

THE INDUSTRY AND ECONOMIC DYNAMICS OF A TROPICAL METROPOLIS, ASSESSMENT AND STAKES: THE CASE OF THE TOWN OF YAOUNDÉ IN CAMEROON

INDUSTRIA ȘI DEZVOLTAREA ECONOMICĂ A UNEI METROPOLE TROPICALE, EVALUARE ȘI MIZĂ. CAZUL ORAȘULUI YAOUNDE, CAMERUN

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Abstract: In Yaoundé, the industry is an important link to socio-economic life. Since the beginning of the 2000 decade, this activity has been creating pulling centres for the active population through the rich and diversified labour market in the urban and suburban spaces. This study examines the role of industrial location in Yaoundé and their effects on the economy and territory of this town. The specialisations of industrial sectors as well as the nature of capital involved in the creation of the industries of this space are most of the indicators that show the socioeconomic and spatial dynamics of the town.

Key-words: *industry, urban growth, sector of activity, economic dynamics, industrial region*
Cuvinte-cheie: *industrie, creștere urbană. Sector de activitate, dinamică economică, regiune industrială*

I. INTRODUCTION

This study falls within the spare of influence of all those who consider that industry is the base of socioeconomic development, distribution of wealth and therefore of spatial dynamics. Today, specialists of the IMF, World Bank, UNDP and BEAC judge that the Cameroonian economy has been growing since the beginning of the 2000 decade. In Douala and especially in Yaoundé (Fig. 1), the industry is a stake in the economic and spatial development of the national territory. In 2010, the contribution of industry to employment stood at 13.5% of the total modern paid jobs in Yaoundé (NIS, 2009). At the same period, the 8349 industrial jobs in the industries of this town were distributed among 117 enterprises (EAE, 2009). These industries are made up of public and private structures with national and foreign sources of capital. Having different sizes and several sectors of activity, these industries contribute to the industrial, urban and regional dynamics of this town.

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II. DATA AND METHODS

This study covers the spatial extent of the town of Yaoundé (Fig. 1). Created in 1889 from a small village in the deep forest of south Cameroon by the German colonial administration, this town was raised to a political capital in 1922 (Mveng, 1983). Found between Latitude 30°48' and 30°51' to the North and longitude 11°31' and 11°35' East, on a mountainous and very rugged site, Yaoundé today spans over a surface area of 30,000 hectares according to the Yaoundé urban council (CUY, 2009). This work studies the industrial dynamics of in the economic landscape of the town of Yaoundé. Three criteria are used to characterise industrial units in Cameroon. These are the turnover/ or social capital, the number of permanent workers and the nature of the enterprise. This permits a distinction between craft industries for which the turnover is less than 10 million francs CFA. Here the number of workers varies between 5 and 10. For establishments with a simplified system, the turnover is found between 10 and 50 million francs with a total work force varying between 10 and 19. Finally, industrial establishments with the normal system are distinguished with the turnover constantly situated above 50 million francs CFA and a total work force of more than 20 permanent workers. This study is based on survey of literature, simple observations, semi-structured interviews and a questionnaire that served as the data collection tool for the basic required data by this study. These data were collected directly from the enterprises concerned and the resource persons. They were treated using a hypothetical-deductive approach.

III. RESULTS AND DISCUSSIONS

3.1. A great diversity of industrial sectors in Yaoundé

In 2010, it is realised that Cameroonian enterprises were 90% made up of SME (NIS, 2009). These employ an average of 5 to 19 workers in their structure. Only 10% of these are medium and /or modern enterprises. These enterprises agglomerate mainly in the town of Douala, the first industrial pole of (51%) of Cameroon and Yaoundé the second industrial pole with 18.53% of industries. The industries identified in Yaoundé in 2014 are characterised by a wide variety in sectors of activity being made up of part or all of the units that manufacture the same product or having the same production technique. Presently, the industrial fabric of Yaoundé is made up of seven sectors of activity (Table no. 1). Activities of the 13 that are found in Cameroon (MINMINIDT, NSI, 2011, EAI). These include the food industries, textile and styling industries, wood and furniture and public works (WPW), as well as pharmaceutical industries with 81 of a total of 117 enterprises, the food industry is the most represented sector of activities in the town of Yaoundé. It is also the highest provider of industrial jobs recruiting 37% of all industrial workers identified. The most popular here are bakery shops such as Acropole, Calafatas, Socropole Provinciale, Elysée, Select, as well as Francaise, Etoile d'Or, Nezafi etc. The distribution of bakeries in the entire urban area or quarters makes it possible for city duellers and villagers living in the surrounding environments of Yaoundé to be supplied with pastry products, and specially bred whose consumption have been on the rise with the years. If bakery shops are prolific in the major towns of Cameroon in general and in Yaoundé in particular,

this is explained by the nature of the everyday use consumer goods that they make available to the continuously increasing customers. These bakeries that are mostly SMI occupy relative large spaces. However, they are always located closer to their market population that is the customers. This explains why they are found in almost all the quarters of Yaoundé (planned semi-planned and spontaneous) where they stimulate an inescapable economic dynamics in these spaces daily.

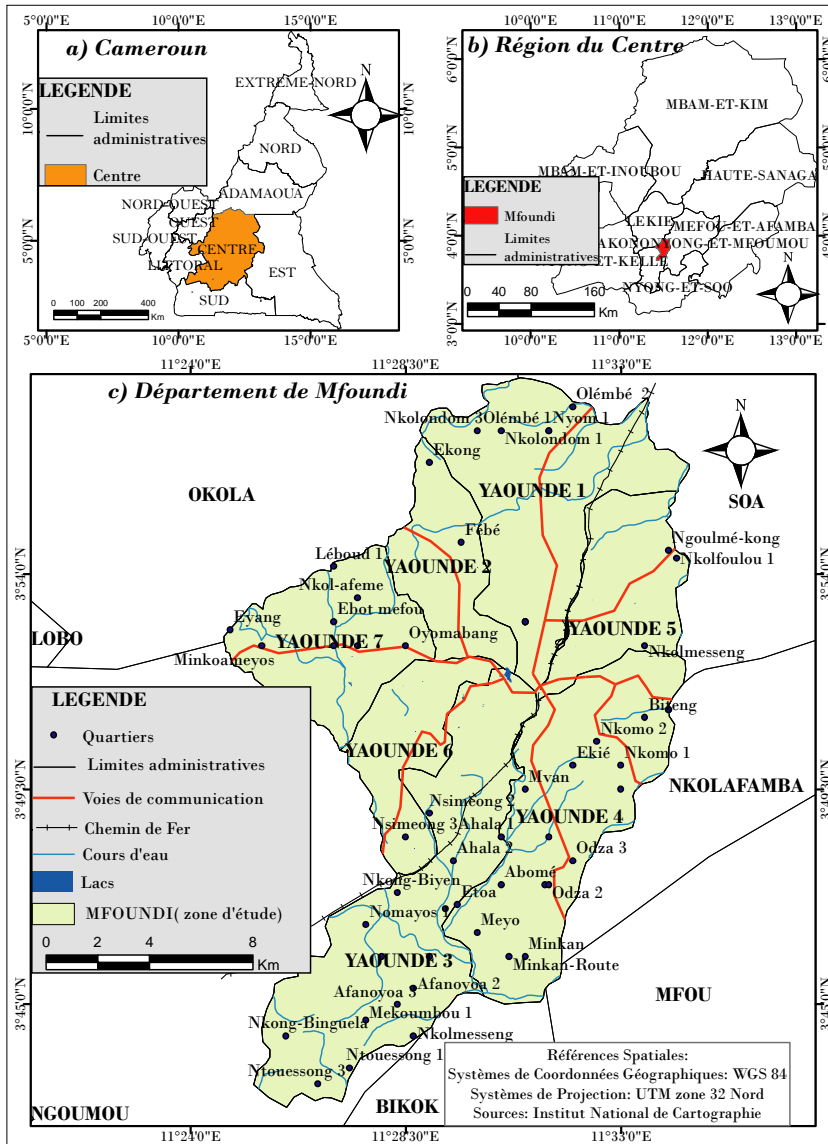


Fig. 1. Location of study area
(Source: NCI, 2011, YUC, 2009)

Table no. 1. Distribution of industries in Yaoundé by sector of activity and number of workers in 2014

Sector of activity	Number of industries	Total workers
Food industries	81	3104
Wood industries	14	1746
Chemical industries	5	779
Textile and styling	1	303
Polygraphist industry	8	639
Building and public works	7	1570
Pharmaceuticals industries	1	208
Total	117	8349

(Source: Field survey (2014), INS (2009; 2010), Statistical year book of the centre region, 2013)

The wood industry comes in the second position with 14 enterprises of the 117 found in the town of Yaoundé. This sector employs about 21% of industrial workers of this town. Curiously, in spite of the geographical situation of this town in the forest zone, the wood industries are unfortunately represented by a few units. Wood transformation activities are limited only to a few small sawmills and other craft units that contribute in the production of furniture. Although these industries exist, their activities are not as intense as in Mbalmayo (COCAM, ECAM), which is an average neighbouring town to Yaoundé. Some export companies stock the wood over vast areas without transformation and this has no impact on the economic and spatial development of the town. Among wood transformation companies in Yaoundé are SONICAM, Patrice bois, Fokou Forbed, Wembe bois, etc.

In this classification, the polygraphist industry comes in the third position in terms of numbers of industries representing 7% of all the enterprises. In spite of this position, this industry employs only 8% of the total industrial work force in Yaoundé. This sector regroups all the well-known paper industries such as Agracam, Imprimerie Coulouma, National printing press and Adventist as well as SOPECAM and editing houses such as Edition Clé and CEPER. The polygraphist industry, it should be recalled in the oldest sector of industrial activities to be located in Yaoundé before Cameroon attained her independence (Mveng, 1983). This industrial sector contributes in satisfying increasing demand in office furniture and by-products. This is a fact that applies to Yaoundé as well as to close localities such as Mfou, Mbankomo, or distant localities such as Mbalmayo, Akonolinga, Obala, Nanga Eboko, Bertoua, Ebolowa, and Sangmelima. This shows the role of this sector in the spatial relations of the town of Yaoundé.

Building and construction industries come after the printing industries with 7 enterprises. However, these enterprises employ about 19% of the total industrial employees in Yaoundé. Some Building and construction are mainly specialised in the production of construction materials. This is the case of MIPROMALO. Others on the other hand are essentially specialised in realisation construction of major infrastructure and buildings in the urban space in particular and in Cameroon in

general. Among these enterprises we have Razel, Arab contractors and especially MATGENIE which is 100% Cameroonian enterprise.

Other branches come in the last position in this representation with a total of 7 enterprises accounting for 15% of industrial employees in Yaoundé. These are chemical industries (5), textile and designing represented Mandilaris, and pharmaceutical industries represented by PHARMACAM.

Survey results show that the industrial fabric of Yaoundé is currently diversified with 7 branches of activity and a large number of employees. Henceforth, the place of industry in the socioeconomic development of this space is undeniable. Its diversification in urban and suburban space has been rapid before the economic crises of the 1980s and 1990s (Bopda, 2003). Since the beginning of the decade 2000, industry in Yaoundé benefited from constant local, foreign and especially government support in investment. Apart from the ineluctable socioeconomic benefits, it is important to analyse the highly diversified industrial fabric in its entirety.

3.2. An industrial fabric dominated by small enterprises

The industrial fabric of Yaoundé is largely dominated by small enterprises (Table no. 2). As such, despite of the rank occupied by some branches of activity in the numeric distribution of enterprises, a majority of these enterprises represent about 58% of all the industries in Yaoundé against only 20.4% of employees.

Table no. 2. Representation of industries in Yaoundé: number of employees and size of the enterprise in 2014

Size of industry	Number of establishments	%	Number of employees	Average employees by enterprise
Small (20-50 workers)	64	58	1704	37
Average (51-100 workers)	26	22	2048	92
Big (101+ workers)	27	20	2284	114
Total	117	100	8349	55

(Source: Field survey 2014, Enterprise registers, 2013)

At the end of 2013, the total number of industries in Yaoundé was distributed as follows: 64 enterprises representing 58 % of the total employees found between 20 and 50 workers, 25 enterprises representing 22 % have a total employee size ranging from 51 to 100 workers, 22 enterprises representing have at least 101 employees.

The average employee size for all the industries in Yaoundé was 55. This figure varies from branch of activity to the other. In effect, with an average of 117

workers per enterprise, the chemical industry is leading. It is followed by the BC with 101 workers per enterprise. The third position is occupied by the wood industry with an average of 76 workers per industry. Printing industries come in the fourth position with an average of 71 workers per enterprise. Food processing industries rank the least with an average of 39 employees per enterprise. It is clear that food processing enterprises although dominant in Yaoundé are mostly in the category of small size enterprises. Apart from Brasseries and SOFAVINC, working and remuneration conditions of workers are often discredited by them in these industries. This is what accounts for the permanent fluctuation in labour force often linked to permanent recruitments and constant abusive dismissals in these industries. There is total instability among the labour force within these enterprises. This is not the case in the chemical industries and in branches where promoters are constraint to work with engineers and graduate workers from universities training schools, with little impact on the abuse of workers' rights.

The size of industries allows for an efficient management and use of personnel. More efficient: because it often results in greater flexibility of and a higher level of the involvement of labour. Small industrial enterprises are economical because the labour force is generally unskilled and less unionist. This tends to reduce labour costs and to facilitate the adjustment of wages during a recession. It is evident that the bulk of industrial employment in Yaoundé is concentrated in 64 small size establishments and 53 medium and modern enterprises. Food industries made up mainly of SME, breweries, the SOFAVINC as well as printing and building and construction and the largest industrial employers of the town of Yaoundé.

With more than 5330 employees on 8349 employees, these industries use a little more than 72% of industrial employment in Yaoundé. The three branches of industrial activity thus discussed accounted for 74% of industries in this space in 2013. The wood industry that has been leading for a long time was affected by economic crises between 1985 and 2000.

If the SME are strongly integrated into the fabric of their branch and to their location site, they easily adhere to the network of activities and are very close to their market. As such, from their location site up to jobs created passing through increase in economic resources in space, these industries shape the economic growth of the town of Yaoundé and its surroundings. It contributes in the analyses and understanding of spatial relations between the town and its territory through the displacement of labour force and the common products produced by these industries. The structure of industries in Yaoundé varies in relation to the legal status of each enterprise (Fig. 2).

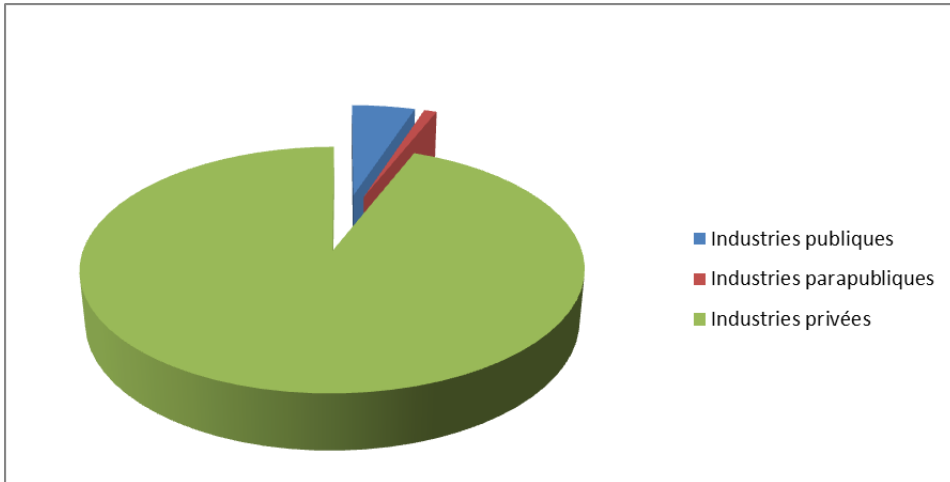


Fig. 2. Distribution of industries according to their legal status in 2014
(Source: Field survey, 2014)

Figure 2 shows that industries in Yaoundé are 94% belonging to the private sector. Only 6% of these industries belong to the state and para-statal companies. Of the 117 industries found in the industrial region of Yaoundé, 101 belong to the private sector. This ubiquitous presence of private owned industries demonstrates the interest that investors are increasingly according to the Yaoundé space for the location of industries. Looking at its demographic and economic influence in the Centre Region, the town of Yaoundé thus gives the chance for these industries to take the opportunity and access resources of all nature. The high presence of the private sector in the industrial sector of Yaoundé also reflects the source of capital required to set up enterprises in this town. This capital is thus injected into the economy of Yaoundé by individuals or Cameroonian groups as well as foreigners especially the French, Egyptians, the Greek and Lebanese etc.

3.3. An industrial fabric with diversified sources of capital

Currently, the Yaoundé industrial fabric depends on capital from diverse sources (Table no. 3). Capital of Cameroon origin represents 57%; distributed among 67 industries of the 117 enterprises. Contrarily, industries created with foreign capital represent 43% of the total capital corresponding to 50 enterprises. This capital comes mainly from Europe (67%), Middle East and Asia (33%).

The least that can be said is that the town of Yaoundé attracts several foreigners in its different economic sectors; especially the industry. In reality, the overwhelming majority of these industries with Cameroonian based capital are either small or medium-sized industries. Only a few large companies here have Cameroonian based capital. They are found particularly in the construction and civil engineering, in the printing as well as the wood industries. This is the case of MATGENIE, MIROPMALO, SOPECAM, National printing press, Tsanga Messi Group the CEPER group and the group Fokou Foberd. Apart from these large

companies, it is clear that the rest of the industries founded on Cameroonian capital are small industries, particularly the SME. For industries created by foreign investors or developers in Yaoundé; it should be said that many of them are found in the food, wood and in the building and construction industry. In the production of bread and soft drinks for example, the Europeans are a mastery of in the quality of bread consumed by households in Yaoundé on a daily basis. Well they have been implanted since the pre-independence period during which they gained recognition for the quality of their products in Cameroonian markets in particular and the neighbouring markets in general. The location sites for their enterprises reflect the urban configuration of the town of Yaoundé at the dawn of the independence of Cameroon. In most cases, these industries are found in the traditional quarters such as Nlongkak, Mvog-Mbi and Biyem-Assi.

Table no. 3. Distribution of industries in Yaoundé by source of capital in 2014

Source of capital	Number of industries	Turnover in 2014
National	67	57%
Foreign	50	43%
Total	117	100%

(Source: Field Survey, 2014)

Apart from food processing industries, wood is equally based on foreign capital. Here the French are very present in enterprises such as Patrice Bois and Wembé Bois. In the Building and construction, are found among others, the French, the Lebanese and the Egyptians through the Arab Contractors. In the whole, industries based on foreign capital are large enterprises that supply close to a third of industrial jobs in Yaoundé. In the food processing industries, for example, foreigners have mastery be it in the quality of products supplied by SME or in the services and number of permanent workers of each company.

It should be noted that foreigners invest in more profitable sectors of the Cameroonian industry, which are the food processing, wood and the building and construction industries. Here, these foreign capitalize on their investments reaping big profits from wood exploitation that is however authorized for Cameroonian under certain conditions which are the transformation on the spot of 60% of the product (NIS, 2008). Yet foreign investors cut this timber stockpile it or treat it in their different stores located within their institutions before sending for final processing in their respective countries. This wood is often sold at exorbitant prices in Cameroon as imported furniture. It is just the same in the building and construction where construction major infrastructure at the national and local scales (Yaoundé) attracts several foreign enterprises. This is a sector that has huge money and therefore requires well known expertise in terms of technical and technological aptitude. This is why we find numerous foreign investors who are increasingly competing with each other in these different branches.

3.4. An industrial fabric marked by relatively high turnover

It should be noted that most of the capital invested in industries in Yaoundé is held by modern industries. They alone accumulate 71 billion francs in terms of invested capital. As such, despite less number in relation to the small enterprises, they have capital that represents about 83% of the total share capital of industrial enterprises of Yaoundé.

In addition, industries in Yaoundé largely realise a relatively satisfactory annual turnover. Even if this situation partly depends on branches of activity, it brings out the added value in the economic and material resources of the town. In general, all industrial branches of Yaoundé turnovers that very much vary in relation to the number of industrial enterprises than the type of products of each branch, and of it daily and common use (Table no. 4). According to surveys carried out in the Chamber of Commerce, the Mines and Industry of Cameroon (CCMIC) in 2014, the percentage turnover realised by each branch of industrial activity found in Yaoundé is presented as follows:

Table no. 4. Distribution of industries in Yaoundé by turnover (%) in 2013, by sector of activity

Sector of activity	% turnover in 2013
Food processing	50
Printing	8
Wood	15
Building Construction	12
Chemical	7
Textile and designing	6
Pharmaceutical	2
Total	100

(Source: Field survey 2013-2014, MINFI (2009), specialized taxation document for Cameroonian enterprises, INS (2009), CCMIC (2009), Framework document of the secondary sector, specialized series, 2013)

It is obvious that the role of the labour force and the demographic weight of Yaoundé in terms of consumer market of industrial products certainly have an influence on the profits made by each company; seen from each industry. At the head, food industries are those that achieve greater turnover that is 50% of the total in Yaoundé. With these benefits of 50% of the total turnover of the industries in Yaoundé, they are far ahead of the wood industries (15%) and construction (12%), textiles and designing (6 %), the printing industries (8%), chemical industries (7%), and the pharmaceutical industry (2%).

This confirms that consumer products, wood processing and construction are more profitable in the industrial board of Yaoundé in particular and Cameroon in general. As such, investors target customers in the end product of all capital investments of these branches. This undoubtedly testifies large benefits realised in terms of turnover by food processing industries in Yaoundé. It is the same for

furniture and the construction of buildings and edifices. It is for this reason that these branches occupy their respective positions.

Wholesomely, industries in Yaoundé participate in the economic dynamics of this space. Based on jobs created and the diversity of branches, these enterprises allow this space and population access to existing products and access to resources and the distribution of wealth in Yaoundé. Industries thus described contribute to the structuring of space in urban and suburban areas by the rhythm of daily life in and around these companies.

The results of field surveys show that industrial enterprises of Yaoundé are 60% SMEs. However, we note that 94% of these enterprises are in the private sector. While it is true that real economic growth of a space that was an administrative city like Yaoundé necessarily passes through the dynamism of the private sector, it must be said that this reality is not yet evident in the city of Yaoundé. Clearly, industrial enterprises of Yaoundé do not offer good employment opportunities let alone paying their employees. SMIs and SMEs are sometimes confused structures that offer precarious jobs that are similar to those in the informal sector. As such, it is difficult to assess the added value of industries in the economy of Yaoundé. Only a few companies can allow the achievement of this advantage.

The diversity of industrial enterprises in Yaoundé plays a key role in the organization of economic space of the city. Moreover, these industries are integrated into the urban space both as sources of employment and as a structuring element of space. But it should be noted that the city of Yaoundé still fails to satisfy the labor market through the industries located there. In the head of many job seekers, Yaoundé continues to be a tertiary city that is causing unemployment to increase.

Moreover, space structuring and regional dynamism driven Yaoundé through industrial activity is a matter of chance since the development policy of the industrial areas in Cameroon in general and in Yaoundé particular is at an impasse. Many areas formerly reserved for industrial facilities in what could be called at the period peripheral zones, are today in the hands of individuals who have acquired these lands sometimes in collaboration with the authorities. The immediate consequence is anarchic and uncontrolled occupation of urban and suburban space by businesses industries. Here, developers generally implant their activity in areas that are free. So far, the legislation governing the occupations of these spaces for economic activities has remained mute. On the ground, the promoters of SMEs always precede the state in the development economic spaces through their investments. The state thus finds itself stuck to preserve social peace and is found in many cases forced to adjust and to transcend its own texts. Today, areas such as Ahala, Nsam, Mvan; Olembé, Ekounou long planned to house industries have become residential neighborhoods.

IV. CONCLUSIONS

Clearly, the spatial dynamics of Yaoundé through industrial activity appears more like a strategy used by companies to seize opportunities related to their territory other than a simple political will. This reality is reflected in the differences between industrial sectors and the predominance of small industries. These small industries are often characterized by insecurity but also by their physical instability. Yet the development of economic activity in an area that was an administrative city necessarily comes through stable economic and decent jobs generating structures. To achieve this, the Cameroon government should have established a reliable environment for domestic and foreign investors. Moreover, the banking system should be flexible vis-à-vis PMI and Cameroonian SMEs. The creation of SME bank in 2015 seems to be an answer to this situation. It remains for reality to be reflected on the field through access by SME to due bank credits just as it is important to review legislation regulating land in urban and suburban areas to avoid anarchy and population exposure to disastrous consequences from the location of industries such as pollution, land conflicts and global warming.

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