

Economic Backlash on the Cameroon Development Corporation (CDC) at the End of British Rule in Southern Cameroons, 1961-1968

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Abstract

The Cameroon Development Corporation (CDC) was created in 1946 and went operational in 1947 through the enactment of two important ordinances by the government of Nigeria. As an agro-industrial company, the principal objective at inception was the management of the ex-German plantations in Cameroon for the welfare of the workers in particular, and the inhabitants of Southern Cameroons in general. Curiously, the creation of the CDC coincided with a rising spirit of nationalism in the territory, culminating in the granting of independence by reunification with the Republic of Cameroon in October 1961. Considering that the end of British rule was accompanied by reunification, and not integration with Nigeria, the objective of this paper is to highlight the post reunification implications on the CDC. Even though it drastically reduced Nigerian domination of the plantations and offered the corporation greater access to seaport facilities in Douala, the article posits that the CDC suffered enormous setbacks at the end of the British Trusteeship in the territory. Using both thematic and chronological approaches, the findings admit that the end of British rule provoked the suspension of Commonwealth funding, cancellation of banana trade preferences, tariff imbroglio, cross-territory security concerns, among other constraints. However, the article concludes that the federal government equally embarked on a number of remedial measures which went a long way in mitigating the post-independence challenges faced by the CDC.

Key Words: Economic backlash, Cameroon Development Corporation, British rule and Southern Cameroons.

Introduction

After 1945, there was a general acceleration in the process of decolonization in Africa and Southeast Asia. Independence was achieved much earlier in Southeast Asia with India and Indonesia setting the pace in 1947 and 1956 respectively. In Africa the participation of soldiers in the Second World War, the emergence of an educated Western elite, the spirit of the Atlantic Charter of 1941, the anti-colonial tendencies of the United States and the former Soviet Union among other developments, precipitated the struggle for self-government. Ghana became the first Black African country to attain independence in 1957, followed by a host of others in 1960. By 1964 a majority of the countries in Africa had been granted self-rule, save for the Portuguese colonies of Angola, Mozambique and a few others.¹

As far as Southern Cameroons was concerned, its political emancipation was largely determined by the political evolution of Nigeria, considering that the territory was administered as an integral part of the Eastern Region of Nigeria. As the British administered the territory, very little effort was made to improve on the economic life of the people especially during the mandate period. Nonetheless, the activities of pressure groups in the 1930s and 1940s and the terms of the Trusteeship System compelled the British to pay greater attention to the socio-economic advancement of Southern Cameroons. In pursuit of this goal, the CDC was established in 1946, with the primordial objective of managing the ex-German plantations for the

¹ P. Calvocoressi, World Politics Since 1945, (London: Longman, 1991).

general benefit of the inhabitants of the territory.² As a brainchild of the British government, the CDC enjoyed the invaluable financial and commercial support of the Commonwealth Development Corporation and other British-led institutions. Logically, when Southern Cameroons obtained independence, especially by reunification with the Republic of Cameroon, it alienated the British and weakened its cooperation ties with the CDC. The key objective of this paper is to elaborate on the economic difficulties that emerged in the CDC, as a consequence of the termination of British Trusteeship. To ensure consistence and clarity this paper has been structured in three parts; the CDC under British rule, terminations of British rule in Southern Cameroons and the economic implications of the granting of independence on the CDC.

CDC Under British Rule

Even though the CDC was created in 1946 it effectively went operational in 1947. As stated earlier, its existence was sanctioned by important ordinances passed by the Nigerian Legislative Council between the 6th and 12th of December 1946. The first ordinance, the ex-Enemy Land (Cameroon) Ordinance No. 38 (1946) enabled the Governor General of Nigeria to take possession of all ex-German plantation lands initially placed under the auspices of the Custodian of Enemy Property in the course of the war.³ The second, the Cameroon Development Corporation Ordinance No. 39 (1946) provided for the creation of the proposed body, the Cameroon Development Corporation. By the terms of this ordinance, all lands acquired by the Governor through the previous ordinance were leased to him on the payment of a total of £850,000 to the Custodian of Enemy Property.⁴ Two crucial observations stand out clearly in the functioning of the CDC under British Trusteeship; deep British involvement and wide prospects for expansion.

The CDC faced two serious problems at inception. There was no working capital, even though the ordinance creating the corporation gave it the authority to borrow up to a maximum of one million pounds at any time, with or without government guarantee.⁵ The other challenge was related to the condition of machinery and equipment. Most of the machinery was of German origin, provoking a shortage of spare parts.⁶ If modern replacement of machinery had to take place, it could only have been done in the far future. The British colonial administration made enormous efforts to solve these hurdles and ensure the sustainability of the CDC.

To alleviate the financial situation of the corporation, a loan of £100,000 was negotiated with the government of Nigeria at an annual interest rate of 3½%.⁷ Overdraft facilities were also arranged with the corporation's bankers in London to avoid definite loans with accruing unbearable interest amounts.⁸ In 1959 the Commonwealth Development Corporation undertook to disburse £3 million to the CDC, beginning with the sum of £1 million.⁹

To resolve the thorny equipment problems, the Controller of Motor Transport in the United Kingdom was contacted to allocate lorries and locomotives and provide all necessary spares or spare parts needed by the CDC.¹⁰ Other areas of British engagement concerned the appointment of prominent experts in the rubber and oil palm sectors. Contact agencies were also deployed in London to enhance marketing and supplies transactions on behalf of the corporation. There was even a Managing Agency Agreement with the CDC signed in 1960. This agreement endorsed an eight man Board of Directors shared at a parity rate of 50:50 between the Cameroon Development Corporation and the Commonwealth Development Corporation.¹¹ Such agreements constituted evidence of the close collaboration that existed between the British government and the CDC before the granting of independence to Southern Cameroons in 1961. With the financial commercial, and technical assistance from the British the CDC was bound to expand remarkably.

²File No, 1946/2 An Ordinance to Provide for the Establishment of a Corporation known as the Cameroon Development Corporation.

³S. Berdeman, *The Cameroon Development Corporation: Partners in National Growth* (London: Brown knight Truscott Limited, 1968), 19.

⁴ *Ibid.*

⁵ Annual Report of the CDC 1947

⁶ *Ibid.*

⁷ Annual Report of the CDC 1948

⁸ *Ibid.*

⁹ Annual Report of the CDC, 1959

¹⁰ Annual Report of the CDC, 1948

¹¹ Annual Report of the CDC, 1960

After one year of operation the CDC experienced major strides between early 1947 and late 1948. Additional 3,807 acres of land had been replanted with cocoa, banana, rubber and oil palms being the main crops. Banana exports was estimated at 4,000,000 stems, palm oil production reached 1,320.6 tons and palm kernels 788 tons, indicating a moderate increase over the 1946 production figures¹². The numerical strength of the corporation's staff at the end of 1947 was 16,662¹³. The Cameroon Development Corporation Workers Union had a membership of 15,000¹⁴. With the revitalisation of crucial sectors of the corporation it realised a profit of £178,275 as of 31st December 1947. From the data exploited on the CDC in 1947, it could be concluded that the corporation did well even in the very first year of its operation.

All through the 1950s the CDC experienced remarkable progress in nearly all its fields of operation. Apart from the banana sector that was plagued by climatic hazards and persistent pest and disease attacks, the corporation was doing extremely well. Among other parameters, two justifications will be highlighted, the evolution in production figures and the government revenue accruing from the activities of the corporation. From available production figures there was an outstanding increase in the general tonnage of produce realised on the plantations of the CDC. Palm oil production was 2,715 tons and 3,051 tons in 1953 and 1958 respectively; representing a 12.3% increase. The growth rate in the pepper sector over the same period was about 1020%.¹⁵

Despite a slight incidence of declining revenue, there was a global expansion in the revenue which accrued to the government of Southern Cameroons as a result of CDC's agro-industrial activities. The total accrued revenue in 1948 stood at £17.310, compared with £496,920 in 1958¹⁶. This represented a colossal 2770% increase in revenue.

On the advent of independence of Southern Cameroons in 1960, the CDC had a total of 54,822 acres under cultivation as compared to 52,956 acres in 1959¹⁷. The work force had expanded to approximately 20,000 workers. There was an ambitious plan to extend financial collaboration with Commonwealth Development Corporation that would enhance the rehabilitation of the banana sector and embark on new oil palm and rubber projects. A total of £1,711,761 was spent on staff salaries in 1960 and a further £214,076 on medical, education and other welfare schemes of the corporation.¹⁸ Before the granting of independence, the CDC had endorsed a plan to expand its plantations by 6,850 acres comprising, banana, oil palms, rubber and pepper.¹⁹

Termination of British Rule

In August 1914 Britain and France extended the First World War to Cameroon with the prime objective of accelerating the defeat of the Germans. Thereafter, the territory was partitioned between them as a result of the failure of the proposed Anglo-French Condominium. For geographical, cultural, financial and other considerations, Britain administered her own portion of Cameroon (Southern Cameroons) as an integral part of Nigeria. Thus, the territory was influenced by the spirit of nationalism that grew in Nigeria after the Second World War. As the struggle for independence intensified, the politicians in Southern Cameroons were torn between the option of integrating into Nigeria or reuniting with the Republic of Cameroon.

By 1959, the United Nations came under increasing pressure to find a solution to the question of the independence of Southern Cameroons. This situation became urgent with the approaching independence of both Nigeria and French Cameroon. At this juncture, two clear options were championed in Southern Cameroons. The Kamerun National Democratic Party (KNDP) led by J. N. Foncha canvassed for reunification with French Cameroon. On the other hand the Kamerun National Congress (KNC) of Dr. E. M. L. Endeley argued in favour of integration into Nigeria. The failure to arrive at a compromise caused the convening of the Mamfe Plebiscite Conference in August 1959. Even in Mamfe a compromise could not be struck. Subsequently, the matter was referred to the Fourteenth General Assembly of the United Nations. After protracted debates a General Assembly Resolution 1352 recommended that a plebiscite be organised

¹² Annual Report of the CDC, 1948

¹³ Annual Report of the CDC, 1947

¹⁴ Annual Report of the CDC, 1948

¹⁵ Annual Report of the CDC, 1947

¹⁶ Ibid.

¹⁷ Annual Report of the CDC, 1960

¹⁸ Ibid.

¹⁹ Ibid.

in the territory not later than March 1961.²⁰ The plebiscite was tied to two options, reunification or integration. All attempts by the Kamerun United Party (KUP) of P.M. Kale to get through the option of an independent Southern Cameroons failed.²¹

Once back home, there were intense campaigns by both parties to win over the electorates. The KNC which merged with the Kamerun Peoples Party (KPP) of N.N. Mbile to form the Cameroon Peoples National Congress (CPNC) pressed for integration. It highlighted the cultural affinities, colonial legacy, the insecurity in the Republic of Cameroon as some of the tacit reasons for integration with Nigeria. It also argued about the respect for traditional authorities in Nigeria and the psychological stance that anything British was more superior to the French.

On its part the KNDP aligned with One Kamerun (OK) of Ndeh Ntumazah and campaigned for reunification with the Republic of Cameroon. The KNDP castigated the Ibos for outright domination, decried the relative socio-economic backwardness in the territory and raised the historical affinity and ethnic links with indigenous groups in the Republic of Cameroon as some of the tenable considerations for reunification. With support from Ahidjo and Paul Soppo Priso from the Republic of Cameroon, the KNDP fought for reunification.²²

As the campaigns unfolded, some crucial considerations affected the sympathy of the voters. One of them was the character traits of Dr. E. M. L. Endeley, a highly educated and articulated medical doctor, frequently ridiculed for haughtiness and for 'Spikin da big English'.²³ Sometimes his personal pride tore him away from the people. In some societies, the plebiscite was seen as opportunity to settle scores. On the other hand was Foncha, the simple, devout Catholic school teacher who most often felt more obliged speaking Pidgin English or local languages. Sometimes he preferred to walk all day or ride a bicycle to reach remote villages and canvas for votes.²⁴ Chieftaincy and traditionalism also played a crucial role. The fons of the grassland castigated Endeley for minimising them. Led by Fon Galega of Bali he was tagged a dictator, and attempts were designed to frustrate his dream of integration with Nigeria.²⁵ At the end of the polls, the outcome of the plebiscite was a landslide victory for the KNDP and the reunificationists, led by J.N. Foncha.

After the publication of the plebiscite results many complaints were made by the CPNC against the conduct of the polls. Concretely, the CPNC led a delegation to the United Nations demanding that ethnic group election trends along the common borders with Nigeria be reconsidered so that people were not split between Nigeria and Cameroon. The Republic of Cameroon also protested against the outcome of the results in Northern Cameroon. Despite the protests the United Nations endorsed the results, giving room for preparations for the granting of eventual independence.

In June 1961 an All Party Conference was held in Bamenda with the intention of producing a draft constitution for the future union between Southern Cameroons and the Republic of Cameroon. This was followed by the Fouban Constitutional Conference held in July 1961. At the end of the constitutional consultation a strong federation was adopted to the disgust of most Southern Cameroons politicians. Following the Yaounde Tripartite Conference in September 1961, independence was granted to Southern Cameroons on October 1, 1961.

Economic Backlash of the Independence of Southern Cameroons on the CDC

The political transition of Southern Cameroons to independence in October 1961 was likely to exert far reaching consequences on the functioning of the CDC. The federal constitution amidst other important considerations, altered the operations of the corporation. Such changes were very visible with the introduction of the CFA Franc, termination of Commonwealth Development Corporation funding, new tariff regulations to mention these few. As the paper posits, these developments recorded very adverse effects on the fortunes of the corporation.

Currency Exchange Issue

²⁰V. J. Ngoh, *The Untold History of Cameroon Reunification 1955-1961* (Limbe: Presprint PLC 2011), 27

²¹W.R. Johnson, *The Cameroon Federation, Political Integration in a Fragmentary Society*, (New Jersey; Princeton University Press), 45

²²Ibid, 47.

²³ Ibid, 163.

²⁴ Ibid.

²⁵ Ibid.

The first complication that the independence of Southern Cameroons had on the CDC was that of grappling with a new currency. On the eve of independence the Anderson Report raised three possible monetary options; joining the Sterling zone, integrating into the CFA Franc area or initiating an independent monetary system.²⁶ The report recommended the second alternative, considering the advantage it would have as a Common Market affiliate. Thus, the CFA Franc was introduced in West Cameroon as the new legal tender in April 1962.

With the adoption of the CFA Franc currency the changeover caused considerable difficulties for all business concerns as Etta observes:

In order to ease conversion the major agro-industrial commercial and banking enterprises in Victoria Division such as the CDC, BCUF...adopted the official rate of exchange. By adopting the official exchange rate of 692CFA Francs to the pound, the enterprises lost considerable sums of money.²⁷

As the principal agro-industrial corporation in West Cameroon, and even the entire federation, this statement was not an exaggeration as regards the CDC. There were not just heavy financial losses but disturbing administrative hurdles as well. As the 1962 annual reports of the CDC elucidates:

Practical steps in the reunification of East and West Cameroon were taken by the governments in 1962; the major development of commercial significance being the change of currency and the introduction of exchange control and import regulations in the West. These naturally produced administrative problems in the corporation.²⁸

By adopting the adhoc exchange rate of 685 Francs to the pound partly for ease of conversion instead of the official rate of 692 Francs, the Franc was incidentally undervalued in terms of the pound at a loss of 7 Francs. Even though the financial loss borne by the corporation could not be specified it could be estimated that the total amount could have been colossal, considering the huge transactions contracted by the CDC prior to the practical imposition of the official exchange rate in 1964.

Breach of Commonwealth Financing Protocol

In the second place the independence of Southern Cameroon through the reunification option provoked a subsequent rupture of Commonwealth Development Corporation funding. The Commonwealth Development Corporation initially referred to as the Colonial Development Corporation was established by the Overseas Development Act of 1948. Its main objective was the promotion of socio-economic development in the British colonial empire. Considering that the CDC was created in 1946 without any definite funds allocated for expansion, meant the corporation had to depend on loans and overdraft facilities. The insistence on enhancing the welfare objective compounded the situation. This was due to the fact that profits realised were geared towards the welfare schemes of the corporation, and not for expansion. When projections came up for the expansion of the CDC in 1955, the Nigerian government offered to do the funding. Unfortunately, out of a request of £1 million made it could only afford a paltry £258,000. At this juncture the governments of Nigeria and Southern Cameroons approached the Commonwealth Development Corporation, requesting credit facilities.²⁹

After several evaluation visits and other negotiations a loan of £4 million was agreed in 1959. The emergence of J. N. Foncha, a staunch reunificationist did not forestall the cooperation ties between the Commonwealth Development Corporation and the Cameroon Development Corporation. However, it pushed the Commonwealth to introduce check valves that could guarantee the repayment of the loans. Among others, the CDC had to be reconstituted into a Joint Stock Company and a Management Agreement that would guarantee Commonwealth Development Corporation supervision was signed. On the loan accord

²⁶ A. Kjell, Report on the Economic Aspects of Reunification (Presidency Republic of Cameroon: Yaounde, Mimeographed, 1961) 40.

²⁷ M. A Etta, The Economic Integration of the Cameroons and its Impact on the Economy of West Cameroon: A Case Study of Victoria Division 1961-1972.

²⁸ Annual Report of the CDC, 1962.

²⁹ Annual Report of the CDC, 1955.

the Commonwealth Development Corporation finally agreed to provide £3 million at an interest rate of £40,000 per annum.³⁰

The readiness to grant funds by the Commonwealth Development Corporation was guided by political considerations. This was to enhance socio-economic development, check the rising tide of radical nationalism and dampen the course of reunification. It should also be stated that part of the reason why the loan was not granted in its entirety was the uncertain political future of the territory. Thus, when on February 11, 1961 the Southern Cameroons voted overwhelmingly in favour of reunification, the Commonwealth Development Corporation retracted from the initial funding agreement with the Cameroon Development Corporation.³¹

With little certainty that the proposed Joint Stock Company could be feasible in the Federal Republic of Cameroon, the Commonwealth Development Corporation did not feel obliged to disburse the £2 million that would have rounded off the loan accord. Rather, it held that fresh negotiations had to be initiated if the rest of the funds were to be provided. A Cameroon delegation led by Jean Faustin Betayene then Foreign Minister of the Federal Republic of Cameroon was dispatched to London to follow up the discussions on the funding of the CDC. The preliminary talks were held in London, with the understanding that they were to be continued in Yaounde in the future. The deferred negotiations were never rekindled, with visible signs that the Commonwealth Development Corporation was no longer interested in any credit dealings with the Cameroon Development Corporation.³²

It should be highlighted that the reunification of Southern Cameroons with the Republic of Cameroon produced financial rippling effects on the CDC. Apart from abrogating the 1959 loan agreement, it forestalled the expansion projects already embarked on. The situation became so bleak that the management of the corporation suspended most of the projects for lack of funds. The effects of the feet dragging attitude of the British was the decision by the government of Cameroon to source for investment credit from international bodies especially the World Bank and the International Development Association (IDA).³³

Withdrawal of Commonwealth Trade Preferences

Apart from the abrogation of the 1959 agreement between the Commonwealth Development Corporation and the Cameroon Development Corporation as a consequence of the reunification of Southern Cameroons, the removal of Commonwealth preferences equally recorded a devastating blow on the Cameroon Development Corporation. Commonwealth preferences were simply a special economic consideration that Britain established with her dominions and colonies. This greatly reduced custom duty applied to Commonwealth goods entering the United Kingdom. Given this consideration, British foodstuffs and raw materials for industries were imported from Commonwealth countries, with the effect of maintaining the price of food and other raw materials in Britain at artificially low prices. These preferential measures somehow protected the United Kingdom from the worse effects of world commodity crises. Such attachments within the Commonwealth were subsequently eliminated by the global rules governing the General Agreement on Tariffs and Trade (GATT) and British entry into the Common Market.

The banana sector of the CDC played a very dominant role in the life of the corporation especially in the late 1940s and 1950s and requires more elaboration than any other crop. The significance of the sector could be easily appreciated by a critical analysis of the export tonnage and area coverage of the crop as well as exportation trends alongside the others, as indicated in table 1.

Table 1: CDC Crop Acreage 1955-1960

	1955	1956	1957	1958	1959	1960
Banana	22,963	22,265	20,587	20,173	14,965	12,000
Rubber	9,733	10,288	10,005	10,741	11,614	13,111
Oil Palm	13,635	12,826	12,156	13,084	14,350	15,435
Cocoa	1,065	1,065	1,065	965	980	883

³⁰ S.J. Epale, *Plantation and Development in Western Cameroon 1885-1975: A Study in Agrarian Capitalism* (New York, Vantage Press, 1985) 186.

³¹ Ibid, 190.

³² Ibid, 194.

³³ Ibid, 204.

Pepper	-	44	44	44	44	44
Tea	61	61	108	135	135	188

Source: Annual Reports of the CDC 1955-1960

From the table above, the banana sector of the CDC occupied a crucial place as far as acreage allocation was concerned. It occupied the first place from 1955 up to 1960 when it was overtaken by the oil palm sector. In 1955 and 1956 banana occupied 48.3% and 47.03% respectively of the total surface area under cultivation by the CDC³⁴.

Table 2: Produce Revenue of the CDC 1957-1959

Crop produced	1957	1958	1959
Banana	2,221,216	2,016,447	841,192
Palm Products	239,971	270,712	381,768
Rubber	390,971	442,053	660,861
Cocoa	32,545	47,448	36,036
Pepper	3,014	4,093	5,636
Timber	60,582	18,909	-
Tea	-	4,727	8,473

Source: Culled From Annual Reports of the CDC 1957-1959

The dominant role played by the banana sector in revenue earnings in the CDC was quite evident in the table 2. It was the first revenue earning crop in 1957 and 1958 financial years, accounting for 75.3% and 71.9% respectively of revenue realized by the corporation. Even when it experienced a decline in 1959 it still recorded an impressive 43.4% of the total revenue collected. Therefore, it could be concluded that banana remained a major crop on the CDC plantations despite the challenges provoked by climatic hazard, and elephant destruction. This bright picture exhibited by the banana sector could be largely attributed to the commercial advantages that accrued to the CDC from the Commonwealth preference.

Unfortunately, the political evolution of the Southern Cameroons which ended up in the reunification of the trust territory with the Republic of Cameroon produced a devastating effect on the banana sector most especially, and other crops of the CDC. The sale of banana was rendered difficult because the crop was cultivated in many parts of the world and getting reliable markets was very competitive. Thus, the sale of banana was increasingly tagged to political affiliations, especially trade treaties.

By electing to affiliate politically with the Republic of Cameroon, West Cameroon forfeited the right to Commonwealth preferences on import duties into the United Kingdom which absorbed almost all of CDC banana. However, despite pressure from Jamaica and other Commonwealth banana producers to uphold the termination of the Commonwealth preference, the United Kingdom postponed the banana trade advantage for two years up to September 30, 1963 after which date West Cameroon banana was subjected to a full duty of £710s per ton. To cushion the incidence of the tariff, the government of the Federal Republic of Cameroon reduced the export duty from 1s 6d to 9d per bunch of banana, amounting to about £2 per ton less duty which had to be paid³⁵.

Table 3: United Kingdom Tariffs on Major West Cameroon Exports at The Time of Reunification

Export	General Rate	Preferential Rate	
Banana	£7:10.0 per ton	Free	£7:10.0
Cocoa	14/per cwt	11s:8d per cwt	2s:4d per cwt
Coffee	14/per cwt	4s:8d	9s:4d per cwt
Rubber	Free	Free	Nil
Palm Produce	10%	Free	10%

³⁴S. J. Epale, Plantation and Development in Western Cameroon.208.

³⁵ A. Kjell, Report on the Economic Aspect, 26.

Source: Anderson, Kjell. Report on the Economic Aspects of Reunification

Table 3 indicates that the banana sector enjoyed the most generous tariff regulation by the United Kingdom, £7:10 per ton, representing nearly 15% of the price. This new tariff had a significant effect on the export of the CDC considering that banana constituted about half of the volume of such trade.

As the Anderson Report had anticipated, the discontinuance of preferential treatment on the banana crop sector would provoke a rippling effect on the economy of the entire country:

The average revenue per ton of bananas coming into Southern Cameroons, after the deduction of freight, discharge expenses, distribution cost and commission in the United Kingdom is about £30 per ton. This revenue is likely to reduce to £24 per ton, and if the cost cannot be slashed, bananas would no longer be profitable on the plantations³⁶.

In a desperate effort to mitigate the pinching effect of the termination of Commonwealth preference on the CDC banana crop sector, the Federal Government approached the British for an extension of the grace period beyond the September 30, 1963 grace threshold. Unfortunately, the response was unfavourable and on October 1, 1963, all produce (except timber and tea) exported from West Cameroon to the United Kingdom became susceptible to the general tariff rates. Negotiations to acquire new markets for banana in Italy also failed as well as to secure a portion of the Federal Republic's share of the French market. This problem would have been exacerbated but for a compromise reached between the CDC and Elders and Fyffes, another major banana exporter in West Cameroon. By the commercial partnership, the company was to purchase on FOB basis (transportation condition that indicates that the price for goods include delivery at the seller's expense to a specified point and no further) all banana produced on the CDC plantations.

Disturbingly, the banana industry was in such a declining state that Elders and Fyffes boats were unable to regularly get full loads towards the end of 1966. Finding the partnership unprofitable, it discontinued its arrangements with the CDC, dealing a fresh blow to the corporation's banana sector as displayed in the table 4.

Table 4: CDC Banana Statistics 1951-1966

Years	Mature	Immature	Total	Dried	Green	Revenue millions of FCFA
1951	7,308	998	8,306	260	59,500	964
1952	7,308	1,064	8,867	238	47,031	1,014
1953	8,170	1,681	9,751	126	54,945	1,187
1954	8,989	1,147	10,136	22	53,585	1,408
1955	9,233	624	9,917	104	46,270	1,278
1956	7,556	776	8,322	104	48,517	1,215
1957	6,845	811	7,656	64	54,370	1,521
1958	6,056	770	6,826	25	59,775	1,381
1959	5,445	607	6,052		35,479	609
1960	4,232	790	5,022		35,115	755
1961	3,594	762	4,356		34,369	744
1962	3,675	207	3,882		32,716	641
1963	1,903	401	2,304		24,874	435
1964	1,682	484	2,166		17,200	294
1965	906	394	1,300		16,783	345
1966	948	181	1,129		12,203	243

Source: Berderman, The Cameroon Development Corporation. 37.

Logical conclusions can be drawn from table 4. After 1959, dried bananas export was discontinued due to the in availability of adequate refrigerated vessels that could accommodate the transportation of huge stocks of fresh banana. Even though the decline in the revenue from CDC banana export sales that had started in

³⁶ Ibid.

1958 was provoked by the harsh climatic conditions, pest and the destruction caused by elephants, the decline became increasingly significant with the reunification of Southern Cameroons and the Republic of Cameroon in 1961. This was due to the withdrawal of Commonwealth advantages. Table 5 provides more evidence on the decline in the banana sector.

Table 5: Export Tonnage from Bota 1961-1965

Export Item	1961	1962	1963	1964	1965
Timber	92,237	44,641	20,248	23,732	19,563
Banana	87,242	80,037	65,139	52,549	37,526
Cocoa	7,225	6,276	4,745	3,772	8,362
Palm Oil	6,074	3,503	5,913	4,651	5,854
Palm Kennels	2,452	2,487	3,179	4,088	4,034
Rubber	4,093	3,989	4,506	4,658	7,465
Coffee	4,269	3,759	3,311	5,525	5,862
Tea	79	78	187	325	679
Pepper	47	34	13	42	34

Source: Culled From Annual Reports of the CDC, 1961-1965

As noticed from the figures in table 5, while there could have been some reduction in the export tonnage of some crops, the decline in banana was the most peculiar. Between 1961 and 1965, the banana export tonnage had fallen by 56.9%, even though it still remained the crop with the highest export tonnage. Although other factors might have helped to explain this trend, the loss of the United Kingdom market through the elimination of Commonwealth preference still stood as the most responsible reason.

Notwithstanding the measures deployed to sustain the CDC banana sector, production continued to decline. The giant CDC, whose early operations had been sustained by banana was reducing its acreage under banana and replacing it with other crops, most especially oil palms and rubber. Evidently, the crop which had held the pride of place in the CDC agro-industrial corporation for such a long time was now irreversibly in a steep decline largely speeded by the termination of the Commonwealth preferences. Subsequently, the banana sector remained dormant until its eventual activation in partnership with the American multi-national corporation, Del Monte in the 1990s.³⁷

Differential Tariff Imbroglia

The other economic impact of reunification on the CDC was losses incurred as a result of Cameroon's affiliation to regional customs unions in French Equatorial Africa. Before reunification a protocol agreement had been reached creating the Union Douaniere Equatoriale (UDE), with the prospects that its five members could forge on and establish an economic bloc known as the Bangui Convention. It effected a new tax, the Common External Tariffs, which was adopted in the UDE and Cameroon. This was a discriminatory form of tax, as goods coming from France, the EEC or Francophone countries were exempted from such duty. Although West Cameroon eventually became an integral part of the Federation, imports into the territory were not subject to this tax arrangement. After the birth of Union Douaniere et Economique de l'Afrique Centrale (UDEAC) in 1964, new taxes were introduced which were much higher than the old Nigerian tariffs which continued to apply in West Cameroon. These were the difficulties that accompanied the harmonisation of the economy of former Southern Cameroons with that of the Republic of Cameroon.

When the provisions of UDEAC were finally extended to the entire Cameroon federation, the cost of living in West Cameroon eventually spiked with rippling effects on the private sector and public corporations as much. As far as the CDC was concerned, it provoked a violent industrial action for wage increase that dragged for twelve days, costing the corporation a colossal 70 million francs loss.³⁸ Konings justifies this when he states:

The establishment of the L'Union Douaniere et Economique de l'Afrique Centrale (UDEAC), the subsequent harmonisation of

³⁷ Annual Report of the CDC, 1990

³⁸P. Konings, Labour Resistance in Cameroon. 128.

customs and tariffs throughout the Federal Republic resulted in a skyrocketing of prices in West Cameroon in January 1966³⁹.

Such rise in prices caused the Cameroon Development Corporation Workers' Union (CDCWU) to demand increase in wages to maintain the living standards of its workers. Following negotiations which involved the Federal Minister of Labour and Social Legislation, Hon NzohEkah – Nghaki, both parties agreed on a minimum daily wage of FCFA 148 for plantation workers, signifying a 10% increase in the existing minimum wage and a monthly augmentation of the corporation's monthly wage bill by 55 million⁴⁰. Therefore, it could be accurately agreed that the transition to the Cameroon Federation through reunification led to a spike in the cost of living, industrial action in the CDC, ending up in wage increase in the corporation. This wage increase was quite detrimental to the CDC whose revenue had been greatly slashed by the difficulties that faced the banana sector. This did not only raise production cost by way of salary increase, but equally disrupted production through work stoppages.⁴¹

Cross Territorial Security Concerns

As the campaigns on the political future of Southern Cameroons heightened, security issues took central place in the calculations of the forces for, and against reunification. This was precipitated by the frequent terrorist activities on the borders with the Mungo Division of the Republic of Cameroon. As Epalestates:

During the second half of the year, concerns arose within and without the corporation regarding the possibility that, on or soon after union of the two territories on October 1, 1961..... was given to these fears by the brutal murder on the 8th August of twelve of the corporation's employees going peacefully about their work on Tombel Estate.....⁴²

On 8th August 1961, a few months after the February 1961 plebiscite, thirty members of the Republican Guards of the Republic of Cameroon army attacked the CDC Ebubu camp near Tombel in the Southern Cameroons and murdered twelve workers in cold blood, speculating that they were Union des Population du Cameroon (UPC) terrorists⁴³. Despite the actions taken by the government of J.N Foncha to calm the situation and assure the workers of increased state security measures, the CDC could not be indifferent to the bloody "Ebubu Massacre". In this connection, arrangements were made by the corporation to send home all expatriates female staff and the wives and families of other expatriate personnel. As Epale continues:

The official homes of all senior Cameroon Development Corporation personnel were fenced round and made "terrorist proof" by all sort and manner of devices and improvisations. In addition, a huge arsenal of weapons and ammunitions was built up in Bota in order that any terrorist attack could easily warded or beaten off⁴⁴

It should be stated that these 'precautionary' measures taken by the CDC had a depleting effect on the scarce financial resources of the corporation that had been battered by the termination of Commonwealth funding. In all, the CDC balances sheet for 1961 revealed a total expenditure of some 35 million francs as security expenses⁴⁵. Therefore, directly or indirectly the reunification of the Southern Cameroons had a corrosive impact on the finances of the CDC because of accompanying security challenges.

Conclusion

Generally, the political evolution of Southern Cameroons towards independence through reunification with the Republic of Cameroon in 1961 created an intermediate and transitional procedural space that greatly affected the operations of the CDC. Prospects for the expansion and increase in the productivity of the corporation were quite encouraging during the nascent years of the corporation. The Commonwealth

³⁹Ibid.

⁴⁰S. J. Epale, *Plantation and Development in Western Cameroon*.194.

⁴¹P. Konings, *Labour Resistance in Cameroon*, 128.

⁴²S. J. Epale, *Plantation and Development in Western Cameroon*.194.

⁴³ V.J Ngoh, *The Untold Story of Cameroon Reunification*, (Limbe: Presprint PLC, 2011).58.

⁴⁴ Simon J. Epale, *Plantation and Development in Western Cameroon.....*).197.

⁴⁵ Ibid.

Development Corporation expressed clear interest in the development of the CDC by integrating it in its funding agreement. Besides, the CDC also benefited immensely from the special preferences enjoyed by the banana sector. Nonetheless, the independence option made by Southern Cameroons in 1961 alienated the British. This was manifested by the abrogation of the 1959 loan convention with the Commonwealth Development Corporation and the suppression of trade advantages associated with banana. Meanwhile, the introduction of the CFA Franc in April 1962 and the integration of the Federal Republic of Cameroon in UDEAC equally provoked crippling effects on the CDC. Finally, the insecurity that gripped the erstwhile Republic of Cameroon in the year 1960 also negatively affected some of the estates that were contiguous to the conflict zone in East Cameroon. However, measures were taken to mitigate the problems associated with the twist of events. For instance, the federal government negotiated new funding agreements with the World Bank and the International Development Association (IDA) to enhance the expansion projects of the CDC. Furthermore, steps were taken to secure alternative banana market outlets in the European Economic Community (EEC). Such actions revitalized the corporation and kept it afloat till the advent of the economic crisis in the mid-1980s. Notwithstanding, it suffices to contend that the independence of Southern Cameroons through unification with the Republic of Cameroon initially obfuscated the operational parameter of the corporation. But the Federal State, consciously of the corporation as an economic life wire of the state, initiated alternative financing and marketing options that kept the agro-Industrial complex in activity even in the heat and across the tethering economic crisis.

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