and the Ministry of Planning and Territorial Development.

Evaluation of the Cameroonian Experience

With regard to the general performance of regional planning in Cameroon, it should be noted that it is difficult to judge the separate effects of the various area development programmes in the different plans. In the first place, only rather limited data on regional economic development exist. Secondly, the total sums are normally provided under a large number of programmes both by the national and regional/provincial governments. Thirdly, capital expenditure has not been sufficiently broken down on a regional basis. For example, under the 2nd Five Year Plan (1966–71) more than 30 p.c. of total planned investment was earmarked as undistributed capital expenditure, and for the Third Plan (1971–76) the total projected investment is not broken down or divided between the various regions.

On the whole, however, regional policy has been focused on specific problem areas and on those with specific resource potential for development. To this extent, it should be noted that "today under the authority of Chief of State, of the Cameroon National Union and the moral forces of the nation the structures most likely to promote development are in the process of being built"¹.

As a result, therefore, under the Second Five Year Plan (which was a regionalized one) the GDP increased from 194.5 bn Francs in 1966/67 to 296.8 bn Francs in 1970/71 — an annual growth rate of 9.6 p.c. in current Francs CFA. If account is taken of the annual population growth of 2.1 p.c. and an annual average increase in the general price level of 3 p.c., then the real growth rate of GDP per capita was 4.5 p.c. per year between 1966/67 and 1970/71. This rate was greater than that of 3.5 p.c. which is the rate required to double per capita income between 1960 and 1980 — a fundamental objective of Cameroonian perspective planning.

With respect to the three major sectors of the Cameroon economy — primary, secondary and tertiary — the share in p.c. of the primary sector in GDP decreased from 36.7 p.c. to 32.0 p.c. between 1966/67 and 1970/71, whilst that of secondary and tertiary sectors fluctuated between 19.9

p.c. and 20.9 p.c. and respectively 44.2 p.c. and 47.10 p.c., during the same period.

The fluctuations in the shares of the secondary and tertiary sectors can be explained by the uneven sectoral shifts which took place within the various regions and the major industries that comprise these sectors. The steady decrease in the share of the primary sector in GDP is a clear indication of the planning effort to reduce the dominance of this sector in the Cameroonian economy.

Regarding the actual distribution of the regional investments, the projected investments, for the six economic and administrative regions in the 1966–71 Plan, indicated that the littoral region was to have the largest proportion of total planned investments followed by the Centre-South region. However, for the year 1966/67 actual investments in the latter region, were indeed higher than in the former region.

Furthermore, although the 1966–71 Plan indicated that the West Cameroon region was to receive the third largest share of planned investment among the six regions, this projection was not fulfilled in 1966/67. Rather, the Northern region became third in terms of the actual investments that were undertaken whilst West Cameroon was fourth. Concerning the Western and Eastern region, their respective positions were maintained. In regard to undistributed investments, planned and actual capital expenditures in 1966/67 were close to the estimates made in the 2nd Plan — that is 38.1 p.c. as compared to 38.2 p.c. For the remaining four years of the 1966–71 Plan the information on the execution of the Plan does indicate the actual volume of investments that were finally undertaken in each region. Consequently, it is difficult to say whether or not the various regions maintain their respective positions as they did in 1966/67 — the first year of the Plan. In the case of the 1971–76 Plan, the report on the execution of the Plan during the first year (1971/72) again does not indicate the volume of actual investments undertaken in each region/province. This is probably because the 1971–76 Plan was not regionalized like the 1966–71 Plan.

All in all, it cannot be determined from the available data whether or not economic development under the policy of "planned liberalism" at the regional level in Cameroon has been successful. In this regard, it should be pointed out that the absence of adequate data has prevented a full evaluation of the policy at the regional level, particularly in view of the government policy of maintaining balance between all regions. Nevertheless, the results of the policy at the national level as indicated earlier have been very encouraging.

¹ Philippe Hugon, *Analyse du Sous-Développement en Afrique Noire: L'Exemple de l'économie du Cameroun*. Press Université de France, Paris, 1968, p. 314.