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**The issue of the performance of industries in Northern Cameroon: an analysis of the role of key players**

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**Abstract:** In accordance with the strategic orientations of the Cameroonian government, industrialization is a fundamental process for the much sought-after emergence. This desire of the public authorities to make Cameroon an industrialized country is questionable, given the glaring delay that its northern part is registering in terms of industry. While this part of the country abounds in the natural and human potentialities necessary for the development of the sector of transformation of raw materials into manufactured products, it is less industrialized than the southern part of the country. In fact, the life expectancy of an industry is particularly short in North Cameroon. This situation is worrying both for the State, for local and national economic operators, but also for a young, dynamic, and increasingly qualified workforce. This reflection aims to better understand the foundations of the performance, both good and less good, of industries in North Cameroon, a region that has many strengths and where the demand

for manufactured goods is constantly increasing. The methodological approach consisted of the use of data resulting from a critical reading of scientific productions in the field and a careful collection of field data. The results thus obtained sufficiently illustrate that the conditions particularly essential for the flourishing of any manufacturing company are lacking in the local industry. For the northern industry too, sustainable performance depends first of all on the opportunities to be seized by its promoter (s), then on human capital and the equipment invested and finally on the management which includes the raw material supply system, their processing and marketing of manufactured products.

(conformément aux orientations stratégiques du gouvernement camerounais, l'industrialisation est un processus fondamental pour l'émergence tant recherchée. Ce souhait des pouvoirs publics de faire du Cameroun un pays industrialisé est questionnable, au regard du retard criard qu'enregistre sa partie septentrionale en matière d'industrie. Alors que cette partie du pays regorge des potentialités naturelles et humaines nécessaires à l'essor du secteur de la transformation des matières premières en produits manufacturés, elle est moins industrialisée que la partie sud du pays. En réalité, l'espérance de vie d'une industrie est particulièrement courte au Nord-Cameroun. Cette situation est préoccupante à la fois pour l'Etat, pour les opérateurs économiques locaux et nationaux, mais également pour une main d'œuvre jeune, dynamique et de plus en plus qualifiée. La présente réflexion vise à mieux appréhender les fondements des performances, à la fois bonnes et moins bonnes des industries du Nord-Cameroun, une région qui a de nombreux atouts et où la demande en biens manufacturés est sans cesse croissante. La démarche méthodologique a consisté à l'exploitation des données issues de la lecture critique des productions scientifiques en la matière et une collecte minutieuse des données de terrain. Les résultats

ainsi obtenus illustrent à suffisance que des conditions particulièrement indispensables à l'épanouissement de toute entreprise manufacturière manquent à l'industrie locale. Pour l'industrie du septentrion aussi, une performance durable, dépend d'abord des opportunités à saisir par son ou ses promoteurs, ensuite du capital humain et matériel investi et enfin du management qui englobe le système d'approvisionnement en matières premières, leur transformation et la commercialisation des produits manufacturés.)

**Keywords:** *Performance, industry, key players, North Cameroon.*  
(*Performance, industrie, acteurs clés, Nord-Cameroun.*)

## Introduction

The Industrial Revolution, which began in England in the 1800s as a result of scientific and technical progress, radically transformed the production system in Europe and even in Africa. Cameroon, despite its status of dependency, has not been spared by the development of Western industry, particularly with the marketing of products manufactured by the imperialists, the colonizers and the nationals after independence. To reach the Cameroonian coast, in order to develop trade, the westerners used the sea. This is the explanation for the rapid growth of coastal towns such as Douala, where the first colonial industries were established. Northern Cameroon, a remote region, from the coasts was supplied from Douala and experienced the industry later. It is in 1933 that the very first industry, called *Société Camerounaise des Mines* (SCAMINE) was born in Mayo-Darlé, in Adamawa region. It specialized in the production of tin. In 1945 and 1946, two other industrial enterprises, Pastoral and ROCA were created in Ngaoundéré and Figuil, respectively. All these industries, located in the northern part of Cameroon, were owned by the settlers<sup>1</sup>.

With the independence of Cameroon in 1960, some nationals of Northern Cameroon began to take an interest in the industrial sector. However, the vast majority of these industries disappeared very early, for some, or their activities slowed down considerably, for others. This study wants to understand the reasons for these rather low industrial services despite sufficiently important assets that northern Cameroon has. In this study, it is thus necessary to question the performance of the industries scrutinized through the opportunities poorly controlled during the creation of manufacturing enterprises, the problems related to human, material and financial resources and a management system that is generally ineffective<sup>2</sup>.

### I- A deficit in the control of opportunities

To create an industry, the promoter must have intrinsic qualities in order to carry out the risky adventure of investments. He must be able to identify the innumerable opportunities available to him and make the necessary trade-offs that allow him to make a pragmatic choice of the promising areas in which he can make investments. Success in the industrial sector is also conditioned by the feasibility or market study and the mastery of the raw material. Areas of industrial investment are the first directions in the desire to create an industry that meets the aspirations of consumers and customers.

<sup>1</sup> This is a company that had as its vocation pastoralism and beef production. Its slaughterhouse and offices were located in Ngaoundéré and his ranch in Goundjel, a locality located in the Arrondissement of Belel, about 100 km from Ngaoundéré.

<sup>2</sup> The cases of Alhadji Fadil, Fantami, Abbo Ousmanou, Aminou Adama, especially can be used as an illustration.

### a- Areas of private industrial investment

Several areas of investment have been the subject of the creation of industries in Northern Cameroon by developers more or less aware of the colonial period until 2014. The latter seized opportunities that were available to them in their time. That is to say, it is an essential prerequisite in the life of the industrialist. For Emmanuel Kamdem, "*la notion d'opportunité est une problématique de l'entrepreneuriat en ce sens que l'identification et l'exploitation d'opportunité d'affaires constituent des étapes importantes dans toute création d'entreprise*" (Kamdem, 2011: 31). This prerequisite even determines the choice of the type, scale and site of investments.

To better appreciate the industrial map of Northern Cameroon, it is necessary to present the industries created by large study areas that correspond to the three northern regions. This makes it possible to clearly identify their multiple areas of competence. This presentation, by administrative region, is made in two stages, namely the colonial period at the end of the power of President Ahmadou Ahidjo in 1982 initially, and 1982 which corresponds to the arrival in power of President Paul Biya to 2014, in a second phase<sup>3</sup>. Thus, in Adamawa five areas had interested industrial investors. It is first of all the mining area with the exploitation of tin in Mayo-Darlé. The SCAMINE created in 1933 by the French ensured this industrial exploitation. Secondly, Pastoral established in Ngaoundéré, is another important industry in the production and commercialization of beef. The production of this industry was also intended to supply animal protein to the French troops stationed in French Equatorial Africa during the war of 1939-1945. The *Société de Menuiserie du Nord* (SOMENO) created in 1978 by Abba Ali Moussa has, for its part, seized the opportunity of the proximity of the raw material and the importance of demand to specialize in the transformation of wood into furniture. It supplied northern Cameroon, Chad and the Central African Republic. The field of beekeeping has also interested the company *Source de Miel Mbeng* established in Meiganga in 1982. This company produced and commercialized refined honey and wax. The company *Maïserie du Cameroun* (MAISCAM), created in 1982 and operational a year later, is located in Borongo, about 30 km from Ngaoundéré. Its field of activity is the production and processing of maize into flour, semolina, sound and maize oil. On observation, we realize that the first industrialists have seized the opportunities by favoring for some, the availability of raw materials and for others, the importance of demand. The situation of Adamawa, which capital, Ngaoundéré, is at the crossroads leading to Chad and the CAR, was also decisive in the opportunistic choice of these industrialists<sup>4</sup>.

In the Northern Region, economic operators who have become industrialists have taken an interest in six sectors. They have, in fact, been able to seize the opportunities relating to these activities, in particular those relating to the consumption and availability of raw materials. It is the mining sector with the presence of marble in Figuil, which has interested two industries including ROCA and Cement Factories of Cameroon (CIMENCAM) created in 1971. Marble is the main raw material exploited by these two French companies, which have chosen to settle at the various extraction sites. CIMENCAM, for its part,

<sup>3</sup> It is also for us to assess the evolution of industries taking into account the economic policies conducted by the two Heads of State. This approach is essential in the sense that it also makes it possible to analyze the role of major players in defining priorities and implementing economic programs designed in different contexts, both at national and international level.

<sup>4</sup> Tin was the main raw material for the manufacture of ammunition. The bulk of production was delivered by the SCAMINE to France engaged in the Second World War According to Ngouo Yacouba, Head of District Mayo Darlé Mine, interview of March 18, 2020.

specializes in the transformation of marble into cement with a view to its commercialization. In 1948, the *Société Anonyme des Brasseries du Cameroun* (SABC) chose to settle in Garoua to produce and distribute alcoholic and non-alcoholic beverages of brand *33 Export* and *top* among others<sup>5</sup>. The same is true for the Cameroon production company (SOCAPROD) created by a local entrepreneur, Elhadj Mohamadou Fadil, in 1972 in Garoua. This company marketed only non-alcoholic beverages as *Mirinda*, *Pepsi*, *Pepsi-cola*, *Coca-cola* and *Afri-cola* brand<sup>6</sup>. The particularity of the Northern Region and even the Far North is the rather high temperature that characterizes them compared to Adamawa. Sometimes this temperature reaches 40°C in the shade at certain times of the year. Thus, these companies are established there to satisfy the particularly important needs of hydration of the populations, in particular through the permanent consumption of drinks. The presence of *Brasseries du Cameroun* and SOCAPROD for a relatively small market has led to stiff competition between the two companies, which offer virtually the same services. This situation, of course, favored the consumer, who had the choice between several offers at increasingly affordable prices. For more than a decade, thanks to the presence of these two companies in Garoua, a true market economy has been established in the North. In the long term, the commercial competition between the two companies, in particular through publicity, ended up transforming the social environment in the Region. On this subject, Mezing reported this statement by Nana Payong at a conference<sup>7</sup>:

*La boisson est un secteur dans lequel on ne se contente plus d'appliquer les fondamentaux du marketing au 1<sup>er</sup> degré. On ne boit pas seulement pour satisfaire un besoin (étancher sa soif), mais, on boit pour satisfaire un désir (être « radieux », se retrouver entre amis ou amies, décrocher la capsule qui gagne, etc.). Comme vous le savez, avec l'avènement de l'économie de marché, il ne faut plus seulement savoir produire pour écouler sa marchandise, mais il faut savoir vendre pour gagner des parts de marché* (Mezing, 2014: 9).

Indeed, we have witnessed charm operations carried out by the SABC and SOCAPROD which, in order to sell (each more production) have engaged in rivalries through the deployment of strategies with the main objective of seeking consumer satisfaction. These strategies are implemented through various advertising materials and increased competition. Finally, after more than two decades of commercial battle, the Breweries of Cameroon survived the fierce competition, SOCAPROD having gone bankrupt. It was obliged to file for bankruptcy in 1993. On analysis, SOCAPROD has experienced some management problems and has therefore not been able to permanently strengthen its marketing actions in the field. The management of this company remained family-owned and without external participation in its capital. SABC SA, on the other hand, has maintained the marketing policy by trying to cover even the entire national territory.

Two other companies, notably the Cameroonian Chemical Company (SCC) and SINGRIPOR, moved to Garoua in 1972 and 1976 respectively. They invest in the production of soap, for the first and metal tips and sponges, for the second. These two industries had just a few years of operation and ended up filing

<sup>5</sup> <http://www.lesbrasseriesducameroun.com/?q=historique>, accessed December 17, 2020.

<sup>6</sup> Abdoulaye Younoussa, Head of Security SOCAPROD, interview of 18 November 2020 in Garoua.

<sup>7</sup> Former General Manager of Brasseries du Cameroun.

for bankruptcy, for reasons related both to the management and the particularly low level of education of their founders. Indeed, *Elh.* Pantami and Djibrilla Holando, respectively founders of SCC and SINGRIPOR, are self-taught people who had difficulty keeping their personal accounts. In the long run, this major handicap has not allowed them to avoid the mismanagement and misappropriation of financial resources that their companies have experienced<sup>8</sup>.

The Far North Region had only one industry before 1982. It was the *Société Industrielle de Transformation des Fruits* (SITRAF) created in 1980 by an entrepreneur from Maroua named Aminou Adama. SITRAF specializes in the production and distribution of SAVANA brand juices. It produced several varieties including mango, tomato, guava, and grapefruit juices. Its main asset is the use of local agricultural products as raw materials. At its creation, it gave rise to the establishment and development of many and varied farms, particularly in Diamaré. The periphery of Maroua became a green zone consisting of orchards where fields of mango, tomato, guava, and grapefruit stood out on wide spaces. SITRAF, with the aim of supporting local farmers in order to support the production of the raw material essential to its operation, has created associations and cooperatives. Through the associations, the aim was to organize these farmers considered as true stakeholders in the company and to facilitate their access to agricultural inputs and credits in order to support their production. These served a particularly demanding local market. Indeed, here too, the harsh climatic conditions had been particularly favorable to the development of this industry, which products were used to satisfy an ever-increasing demand for water. This company has been a real success. It eventually established itself not only throughout northern Cameroon, but also in the geographical south of the country where it had many points of sale, notably in Yaoundé and Douala. Its products were particularly popular for their quality, for their flavor, but also for their relatively affordable costs<sup>9</sup>.

After ten years of existence, the company finally went bankrupt in 1990. There are several reasons why an adventure that is promising at the beginning can be ended. The first and main reason lies in the approximate management of its activities. Indeed, the disagreement between shareholders who each wanted to keep control of the decision sufficiently justifies this management problem. In addition, the end of the State subsidy in 1987 with the economic crisis significantly reduced the volume of implementation of the SITRAF. It has not been able to access credit in the context of the crisis. It operated for three years on own funds before filing for bankruptcy in 1990. However, it needed to mobilize financial resources to support the final phase of its expansion and development. Obviously, it has lacked this credit and it has not been able to develop a local partnership by calling on other local entrepreneurs, in particular. With the SITRAF, we have seen the born and development, first in diamaré, then gradually in the rest of the Far North, a real industrial dynamism<sup>10</sup>.

The presentation of the fields of activity of the industries created from the colonial period to 1982 in Northern Cameroon being made, it is necessary to see and analyze those that interested industrialists between 1983 and 2014. Overall, the industrial fields between 1983 and 2014 can be grouped into agri-food companies, cosmetics, hides and skins, building materials and agricultural equipment. The

<sup>8</sup> *Elh.* Issa Younoussa, Economic Operator, interview of 18 March 2021 in Ngaoundéré.

<sup>9</sup> Mohamadou Barkindo, Sales Manager at SITRAF, interview of October 15, 2019 in Maroua.

<sup>10</sup> Mohamadou Barkindo, Sales Manager at SITRAF, interview of October 15, 2019 in Maroua.

following summary table makes it possible to specify these areas by industry and by area of the establishment.

**Table 1: The main industries established in Northern Cameroon between 1983 and 2014**

No	industry	Year of creation	Field of activity	Area of establishment
1	SOCATOL	1993	Production and marketing of corrugated sheets	Ngaoundéré
2	T M V	1995	Processing and marketing of leather hides, gang and shoe soles	
3	CODEVI	1995	Production and marketing of cosmetic products and perfumes	
4	SOGELAIT	1996	Milk processing and marketing of milk products	
5	<i>Société</i> Barkehi Djoumbal Milk in Banyo	1998	Processing milk into dairy products	
6	SMNC	1999	Production and marketing of wheat flour and bran	
7	Takeover of the TMV by Zhon Shun Tanneries	2013	Production and export of semi-finished skin to China	
8	SIDEMI SA	1989	Production and sale of mineral waters	Garoua
9	MANU CYCLE	1996	Manufacture and sale of all-items, trailers, carts, mills, shelling machines and assembly of bicycles	
10	SIFAB	2002	Production and marketing of feed and poultry	
11	SITRON	2003	Production and marketing of groundnut oil 'OLEANORD'	
12	TMB	2009	Tanning and sale of hides and skins	
13	ANOCO	2013	Production and marketing of shea butter	
14	MIDAS FOODS	2014	Production and marketing of pasta and "Macaroni"	
15	NOTACAM	1990	Tanning of leather hides and skins	Maroua
16	SAHEL INDUSTRY	1990	Production and sale of women's footwear	
17	SIPROMAC	1998	Production and marketing of building materials	
18	MINERAH	2003	Production and sale of mineral water	
19	SIFPEN	2005	Production and marketing of footwear and plastic packaging	
20	VITALIA COSMETIC	2014	Production and marketing of cosmetic products	

Source: 2020 field surveys

At observation, twenty industries were created between 1983 and 2014 in Northern Cameroon. Twelve out of twenty industries created during this period filed for bankruptcy, i.e. a 60% closure rate. 2/3 of these closures are due to the problem of management, hence the complexity of the management of northern companies. On top of that, at the creation of these industries, the study is often either unrealized, poorly put together or un matured.

#### **b- The questionable quality of the feasibility and market study**

Many industries in Northern Cameroon have performed less well due to notable weaknesses both in thinking about the feasibility and in the market. These are the essential prerequisites for any company to its creation that wants to be serious and ambitious. Some industries have missed this major milestone. Generally, for almost all industries in northern Cameroon, what serves as a feasibility study is the replication or mimicry of an achievement that has produced more or less satisfactory results elsewhere. Several industries have settled by simple application of this method. It is for this reason that we have industries with the same specialty in this part of the national territory. The cases of the *Société Générale de Lait* (SOGELAIT) and the *Société de Lait Barkehi* in Adamawa on the one hand, and the *Tannerie Moderne de la Vina* (TMV) and the *Nouvelle Tannerie du Cameroun* (NOTACAM), on the other hand, are quite illustrative. Decaling without a precise adaptability study is a system contrary to the scientific canons of investments that require a feasibility study to be carried out before any operationalization of the project idea. Overall, in northern Cameroon, with the exception of expatriates, the northern entrepreneurs who created industries there have not carried out in-depth feasibility studies. However, the business plan that determines the Internal Rate of Return (IRR) and the Net Present Value (NPV) in economics, is fundamental for any investment. A study on the proportion of consumers of the product to be put on the market, the share of the market that the company in creation will have and that of competitors, is often not carried out. However, a clarification on the raw material supply system deserves to be analyzed.

#### **c- The challenge of raw material supply**

The permanent availability of the raw material remains one of the biggest challenges for the operation of manufacturing companies. The strategy generally implemented by manufacturers is the installation of factories not far from the raw material. This is what guided the choice of the SCAMINE site in Mayo-Darlé in 1933. This locality was full enough of tin. The same is true of ROCA, which moved to Figuil in 1946. The city, until today, has enough marble (in inexhaustible quantity). This company, it must be remembered, specializes in the transformation of marble into tiles and quicklime. Companies such as CIMENCAM, Pastoral, *Tannerie Moderne de la Vina* (TMV), *Tannerie Moderne de la Bénoué* (TMB) or NOTACAM are all located near the site of the raw materials they use. This makes it possible to avoid the break in raw materials of the said industries. The correlation between the supply of raw materials, its transformation into competitive finished products and its marketing, builds consumer loyalty, who

becomes dependent on it, and promotes the sustainability of the industry, which contributes to local and national growth. The case of the Breweries once again can serve as an illustration<sup>11</sup>.

In addition, the additional challenge when an industry is located very close to its raw material is the transport of finished products to consumers, so as not to disturb the law of supply and demand. Also, as Christine Fernande Angoa points out, "*le choix du lieu d'implantation d'une entreprise dépend également du type de produit que l'on commercialise*" (Angoa, 2007: 36). Beyond the availability of raw materials, the mobilization of human, material and financial capital is essential for the establishment and operation of an industry.

## II- The restrictive mobilization of capital

Capital is a permanent construction of efficiency that involves each staff as well as the entire organization in its processes, choices and relationships with partners. As an invitation to action, capital has as indicators: expertise, mastery, productivity, competitiveness, profitability, quality of people, products, equipment, facilities and leadership. Hansjörg and Nettekoven state that capital "is considered productive in the sense that it enables the achievement of certain ends that in its absence would not be possible to improve" (Hansjörg and Nettekoven, 2017: 15). Capital facilitates the creation of value to remain the preferred choice of the market by being more profitable. Thus, capital is a combination of people, equipment and financial resources<sup>12</sup>.

### a- The main industrialists

Quality human resources is the foundation of any industrial investment that is intended to be profitable. It is the man who is at the center of the conception of an idea of creating a manufacturing company by formalizing it for a less restrictive implementation. As Romer so well put it, "*le capital humain est ainsi perçu comme un facteur endogène de la croissance et du développement au même titre que les infrastructures de transport et de communication. Il est un déterminant de la productivité d'une économie*" (Romer, 1989: 43). This led to the study of the real industrialists of Northern Cameroon from 1933 to 2014. This study presents in the following table, the industrialists of Northern Cameroon from the colonial period to 1982, from 1983 to 2014 and by region.

### **Table 2: Adamawa industrialists from the colonial period until the departure of President Ahidjo from power in 1982**

<sup>11</sup> Competitive products are those that have attractive value for money. Less snobby consumers generally prefer quality products with affordable prices. They have the most numerous compared to the upper-class consumers who buy the quality and very expensive products.

<sup>12</sup><http://www.lesbrasseriesducameroun.com/?q=nos-valeurs>, accessed November 18, 2020.



Surname and first name	Sex	Level of education	Nationality	Ethnic group	Political affiliation	Industry
Laurentz	M <sup>13</sup>	NI <sup>14</sup>	French	NI	NI	SCAMINE
Bonom and Faure	M	NI	French	NI	French right	Pastoral
Mohamadou Katché	M	secondary	Cameroonian	Kanuri	UNC	
Mohamadou Fadil	M	autodidact	Cameroonian	Fulah	UNC	SOMENO
Abba Ali Moussa	M	secondary	Cameroonian	Kotoko	UNC	
Mbeng Michel	M	primary	Cameroonian	Yambassa	UNC	Source of honey Mben
Mohamadou Abbo Ousmanou	M	autodidact	Cameroonian	Fulah	UNC	MAÏSCAM

**Source: Field surveys June – August 2019, December 2020**

From the observation in this table, five main findings emerge that deserve to be analyzed:

Firstly, all industrialists in the Adamawa region are made up solely of men. Women apparently are much more interested in household activities, small-business, informal and agricultural activities. This situation confirms Alain Fohouo Kenmogne's statement that "*la création d'entreprise et l'entrepreneuriat en général sont parmi les professions que la croyance populaire considère comme la chasse gardée des hommes*" (Kenmogne, 2003: 19). Yet other studies do not support this thesis. For example, Thomas Welsh and Erin Young show that "*sur certaines données démographiques et psychologiques, les femmes entrepreneures sont semblables à leurs collègues hommes*" (Welsh and Young, 1984:21). In the same vein, Jacques Grise and Hélène Lee – Gosselin emphasize that "*les rôles sociaux et sexuels traditionnels de la femme ne sont pas incompatibles avec l'activité entrepreneuriale*" (Grise and Lee-Gosselin, 1987: 5). This debate around gender highlights all the complexity of determining with ease the privileged gender of this industrial sector. Nevertheless, it can be said from field studies that the male sex has a monopoly on manufacturing activity in northern Cameroon.

Secondly, the level of education<sup>15</sup> of promoters in the post-colonial period presented in this table shows that self-taught industrialists and those with a secondary level account for 40%. On the other hand, only one industrialist has the primary level and represents 20%. It shows that almost all of the promoters studied have a relatively low level of education. This result is by no means surprising, since similar work has been done elsewhere, notably that of Gamber Brenner and *al* (Gamber et al., 1990: 99) on the economic operators Bamiléké, corroborate these results obtained in Adamawa. When it comes to running

<sup>13</sup> M refers to male.

<sup>14</sup> Not identified.

<sup>15</sup> The level of education we are talking about here is that of the Western school. However, it should be pointed out that self-taught entrepreneurs have been trained in the Koranic school when they are Muslims.

a company, education is fundamental to its competitiveness. Although it is true that the owners of the industries have a low level, they still have the choice, in the context of national and international competition, between entrusting the management of sensitive sectors to the educated and professionals in order to make profits, or to take the risk of managing themselves and exposing themselves to bankruptcy despite colossal investments made.

Thirdly, the nationality of industrialists, as far as it is concerned, shows that Adamawa has known only two nationalities, notably French and Cameroonian. Cameroonians were in the majority and accounted for 75%. The presence of France in the industrial field of this part of Cameroonian territory proves again, that it ensured its colonization. Moreover, after Cameroon's independence in 1960, President Ahidjo was anxious to structurally transform the young State through the creation of new industries and the peaceful nationalization of those belonging to the former settlers. Hence the acquisition of stakes in the capital of several colonial industries such as Pastoral, the management of which was later entrusted to nationals such as Mohamadou Katché or Mohamadou Fadil<sup>16</sup>.

Fourthly, the ethnic group of industrialists in Adamawa was varied after the colonial period. Out of 05 developers of industries in this area, 02 are fulah and represent 40% in relative value, followed by kotoko, kanuri and yambassa which each represent 20%. In reality, from a financial point of view, fulah are demographically important and hold more resources with the exploitation of the income from the sale of livestock on which they are culturally attached.

Fifthly, with regard to political affiliation, the industrialists of Adamawa during the period of President Ahidjo, were all members of the Cameroonian National Union (CNU)<sup>17</sup> despite the short-lived existence of the *Union des Populations du Cameroun* (UPC)<sup>18</sup>.

In total, the Adamawa Region at the time of President Ahmadou Ahidjo had only five industries with totally private capital run by national businessmen whose level of education did not go beyond secondary school. This has posed a real problem of management and consequently of the sustainability of these industries. All industries in Adamawa, created during this period, with the exception of MAISCAM, have stopped operating, which represents about 80% of the closure rate. In addition, the first industries were created by the French, which proves their territorial domination before independence. The nationalization of these industries after colonization posed a real problem of long-term operation because they all stopped their production. This problem was linked to the difficult transfer of technology and management of newly nationalized industries.

The Northern Region had six industries from the colonial period to 1982. These industries with totally private capital were established in the localities of Garoua and Figuil. Their promoters were of French and Cameroonian nationality. A study of the profiles of these industrialists would be important in order to understand the difficulties of creating and operating their respective companies. The profile in question

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<sup>16</sup> In reality, Eastern Cameroon was rather placed under the French mandate. It was therefore not a French colony. In practice, France treated it as one of its colonies through the abusive exploitation of its human and natural resources.

<sup>17</sup> The Cameroonian National Union chaired by Ahmadou Ahidjo was the ruling party.

<sup>18</sup> The Union of the Peoples of Cameroon, an opposition political party one of whose founders was Um Nyobe.

here concerns the gender, level of education, nationality, ethnicity, and political affiliation of these industrialists. This profile has impacted the creation and operation of the industries studied.

The female gender once again has difficulty in belonging to the large family of industrialists in this study area. The cultural context of the North would explain the situation of the invisibility of women in the public square, because the industrialists of Northern Cameroon are 100% men. It seems that the complexity of industrial entrepreneurship is driving women away from this income-generating activity. In northern industries, women most often occupy the positions of secretary, accountant, financial manager or cleaner. This is the case of Astallaï Bia, who was Director of Financial Affairs at the SMNC. In addition, with regard to the level of formal or informal education which is fundamental to the conception, studies and start-up of an industrial activity, it can be seen that 50% of industrialists in the Northern Region are graduates of higher education from the colonial period until 1982. Thus, *"l'éducation formelle apparaît comme une source d'accumulation de connaissances. Ces connaissances sont explicites, codifiées sous forme de document écrits et formalisés"* (Kamdem, 2011: 20). It appears here that creation by opportunity would be done by people with a high level of education. Since knowledge is essential to the management process of a company, explicit knowledge is often combined with tacit and non-explicit knowledge, and makes it possible to solve complex problems and make entrepreneurial decisions<sup>19</sup>(*ibid.*). On the other hand, the industries that were set up by the autodidacts have all gone bankrupt. These are SCC Pantami, SOCAPROD and SINGRIPOR. It is thus clear that the level of education is decisive in the creation and management of an industry. Indeed, 50% of industrialists in the Northern Region belong to the category of autodidacts and all are Cameroonians. It is understandable how difficult President Ahmadou Ahidjo had in promoting the industrialization of Cameroon by nationals and especially those of northern Cameroon, who have a lower level than their counterparts in the southern part, in the aftermath of independence.

In addition, the ethnic group of industrial promoters in the Northern Province is varied. It is once again noted that there are no ethnic restrictions on investment in Cameroon in general, and in Northern Cameroon in particular. Out of a total of 05 ethnic groups, 01 Fulah, 02 Gauls, 01 Corsicans, 01 Hausa and 01 Daba are recorded. Thus, the Gauls being the most numerous in the industrial field in this period are estimated at 33.33%. All the other ethnic groups mentioned in this area each account for 16.67%. On analysis, it emerges that the other ethnic groups of the Northern Province in this period, have less knowledge, aptitude or interest necessary for industrial entrepreneurship. This is in the context of the failure of nationals in their respective endeavors.

Finally, the political affiliation of the industrial colonizers is not defined given the unavailability of information. On the other hand, the nationals all belonged to the UNC. This political affiliation could explain the "favors" they allegedly had with President Ahidjo in order to set up their industries. The Northern Province, compared to Adamawa Province, had three industries that stopped operating in 1982

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<sup>19</sup> The Fulah, Hausa and Kanuri tradition does not easily allow women to expose themselves or lead men. Behavior that has gradually spread throughout most of the North-Cameroon and even in non-Muslim societies.

on six creations, or 50% of the closure rate. This is the situation in the Northern Region, as far as the industrial sector is concerned until 1982.<sup>20</sup>

Unlike the Northern Region, the Far North did not experience any industry during the colonial period. The environmental and climatic situation and the relatively long distance from the coastal region are said to be at the root of this lack of interest on the part of the colonizers. Indeed, this area is arid and it is excessively hot. Temperatures rise around 40°C in the shade during the periods of great heat corresponding to the months of March and April. The rainy season is short. The industrialization of this part of the country began late with the company SITRAF which was born in 1980. Its main promoter and majority shareholder, the self-taught Aminou Adama, was close to President Ahidjo. This Fulah of Maroua fervent militant of the UNC was able to obtain subsidies from the State for the proper functioning of the SITRAF. The industrialists who followed this first wave do not necessarily have the same profiles<sup>21</sup>.

There was a significant increase in the number of industrialists between 1983 and 2014, compared to the period from 1933 to 1982, when there were only 11 of them. The investment promotion policy put in place by the public authorities through Law No. 84/03 of 4 July 1984, Law No. 90/007 of 8 November 1990 on investment codes and Law No. 2002-004 of 19 April 2002 on the investment charter in the Republic of Cameroon, would justify the interest that new businessmen have in the industrial sector. As during the first period, all these industrialists are active in the new ruling party, the Cameroon People Democratic Movement (CPDM), which gives them certain security, facilities and tax advantages. The examples of Sidiki Youssoufa, Garga Bobboré, Yaya Bello, Mohamadou Haman Wabi, James Onobiono and Hamadjoda Adjoudji are illustrative enough to reinforce this thesis. Finally, out of 19 industries created between 1982 and 2014, 13 filed for bankruptcy, i.e. 68.42% of closure rate. Not all of these players have managed to keep their businesses running sustainably for several reasons, including the capital one<sup>22</sup>.

#### **b- Capital mobilization as the main asset of industrial development**

The importance of capital in the establishment of the industry can be seen in particular in the purchase of equipment and raw materials. Philippe Gaillard specifies on this subject that "*des hommes entreprenants, il y en a dans tout le pays, mais ils ne trouvent pas de financement*" (Gaillard, 1994: 183). Financial mobilization remains the soft underbelly of Cameroonian businessmen, especially those in the northern part, who are somewhat less well off than those in the southern part. This is also the reason why the colonial industries that have more facilities in this mobilization of capital settled long before the national ones.

In reality, the size of the capital mobilized determines the success of the company. A remarkable example is that of the *Société Anonyme des Brasseries du Cameroun* "SABC". In 2014, its largest shareholder is

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<sup>20</sup> The favours in question here relate to subsidies and tax exemptions granted to economic operators such as What Elh. Mohamadou Fadil and Aminou Adama, as specified in Elh. Issa Younoussa, Economic Operator, interview of 18 March 2021 in Ngaoundéré.

<sup>21</sup> Mohamadou Barkindo, Sales Manager at SITRAF, interview of October 15, 2019 in Maroua.

<sup>22</sup> In 1985, the CPDM party was established in Bamenda under the chairmanship of President Paul Biya. It replaces the UNC of Ahmadou Ahidjo who left power in 1982.

the Castel Group with more than 50%, followed by SAB Miller and Heineken. The same year, on June 11, during the General Meeting, the shareholders decided to increase the share capital of the company from 11,083,630,000 FCFA to 57,363,630,000 FCFA. Registered in the Trade and Movable Credit Register under the number RCCM DLA/1948/B/0538, the SABC owns shares listed on the stock exchange of Euronext Paris. For several decades, it dominated the regional market. It has put in place an efficient and transparent system. Information on the service and quality of the company is made available to consumers of its products and to the general public both in the activity report, the financial results and the legal announcements. But, despite this enviable position, the SABC is experiencing some difficulties in carrying out its activities. It is mainly a question of competition and the obsolescence of installations and equipment<sup>23</sup>.

Another example is that of SODEBLE. This company with totally public capital is specialized in the production of wheat flour. In 1976, it received a state budget allocation of about CFAF 405 million. This important capital allowed it in a first phase, to extend its cultivable areas of the locality of Wassandé in the District of Ngaoundéré, from 500 to 1000 ha between 1976 and 1977. Despite the difficulties of recruitment and the mechanization of all operations, a salaried workforce began to concentrate in Wassandé: 400 people in 1976, 800 two years later (Boutrais, 1982: 52). The increase in the capital of this state-owned company has led not only to the expansion of its operations but also to an increase in its yield; this allowed it to recruit more employees. SODEBLE thus controlled the wheat production and processing market in Cameroon and the Central African sub-region.

MAISCAM, too, has grown quite quickly thanks to its large start-up capital. Its main promoter *Elh. Mohamadou Abbo Ousmanou* holds 70% of this capital. The remaining 30% is held by the State of Cameroon through the National Investment Company (SNI). In 1985, MAISCAM received from the Cameroonian government, through the Ministry of Planning, a grant of CFAF 500 million to complete the installation of its equipment. In addition to equipment, the *Maïserie du Cameroun* has increased its staff with this subsidy in order to meet the growing demand for its productions, in particular maize flour sold to WFP and local consumers<sup>24</sup>.

The low mobilization of capital, on the other hand, has been a major handicap for the performance of some companies. This is the case of the *Société des Moulins du Nord Cameroun* (SMNC). Created in 1999 in Ngaoundéré, SMNC's activities are the processing of wheat and the marketing of wheat flour and bran throughout the northern part of Cameroon. The volume of its investments is estimated at CFAF 200,000,000. The 80% of this capital is held by Sali Moussa. With a staff of 46 permanent and 100 seasonal workers and a turnover estimated at 290,000,000 in 2009. SMNC has not managed to make a lasting impact on the local market. Problems with the supply of raw materials, the quality of production, and the timidity of sales eventually forced it to close its doors in 2010<sup>25</sup>.

*La Cosmétique de la Vina* (CODEVI) is in an almost similar situation. Created in 1995 in Ngaoundéré by the Israeli Motti Moreno, this private limited company is specialized in the manufacture and marketing

<sup>23</sup> <http://www.boursorama.com/cours.phtml?symbole=1rPBCAM>, accessed November 28, 2020.

<sup>24</sup> Mohamadou Bassirou, Director General of MAISCAM, interview of the 17th March 2020 in Ngaoundéré.

<sup>25</sup> Astallai Bia, Director of Financial Affairs at SMNC, interview of the October 28 2020 in Ngaoundéré.

of perfumes and cosmetic products. Initially, the main promoter invested a sum of CFAF 50 million. The company offers its customers a varied range of products. Her perfume brands include Binta El Soudan, Sasorabia, Six Flowers, Mogra, Darling, Hot Love and Rasta Blue. Cosmetic products meanwhile concern vaseline and Snowwhite. Some of its brands are particularly appreciated for their quality. It is the case of the perfume Binta El Soudan adored by many consumers. CODEVI saw its turnover explode over three successive years, CFAF 127,000,000, CFAF 119,179,325 and CFAF 120,000,000 in 2008, 2009 and 2010 respectively. But, for almost a decade, this company has experienced a significant slowdown in its activities. With only 05 employees, it is now almost at a standstill<sup>26</sup>.

The *Société Industrielle de Fabrication d'Aliments de Bétail et de la Volaille* (SIFAB) is one of the few to have managed, despite its small capital, to maintain an appreciable pace of development. Created in 2002 in Garoua by Me. Abdoulaye Harissou, it obtained from the State through the Ministry of Small and Medium Size Enterprises, Social Economy and Handicrafts (MINPMEESA), a subsidy of 10 million FCFA to the installation. The ravages of avian influenza in 2006 dealt a serious blow to its turnover. Indeed, SIFAB has a depot for the sale of poultry feed in Bafoussam. The sales of this deposit were one of the main achievements of the company's turnover. They deteriorated with avian influenza in 2006 and consequently the drastic drop in its sales<sup>27</sup>.

Despite the competition, the company continues to operate and to make profits, albeit modest, through the manufacture of quality products, in this case meal for livestock and feed for poultry. Made up of maize, fish meal purchased locally, concentrate and vitamins imported through the company INVIVO based in Yaoundé, SIFAB products are the pride of breeders, especially during the lean period. This is a real industry with modern facilities, capable of producing 2700 tones per year. With this production capacity, demand is always lower than supply. These few examples obviously prove the colossal sums invested by economic operators in the industrial sector in search of improving their wealth through transformation<sup>28</sup>.

As can be seen, the mobilization of capital is particularly necessary not only in the establishment of an industry, but also in its development. This is why some promoters most often resort to bank loans, state subsidies, family resources and even tontines. It is clear that large-scale investment alone is not enough to achieve this noble objective of integral development, the management of the resources implemented remains fundamental for the performance of industries in Northern Cameroon.

### **III- Management: an essential determinant of industrial success**

The principle of auditability evoked by managerialism is essential for an industry that wants to perform. It first appeals to the declaration of his turnover on a permanent basis to the tax administration, then to the maintenance of a sound and regular accounting by experts in the field, and finally to an intermittent internal and external control (Meyer, 1983: 28).

<sup>26</sup> Aboubakar, accountant at CODEVI, interview of the 22 March 2021 in Ngaoundéré.

<sup>27</sup> Temwa Romain, commercial of SIFAB, interview of 22 December 2020 in Garoua.

<sup>28</sup> Aicha, Secretary at SIFAB, interview of 22 December 2020 in Garoua.

In northern Cameroon, many industries do not respect these basic management principles. Generally, archaic or family-run management and the absence of an audit that can ensure the traceability of revenues and expenses are some of the main characteristics of these industries.

Thus, numerous failures in management justify the bankruptcy of several companies. This is the case of the non-compliance with tax declarations that was at the origin of the closure of companies such as SOCATOL, SOGELAIT, SOMENO in Ngaoundéré and even the *Société Industrielle de Fabrication des Plastiques de l'Extrême-Nord* (SIFPEN) in Maroua. There are many of them, companies that do not have a computerized system for archiving data. In many cases, the documentation or archiving center does not exist.

Inventory management is another crucial area of management that deserves to be respected in order to avoid upstream the disruption of the supply of raw materials and downstream that related to the distribution of manufactured products. In either case, if it is not applied, the industry will begin its self-destruction. The first case prevents production due to a lack of raw material. We observe the repeated ruptures of certain products leading to the shutdown of many industries such as TANICAM which has not controlled its permanent supply of bovine skin, its main raw material. Competition with neighbouring Nigeria has been fatal for this modern tannery<sup>29</sup>.

In addition, there is also a need for an effective human resources policy, both in recruitment and in management. If this is not the case, the company is exposed to reduced performance, job abandonment, unjustified delays, casualness, repeated strikes and even unfair dismissals. It thus compromises the competitiveness of its products. Management today places particular emphasis on the respect and consideration of workers and all employees by their employers. In reality, those industrialists who value their employees are the ones who get the most out of the labor market, the workers being the real producers<sup>30</sup>. This consideration involves the mobilization of incentives such as the regular payment of salaries, the 13th month, holidays, the granting of leave of absence, performance bonuses and many other benefits. In Garoua, the SABC has implemented strategies that enhance the value of its staff with the aim of significantly increasing efficiency and productivity. It is the 13th month, the performance bonus and the best worker bonus. As stated by Nsangou Mbombo, General Manager of Global *Logistic S.A.* in *Alter Eco "le 13<sup>e</sup> mois est pour nous un élément de motivation et de récompense des employés pour une année de dur labeur dans l'entreprise. Car il faut maintenir le cap dans la nouvelle année et assurer la croissance"* (Azize Mbohou, 2014: 6). This is calculated on the basis of the gross salary, insofar as certain taxes and charges are not taken into account. As a result, it is slightly higher than the net salary. This calculation also takes into consideration the attendance and determination of employees (*ibid.*).

From an accounting point of view, the absence of a permanent audit carried out by experts in the field is an additional source of failure of several companies that have ended up filing for bankruptcy. This is akin to some dangerous visual navigation. Thus, the determination of the gross margin or losses is not possible due to the non-recording of accounting transactions. On the other hand, keeping regular accounts

<sup>29</sup> Tsague Jean Paul, In charge of the maintenance at TANICAM, interview of the 25 June 2019 in Ngaoundéré.

<sup>30</sup> Afti, Director Quality at SABC Garoua, interview of 23 December 2020 in Garoua

leads to a significant reduction in the risks of concealment of products or financial resources, allowing the industry to be resilient (De Rongé, 2013: 10).

The family management of the industry is another major concern. It is a disruptive element of its operation if the company is not well structured. It is characterized by impunity, tolerance and neglect, and therefore inefficiency. In such a situation, we have seen the founder and his entourage take over all the important management positions. Managers are not recruited either for their profile or for their competence. In the long term, we have seen the bankruptcy of these industries. This has been the case for companies such as TMV, *Lait Barkehi*, NOTACAM and Sahel Industry, the management of which has been entrusted to the children of the main promoters, some of whom are inexperienced and less interested. A few years later, all these industries simply stopped working. In these companies, there is no such thing as internal and external audit or control, which make it possible to establish responsibilities in the event of breaches of industrial management, ethics and professional conduct. On the other hand, the industries that apply this management principle are the most efficient. These include CIMENCAM, SABC, MAISCAM, ROCA, or Viatlia Cosmetic. These, despite the multiple challenges they overcome on a daily basis, are present on the regional market.

### **Conclusion**

The performance of private industries in Northern Cameroon requires promoters to have knowledge, know-how and even good behavior so that they are resilient in the face of multiple exogenous and endogenous challenges. The approximate control of the opportunities offered by the socio-economic environment of the north, the restrictive mobilization of capital to invest and a less professional management of the industries set up, constitute the almost common character of the economic operators who invested in Northern Cameroon from 1933 to 2014. From the design to the implementation of industrialization projects through their maturation, the creation of wealth is littered with obstacles that are overcome or not by industrialists. This leads either to the resilience of their industries or to their disappearance. More than half of the industries created during the study period and in this part of Cameroon, have filed for bankruptcy. This is the parameter that guided this study, which proposes to make some suggestions in order to allow not only potential investors to be prudent, effective and efficient, but also those who have invested in the industrial sector, to correct certain shortcomings that can be fatal to the survival of their companies. Since industrial investment is huge, it would be deplorable to witness a shutdown of a company that is supposed to create wealth and employment in accordance with the government guidelines contained in Cameroon's National Development Strategy 2030. That is why it is essential to master the promising field, in which the establishment of a manufacturing industry would provide a response to the needs of consumers, who are increasingly demanding, on the basis of a coherent feasibility study, facilitating the supply, processing and marketing of finished or semi-finished products. A clear definition of the source and value of the financial capital to be invested should trigger the investment process in order to avoid the non-completion of the various compartments of the project. Ultimately, a professional and computerized management system must be implemented through rigorous accounting, legally constructive accountability and systematic compliance with administrative and tax procedures.



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