Structural and Financial Constraints for Arabica Coffee Planters

by Chloe Wardroper
School for International Training
Wesleyan University

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Academic Director: Christiane Magnido
Academic Advisor: Professor François Kamajou
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Abstract

Arabica coffee production in Cameroon is struggling. Coffee growers and their plants are aging rapidly due to a lack of incentives to continue production. The downturn in arabica production started in the 1980’s, with the drop in the world price of coffee and the privatization of formerly government-run programs and agricultural cooperatives. Financial problems continue today because there are no structures to replace those organizations which offered financial and technical support. This paper will examine the constraints facing arabica coffee growers today and the options available to them for the amelioration of their situation. This is achieved primarily through interviews with coffee growers, government and cooperative workers, and micro credit institutions. The paper then suggests the steps that must be taken by all parties involved in arabica production and trade to insure the continuation of this important crop into the future.

Important Sources:
- Professor François Kamajou (77720745), my advisor at the University of Dschang, who speaks English and French, and is very knowledgeable about Agricultural Economics.
- Also at the University of Dschang, Professor Kuété (77735870), a Geography Professor, and one of the foremost experts on coffee production in the Western Province.
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Introduction

The chefferie of Foghap is located not far outside the city of Dschang, in the Western Province of Cameroon. Set atop a hill, it has glorious views of the surrounding countryside. The Chef of Foghap is relatively young, and only has three wives, a small number in comparison to other, higher degree Chefs. Like all Cameroonians, the family tends fields in which they grow many food crops, including green and red beans, manioc, and corn. Additionally, the Chef just planted several hundred arabica coffee plants in his fields, a decision which has become increasingly rare in the past two decades. For a well-educated businessman such as the Chef, this decision appears foolish to many villagers, given the current low returns on coffee crops. Indeed, he himself describes the act of planting coffee as sentimental. He wishes to cultivate the crop that was the main source of income for his father. The Chef described how in his childhood, all of the hills surrounding the chefferie were covered in coffee trees, whereas now one mostly sees food crops or fallow fields. He also described the benefits of coffee production, despite relatively low prices, which include the hearty and consistent health of the plants, the ability to plant several crops in the same field, and the long life of the plant—often forty years.

The Chef, like his father, is a member of the cooperative CAPLAME, where he buys his fertilizers and sells his coffee harvest, but because he is not currently producing coffee (trees take three years to produce sufficient yield to harvest) he is only a member in memory of his father. Indeed, he sees the endeavor as an experiment, and is not entirely confident that he will make any money, given the current dismal state of coffee production infrastructure and lack of price incentive. However, he said, “La caféculture est une partie très importante dans la vie Bamiléké, et comme un Chef, je veux essayer de la préserver.”

1 In the traditional culture of the Western Province of Cameroon, each village has a ‘Chef,’ or Chief who governs the region. This is a hereditary position.
2 Coopératif des Planteurs de la Ménoua, based in Dschang
3 Bamiléké is the ethnic group found throughout most of the Western Province of Cameroon
The world’s first forum on African coffee was held November 19 and 20th, 2007, in Yaoundé, the capital of Cameroon, organized by the Inter-African Coffee Organisation (IACO), with the support of the African Development Bank and presided over by the Prime Minister of Cameroon. "Whereas the volume of coffee and other basic commodities keeps rising and consumption is in constant increase, the revenue of peasant farmers of producing countries has remained disturbingly low", said Prime Minister Ephraim Inoni at the opening ceremony. This conference is evidence of a reawakening of interest by the government and external bodies in a crop that has played a large role in the development of Cameroon.

Particularly in the Western and Northwestern provinces of Cameroon, coffee production has been a way of life for the past seventy years. In Dschang, a university city in the Ménoua Division, Western Province of Cameroon, arabica coffee production has existed since 1924. Many older residents of Dschang grew up with coffee as the primary livelihood of their parents. As is evident in the story of the Chef of Foghap, however, the nature of coffee production in this area, and in all of Cameroon, has changed dramatically in the last twenty years. Since the economic crisis of 1986/87 and the subsequent Structural Adjustment Program (SAP) that was implemented at the recommendation of the International Monetary Fund (IMF) and World Bank, planters have had to contend with low world coffee prices and deteriorating roads and processing plants. They face serious financial and structural constraints to the continuation of coffee cultivation.

It is clear, as the recent conference on coffee in Africa indicates, that producers of coffee in Sub-Saharan Africa are in desperate need of aid. Aid, here, is defined as financial support from the government and from non-governmental agencies, including direct aid such as financial assistance, technical support, and market access.

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4 "The production of coffee is a very important part of the lives of the Bamiléké, and as a chef, I want to try to preserve it.” Foghap Chef, Coffee Planter (Foghap), Formal Interview, 5/10/07
5 Lukong Pius Nyuylime “Cameroon: Total Mobilisation Around African Coffee” Cameroon Tribune (Yaoundé), 20 November 2007
as subsidies and indirect aid such as access to credit. Aid also means structural support; passable roads for the transport of crops as well as an educational system that gives practical skills to farmers are needed. However, there is disagreement among academics about how much agricultural support should be given by the government, or whether agriculture should be a completely privatized system. In a country so corrupt that a family can pay up to twenty percent of their income in bribes, it is a difficult proposition to get the government more involved in funding projects. Many believe it is better for agriculturists to organize themselves and get credit or aid directly, because that way no money will be lost in a corrupt bureaucracy. Nevertheless, it is clear that there needs to be some better system of financial assistance and structural support for farmers in Cameroon. In order to make arabica coffee production a sustainable livelihood, Cameroon must provide a coherent structure for producing and selling coffee which includes a reliable source of credit.

This project aims, through discussions with coffee producers, government workers, and microfinance institutions, to assess the financial and organizational options available to planters of arabica coffee in the area of Dschang, a city in the Western Province, Ménoua Division of Cameroon. In the first section, the paper will give a background to the current situation for planters: a discussion of the importance of agriculture in Cameroon, followed by a brief economic and social history of the production of arabica coffee. The next section summarizes my findings from speaking with planters: their problems and needs, and then the options currently available to them for credit, aid, and structural support. The end of the paper recommends strategies that can be implemented in Cameroon to ameliorate the situation of arabica coffee growers.


7 Nchare, Amadou, Employee of the Ministry of Agriculture and the European Union, Yaounde, Formal Interview, 17/10/07
Methodology

My interest in the subject of the plight of Cameroonian arabica farmers was sparked by a lecture given by David Tiomajou on the general trends in development in Cameroon. In discussing the effects of the IMF and World Bank Structural Adjustment Program (SAP) in Cameroon, he gave the very poignant example of his parents, who were coffee planters, impoverished and forced to stop their production because of the liberalization policies that ceased agricultural subsidies and led to the rapid deterioration of governmental structures, such as agricultural cooperatives. Listening to David’s story was the first time I realized the full extent of the devastation wrought by the economic crisis, and the situation of coffee planters particularly interested me.

Over the course of my stay in Dschang, I found that the more people I spoke to about arabica coffee, the more stories I heard of childhoods spent on plantations that had now been left to rot. My initial research goal was to study the effects of structural adjustment on arabica coffee and its potential for the future, but I realized that this topic was too broad. After speaking to Amadou Ncharé, Agricultural Economist at the Ministry of Agriculture and the European Union, I decided to focus my study on the lack of financial and structural resources available to arabica growers.

My initial research was conducted through reading secondary material on the history of arabica production in Cameroon and the governmental position on arabica throughout the twentieth century, the history of the economic crisis and structural adjustment, and comparative studies of other African countries. The main body of research, however, was done through interviews with coffee planters, financial institutions, and government and coffee cooperative workers. The discussions with most non-planters were straightforward, although I had to keep in mind that many of them may have had an agenda for the interview.

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8 Tiomajou, David, Peace Corps Employee, Class Lecture and Informal Interview, 17/9/07
that was different from mine. For example, the CAPLAME workers did not give me very much information that would be unflattering for the cooperative.

In my discussions with planters, my questions for them evolved as I learned to speak in terms that planters could understand. When those queries failed to elicit useful responses, I learned that my own understanding of the issue was radically different from that of the planters’, so I reframed them. One question that was particularly difficult to address was whether the planter thought arabica production was an important aspect of their life and culture. This was difficult because their idea of ‘culture’ was often different than mine. So I had to pose the question through several related ones: “Would you be sad if your children did not become coffee producers?” “How would your life change if you no longer produced coffee?”, and “Are there any rituals or ceremonies associated with coffee production?”

I sometimes had difficulty finding out whether growers had sought credit to finance their coffee production. Again, my questions had to be re-shaped in order to get useful answers. In my first few interviews, I did not list the kinds of organizations I was thinking about, such as micro finance institutions, banks, and tontines. I realized my mistake after the initial interviews with planters, when Bernard Ngoufack, the Service of Agriculture Delegate accompanying me on my visits, cut in during an interview after I asked that question and asked specifically if the man had received credit from his tontine. This planter had indeed been given credit by his tontine, which was seemingly contradictory to his previous statement that he had never tried to get a loan. I realized that this was very much a cultural translation. The majority of Cameroonian adults belong to tontines, informal groups of friends, generally from the same neighborhood, who pool money and give credit to their members. Because the tontine was so much a part of his life, the planter did not immediately think of the credit he received from his tontine as the kind I was asking about. After that interview I started asking much more specifically about where my interviewees may have gone to find credit.
With all of my interviews, the largest limitation to gathering information was the language barrier. My French has improved everyday since I arrived in Cameroon. Nonetheless, my vocabulary was often insufficient to properly discuss the ideas I wanted to explore in my interviews. Before beginning my research, I knew very few agricultural terms in French, and even less specialized coffee terminology, so I had difficulty remembering or pronouncing these words during interviews. Also, many of my interviewees had little formal education, so their French was even less developed than mine. In this, I was extremely grateful to be accompanied on most of my interviews by Mr. Ngoufack of the Ministry of Agriculture who could translate my ideas into simpler French or into Yemba, the native language of the region. I was also very fortunate to encounter good humor in all of my interviewees, who remained patient and helped me when I stumbled over my words.

My two other largest limitations were time and transportation. With effectively less than three weeks in which to conduct my interviews, I am left feeling as though I have only scratched the surface of this issue. In my initial proposal, I wanted to study planters throughout the Division of the Ménoua, however, after only a few days, I realized that I would need to narrow my study to the region directly around Dschang so that I could talk to as many planters as I had planned. Transportation in ‘bush cabs’ or in a Ministry car takes a long time on the badly maintained roads leading to the coffee plantations, so I had to limit my trips outside of Dschang. Also, if I had visited only two other areas near Dschang for a day each, such as Bafoussam and Santchou, which was my initial intention, it would not have been a sufficient enough cross-section of the region to be able to generalize about all of the Ménoua. Additionally, somewhat unhappily for me, my perception of time is very different from that of most Cameroonians. There were three employees of the CAPLAME coffee cooperative with whom I wanted to speak about my topic, but each time I made an appointment with them I
was forced to wait anywhere from one and a half to three and a half hours before I could get a
reception with that person, which slowed down my research for the day.

My strengths in the research process certainly include my enthusiasm and excitement to learn about this issue and talk with planters, as well as the knowledge I had already gained about Cameroon before commencing the project. It helped that I had been in the country for a sufficient period of time to become habituated with local customs and manners of speech. My contact at the Ministry of Agriculture often commented on my ease in speaking with Cameroonians compared to the other foreigners with whom he had worked. The fact that I lived with Cameroonians throughout my time in the country, and particularly during my short visit to a rural chefferie, was critical to my ability to communicate comfortably with the planters.

Most of all, the helpfulness of all those with whom I spoke was the greatest strength of my research. I could not have done this project without the friendly cooperation of all involved. The conversations I had with everyone in Dschang, be they at the UCCAO Café or in the countryside, were always interesting and invaluable; this will be the aspect of the project that I will remember the most fondly.

**Definition of Terms**

There are certain terms that I use that will not be familiar to a reader outside of the Dschang coffee milieu which should be defined before I proceed further. These include:

*Planter* The terms most commonly used in French for a coffee producer are *caficulteur* or *planteur*. I will generally use the words *planter, producer, or grower* when referring to someone who cultivates coffee.

*Financial and Structural Resources* I define financial resources for planters as access to liquidity, including loans, aid, or personal money. Structural resources include roads,
processing facilities, transportation, and other infrastructures necessary to grow, process, and sell coffee.

*Arabica coffee* One of two varieties of coffee produced in Cameroon, the other being robusta. Arabica is grown in the highlands, is a more sensitive plant, and gets a higher, though less reliable, price per kg than robusta.

*Processing* The process of collecting, dehusking, washing, fermenting, roasting, sorting, and grinding coffee.

*The Ménoua* The Division, in the Western Province of Cameroon, in which the city of Dschang is located. The Ménoua is a region characterized by its high elevation, its long rainy season, and its fertile soil.

*CAPLAME* “Coopérative des Planteurs de la Ménoua, based in Dschang”

*UCCAO* “Union Centrale des Coopératives Agricoles de l’Ouest”

*Coxeur* A buyer of coffee from small coffee producers. They generally go to each village and collect small amounts of coffee from each family, and then sell the collected amount either to CAPLAME or to another party. *Coxeurs* often offer a higher price for coffee than does the cooperative.

*Pied* One coffee plant. For instance, a planter might say, “I have one thousand *pieds* of coffee,” meaning they have one thousand plants.

**The Importance of Agriculture in Cameroon**

Despite the fact that Cameroon is the fifth largest oil producer in Sub-Saharan Africa, the mainstay of the Cameroonian economy is agriculture. After petroleum, the major exports have been agricultural: cocoa, coffee, timber, cotton, bananas, and rubber. Cameroon is also eighty percent self-sufficient in food production, which means that food crops such as beans,
macabo, tarro, and leaks, to name a few, are intensely cultivated. The agricultural sector employs nearly sixty percent of the active population, generates up to fifty-five percent of export receipts, and contributes for up to twenty percent of the GDP.

However, the current reality in Cameroon is that the rural sector has been neglected for too many years. Fifty-seven percent of families in the country in which the head of household is an agricultural worker live in poverty, and families in rural regions are twice as likely to be poor as those living in urban areas. In order to alleviate this rural poverty, it is essential to encourage agriculture. Through her comparative study of the effects of structural adjustment on countries in Africa, Asia, and Latin America, Uma Lele concluded that “increasing factor productivity in agriculture is crucial for resuming economic growth, alleviating poverty, increasing women’s participation, and saving the environment.”

Indeed, Cameroon could significantly increase its economic growth rate by delegating more thought and resources to the agricultural sector, as agriculture influences all other parts of the economy. In order to understand the path Cameroon should pursue in its future economic policy, it is necessary to first understand the historical factors that have shaped the country’s agricultural policies to date.

A History of Agricultural and Economic Policies in Cameroon

Historically in Cameroon, agriculture has played a large and necessary role in governmental planning. Today that role has diminished alarmingly. Under colonial rule, the

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economy was geared towards producing lucrative exports for the colonizing nations, France and Britain. In the agricultural sector, strict regulations set by the Service of Agriculture and biased towards colonial plantation owners dictated who could plant coffee and other crops. After independence with the new national government exercising firm controls, the economy experienced a period of rapid and sustained growth until 1985. Agricultural export crops featured prominently in the Five-Year Plans of President Ahidjo. These Five-Year Plans mapped out development periods in which growth within each sector of the economy was meticulously laid out. The first plans (1961-1981) created organizations such as MIDIVIV, which promoted food crop production and gave a considerable portion of the national budget to agriculture. In 1981, for instance, 23.6% of the budget was agriculture-related. The economic crisis of 1986/7, however, significantly changed government agriculture policies. At this time, oil prices declined, and world market prices for principal export crops fell forty percent. Additionally, the declining value of the US dollar relative to the French Franc hurt the competitiveness of Cameroon’s agricultural exports because the FrancCFA of Cameroon was tied to the French Franc, while export crops were traded in dollars. The fall of commodity prices and the appreciation of the currency reduced Cameroon’s terms of trade by more than half between 1984-85 and 1986-87. As a result, per capita GDP fell from $1100 in 1988 to $850 in 1991, demanding drastic action in the economy.

The World Bank and the IMF instituted a policy of structural adjustment in Cameroon and other African countries in order to reduce their foreign debt, but although debt was indeed reduced, the program wreaked havoc on the countries’ economies. According to Paula Hoy, director of the U.S. based non-profit Interfaith Hunger Appeal, “Structural adjustment loans nearly always demanded a radical reduction in government spending in order to control

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inflation and reduce demand for capital inflows from abroad,"\textsuperscript{15} which meant that agricultural subsidies were discontinued, greatly impacting coffee farmers and other export crop producers who were already facing record-low world prices. Structural adjustment also demanded the liberalization of government-run enterprises and the withdrawal of the State from the economy. This led to the removal of domestic price controls of export crops, leaving farmers at the mercy of the great price fluctuations dictated by the world market. For many farmers, the price of inputs such as fertilizer and insecticides became greater than what they received for the final harvest, which drove many farmers to grow more ‘vivrières’, or food crops, or discontinue the cultivation of export crops altogether in the mid-90s. The privatization of agricultural cooperatives, with the intention of giving farmers more accountability and autonomy in creating their own organizations, in reality meant the denigration of structures and services that were formerly paid for by the state.

The economic crisis, the privatisation of government-run enterprises, and the withdrawal of the government from price-setting for export crops, among other drastic changes, particularly affected growers of arabica coffee, one of the principal export crops of Cameroon. In order to fully understand these effects, one must return to the beginning of arabica production in Cameroon, and particularly in Dschang.

\textbf{Coffee Production in Cameroon}

\textit{Arabica Coffee}

Arabica is one of the two primary varieties of coffee grown in the world. Compared with robusta, the other coffee variety produced on a large scale, it is less caffeinated and generally thought to be of better quality, and brings higher prices. However, arabica trees are


more sensitive and require greater care, more fertilizers and pest-control than robusta trees. Worldwide, there are five million tons of coffee sold each year, a sum that has quintupled in the course of the 20th century. Seventy percent of that production is arabica. The principal consumers of coffee are in Europe and North America; in Scandinavia alone, thirteen kilos of coffee are consumed per person per year on average.

For the Cameroonian who produce it, coffee is not commonly thought of as a beverage of choice. Rather, it is a source of livelihood. Widely cultivated for years, mostly in the West and Northwestern provinces, coffee has become an important part of the lives of its growers. Arabica, grown in the highland regions of the country, is “une plante sociale: la plante qui apporte le bonheur et le malaise entre les différentes groupes sociales.”

**Colonial Period**

Arabica production started in Cameroon in 1924, when a Frenchman, Marcel Lagarde, an agronomist and engineer, planted the first young arabica plant in Cameroon. Unlike in some other African countries, where coffee was mostly cultivated by forced labor, Cameroonian people planted coffee voluntarily, with profound consequences for culture. One of the greatest cultural impacts for the Bamiléké, the people of the region of Dschang, was the expansion of polygamist practice in order to generate a greater ‘main d’oeuvre’ (workforce) for the coffee-producing families. In fact, planters were granted a certain amount of land by the Service of Agriculture according to the number of family members they had. Many other social interactions also revolved around coffee, including conflicts between white plantation owners who needed black workers, and black families who wanted to cultivate their own land.

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17 Ibid
18 “A social plant: the plant that has brought goodwill and anger between different social groups.” Kuété, Martin, Professor of Geography, University of Dschang, Formal Interview, 2/10/07
19 Kuété, Martin, Formal Interview, 2/10/07
Coffee cooperatives were established by the colonial government in order to provide a central location in which coffee crops could be processed, bought and sold. The first cooperative in Cameroon, CIPBCA, Coopétatif Indigène des Planteurs Bamiléké du Café Arabica (which in 1933 became CAPBCA, Coopératif Agricole des Planteurs Bamiléké du Café Arabica) was based in Dschang. However, it was difficult for native planters to get access to the cooperative, so in 1948, a second, competitive, cooperative, COOPCOLV, was founded by a Cameroonian. These two cooperatives existed side by side until policies changed under the post-independence president Ahidjo.  

**Post-Independence Period**

The policies of President Ahidjo were generally aimed at centralizing and nationalizing state enterprises. In the case of coffee production, this meant nationalizing the cooperative system, and in a move for unity and ease of control in Dschang, consolidating the two cooperatives into one, CAPLAME, Coopératif Agricole des Planteurs de la Ménoua. The marketing of coffee was run by the state, by a marketing board, (in the Western Province it is UCCAO), by which the government would collect and sell coffee. The national price of arabica was fixed, while the international price fluctuated. The government would make money on coffee when the national price was lower than the international price, and that excess profit was kept in reserve for the years when the international price was lower than the national price, so that farmers could always receive the same amount regardless of international fluctuations. This policy was called the *Caisse de Stabilisation*, which many planters saw as beneficial, as it assured a reliable price for their crop. Additionally,

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agricultural credit was available through the Fonds National de Dévelopement Rural (FONADER) for those planters who wanted to initiate their own projects.\textsuperscript{21}

The problem with a state system was the existence of large-scale corruption and misallocation of funds. The cooperatives became increasingly corrupt after 1960. Planters were often not paid the full price for their harvest, the money diverted instead to government functionaries. Many cooperative personnel were appointed because of their relationship to someone in the government, and “paid for thirteen of the twelve months of the year,” as Cameroonian say to describe this type of corruption.\textsuperscript{22} Professor Kuété of the University of Dschang estimates that during the most corrupt periods, only twenty-five percent of the government assistance intended for coffee actually reached the planters.

\textit{The Effects of the Economic Crisis and the Structural Adjustment Program}

It was clear by the time of structural adjustment that there was a need of reorganization and reform within the coffee sub-sector. However, program adjustments often exacerbated the problems growers already experienced because of low coffee prices. The initial problem, before liberalization, was the disappearance of the \textit{Caisse de Stabilisation}. The money saved in the \textit{Caisse} could have significantly cushioned farmers from the world price drop, but its disappearance was never accounted for. Secondly, liberalization removed subsidies, government involvement in marketing and cooperatives, and price fixing, all crucial to supporting arabica farmers. Table 1 shows the different investment rates in the public sector of developing countries. It is clear from the table that the decline in the rate of investment is greater in African countries under adjustment than in Latin America or Asia, which indicates that African countries such as Cameroon could have continued with some investment while still continuing the process of adjustment. Because Asian and Latin American countries generally emerged from structural adjustment with much stronger economies than their

African counterparts, it is worth making the comparison to see where African policies could have improved.

Table 1

Privatization, advocated by the World Bank and IMF, has the potential to solve the problems of mismanagement within the arabica coffee sub-sector. However, the new policies favoring privatization in Cameroon were not accompanied by education and or by the creation of new systems of production, both of which would have eased the transition and guaranteed greater success in adjustment. Farmers felt abandoned, and many of them decided as a result to terminate their coffee production altogether, due to low prices, falling productivity, and the greater price incentive to produce food crops. Table 2 shows the significant drop in the amount of coffee produced in Cameroon from the mid-1980’s to the 1990’s.

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22 Kuété, Martin, Formal Interview, 2/10/07
Table 2: Production and contribution of major export crops

<table>
<thead>
<tr>
<th>Countries</th>
<th>Volume in 1000 metric Tons</th>
<th>Volume growth rate (%)</th>
<th>Percentage of total export value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cameroon</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cocoa</strong></td>
<td>94</td>
<td>106</td>
<td>153</td>
</tr>
<tr>
<td><strong>Coffee</strong></td>
<td>48</td>
<td>92</td>
<td>50</td>
</tr>
<tr>
<td><strong>Cotton</strong></td>
<td>16</td>
<td>26</td>
<td>21</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>158</td>
<td>225</td>
<td>224</td>
</tr>
</tbody>
</table>

Today, to get a 50 kilogram bag of coffee sold at CFA 10,000, a farmer must maintain 100 coffee plants with a 50 kilogramme bag of fertilizer at the cost of CFA 16,000. This is a difficult and not particularly lucrative prospect for many planters. The government supplied no help to them for almost fifteen years, however, in the last three years, there has been a resurgence of interest in export crops. This is partly due to the declaration in 2006 that Cameroon had reached the completion point of the International Monetary Fund’s Heavily Indebted Poor Country (HIPC) debt alleviation program, which has allowed the State to spend more money on important development issues.

Several programs relating to coffee production were recently put in place, including the ‘Programme d’Améliorations de Verger Cacao-Café’ and the ‘Programme d’appui à l’installation des jeunes agriculteurs.’ These programs include giving bags of fertilizers to a certain number of coffee planters, and offering start-up funds to young farmers. According to the 2007 economic and financial report, coffee production in Cameroon stood at 47,633

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23 Table from Lele in Heidhues, Franz and Beatrice Knerr, Eds. p. 21
24 Table from Kamajou, François. Op cit. p. 19
26 Yankam, Rabelais, Agricultural Economist at the Ministry of Agriculture, Yaounde, Formal Interview, 16/10/07
tonnes, indicating an increase of 2.5 per cent from 2005. This slight increase should give hope to arabica producers, and hopefully encourage them to continue their cultivation of the crop. However, there exist severe limitations to their work, which must be addressed before hope for the future can be justified.

**Current Limitations for the Arabica Coffee Producers of Dschang**

**Inputs**

The coffee planters around Dschang began planting under a system of large-scale subsidies, with subsidies in the early 1980’s reaching around 62.5% of the cost of fertilizer. Planters were accustomed to easy access to inputs, and used them liberally for arabica coffee, an extremely sensitive plant. Arabica needs applications of fertilizer at least twice a year, treatments for a minimum of two common pests, and care against several tropical plant diseases. These are expensive applications, and the government aid was a good incentive for planters to administer the proper amount of fertilizers and insecticides. After liberalization, subsidies were stopped completely, under the assumption/premise that allocation would be more efficient without government interference. However, this did not prove true. The price of fertilizer increased nearly four-fold. In the 1980s, one kilogram of arabica coffee could buy 11.8 kg of fertilizer, and afterwards, it could only buy 2.8 kg. Farmers could ill afford this increase as the price of coffee dropped drastically.

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27 Lukong Pius Nyuylime, “Cameroon: Total Mobilisation Around African Coffee” Cameroon Tribune (Yaoundé), 20 November 2007
28 By 1987, the Cameroonian government was spending 12 billion CFA annually in subsidies. From Fadani, Andrea and Emmanuel Foko, “Economic Effects of the Fertilizer Sub-Sector Reform Program on Coffee-based Farming Systems in Cameroon.” p. 335
29 Fadani, Andrea and Emmanuel Foko, p. 337
30 Koutio, Mattias, Coffee Planter (Ngoua), Delegue of UGIC NET-MESSO of Ngoua, Formal Interview, 21/11/07
Under the Fertilizer Sub-Sector Reform (FSSR) Program, the price ratio of coffee to fertilizer became too low for many growers to justify the continuation of arabica cultivation. Table 3 demonstrates the effects of the FSSR Program on arabica farmers.

Table 3

<table>
<thead>
<tr>
<th>Farm Situation</th>
<th>I before 1989</th>
<th>II 1991/92</th>
<th>III End of Reform</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fertiliser price FCFA/kg</td>
<td>50</td>
<td>50</td>
<td>90</td>
</tr>
<tr>
<td>Coffee price FCFA/kg</td>
<td>475</td>
<td>250</td>
<td>250</td>
</tr>
<tr>
<td>Net Farm Income FCFA</td>
<td>257,900</td>
<td>190,400</td>
<td>176,100</td>
</tr>
<tr>
<td>Income losses (Percentage)</td>
<td></td>
<td>-26.2%</td>
<td>-31.7%</td>
</tr>
<tr>
<td>Cash Farm Income FCFA</td>
<td>135,900</td>
<td>67,988</td>
<td>55,453</td>
</tr>
<tr>
<td>Cash Income losses (Percentage)</td>
<td></td>
<td>-49.9%</td>
<td>-59.2%</td>
</tr>
<tr>
<td>Average Labour Productivity FCFA/Man-Day</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Average Family Labour</td>
<td>840</td>
<td>630</td>
<td>585</td>
</tr>
<tr>
<td>- Man</td>
<td>1020</td>
<td>439</td>
<td>355</td>
</tr>
<tr>
<td>- Woman</td>
<td>781</td>
<td>781</td>
<td>768</td>
</tr>
<tr>
<td>Average Land Productivity FCFA/Hectare</td>
<td>158,765</td>
<td>119,059</td>
<td>110,647</td>
</tr>
<tr>
<td>Working Capital Requirement FCFA</td>
<td>33,050</td>
<td>33,050</td>
<td>47,350</td>
</tr>
</tbody>
</table>

Source: Own Calculations based on Arabica Farm Model, see annex 2.

Of the seventeen planters with whom I spoke, fifteen of them told me that the price of inputs is the major limiting factor for their coffee production. Mattias Koutio, for instance, has always tried to use the recommended amount of fertilizer for his 5,000 coffee plants. This means that his real earnings have been decreasing consistently since the 1990’s. Many planters have stopped putting fertilizer on their plants. For example, the Chef of Keleng, who now fertilizes only a few trees, takes a non-chalant attitude about the coffee harvest as a sort of self-protection against getting too involved in an unsuccessful crop. Although production

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32 Fadani in Heidhues, Franz and Beatrice Knerr, Eds. p.343.
33 Koutio, Mattias, Coffee Planter (Ngoua), Delegue of UGIC NET-MESSO of Ngoua, 21/11/07
is low without fertilizers, his wives take the beans that they can and sell them for the best price.\textsuperscript{34}

In addition to fertilizers, pesticides are very important inputs, guarding against several types of insects in Cameroon that eat the arabica plants.\textsuperscript{35} Pest control is a large undertaking, however, requiring expensive insecticides, a sprayer, and a trained specialist to apply the treatment. Koutio, who likes to be as self-sufficient as possible, always buys the insecticides and applies them himself or hires a several local men to do it for him. On the other end of the spectrum, the peasant organization UGIC MOD, based in Foreke-Dschang, recently decided that they wanted to borrow money from the local micro finance institution MC2 to tackle the problem of insect control with all the best resources. They borrowed one million FCFA to commence, buying insecticides for 300,000FCFA and using the rest to pay for sprayers and a workforce.\textsuperscript{36} This is an uncommon occurrence in Dschang, but it seems to be one of the most effective ways of dealing decisively with the problem. According to the Delegué of the GIC, it is necessary to treat all the plantations in one area so that one infected plant does not ruin the work on all the others, so in order to insure total coverage, a GIC must use their pooled money to treat even non-GIC members’ plants.\textsuperscript{37}

The liberalization of input subsidies would not have caused such problems if the new policies were accompanied by corresponding institutional improvement and greater access to input supply and credit. However, this has not been the case in Cameroon; on the contrary, the problem has been aggravated by the stagnating world price of coffee.

\textsuperscript{34} Keleng Chef, Coffee Planter (Keleng), 16/11/07  
\textsuperscript{35} Nembot, Dieudonne, Chief of Plant Protection, Ministry of Agriculture of the Menoua, Informal Interview, 21/11/07  
\textsuperscript{36} Bafa’a, Lazare, Coffee Planter (Foreke-Dschang), Delegue of UGIC MOD, Formal Interview, 19/11/07
The Low World Price of Coffee

The drastic drop in world arabica coffee prices in 1989 from 475 FCFA/kg to 250FCFA/kg seriously demoralized Cameroonian coffee growers.\(^{38}\) What made the shock all the more extreme was the disappearance of the funds in the “Caisse de Stabilisation” that could have helped almost double the new price of coffee available to producers.\(^{39}\) Many producers felt so betrayed by the government that they ripped up their coffee plants and determined never to plant again.\(^{40}\) The low price of coffee exacerbates all of the other problems for farmers, especially because there have been no policy incentives and too few private credit options to compensate for the drop in buying power of arabica producers. On the contrary, price stagnation has led to increasingly deteriorated infrastructures to help planters.

An Aging Coffee Plant Population

With the fall of coffee prices and the degradation of the cooperative system, the production of new coffee trees was mostly stopped. Arabica coffee plants start producing after three years, and are most productive from nine years until twenty years of age, when their productivity begins to decline.\(^{41}\) However, arabica trees can live about fifty years. Many trees in the Dschang region, now approaching their maximum lifespan, will not be replaced by young plant material due to financial constraints and lack of availability.

“Projet Semencier Cacao-Café,” which produces young coffee and cocoa plants to sell to farmers at a low cost, is a new governmental program to address this problem. Very few planters know of the project yet, however, and at the Ministry of Agriculture for the Menoua, only one person, Gaston Nkenmbou, has applied for young plants. Mr. Nkenmbou found out

\(^{37}\) Baf’a, Lazare, Formal Interview, 19/11/07
\(^{38}\) By 1987, the Cameroonian government was spending 12 billion CFA annually in subsidies. From Fadani, Andrea and Emmanuel Foko. p. 338
\(^{39}\) Tsamo, Clément, Director of Education and History, CAPLAME, Formal Interview, 15/11/07
\(^{40}\) Keleng Chef, Coffee Planter (Kelleng), 16/11/07
\(^{41}\) Ncharé, Amadou, Agricultural Economist at the Ministry of Agriculture and the European Union, Yaounde, Formal Interview, 17/10/07
about the government program from an agricultural extension worker who came to his farm.

He did not apply for arabica plants, but for cocoa plants, whose prices are currently more
stable than arabica prices. However, he intends to apply next year for five hundred young
arabica plants which his GIC will plant.\textsuperscript{42} The Ministry should learn from the case of Mr.
Nkenmbou that it is necessary to publicize this program in order for it to reach the people for
whom it is intended. If Extension Agents were able to make more trips to plantations to speak
with the growers about new programs and techniques available to them, then the growers
would be more up-to-date and better equipped to use the resources available to them.

\textit{Transportation and Processing}

One large logistical consideration for coffee growers is how to transport their crops
from their plantation to a processing plant and then to the organization that can sell their
product. The CAPLAME used to take care of all of the transportation needs of planters,
driving to each plantation at every harvest period and bringing the beans to the CAPLAME
plant, where the beans were put through the laborious process of de-husking, washing,
fermenting, roasting, grinding, and packaging. The CAPLAME had a great interest in the
condition of the roads in order to have easy access to their members’ plantations, so they
undertook many road maintenance and bridge-building projects around Dschang.\textsuperscript{43}

Today, CAPLAME is impoverished due to the low prices of coffee and its diminishing
number of members, so they can no longer afford to maintain the roads, especially since many
planters around Dschang are no longer their members.\textsuperscript{44} Many planters, such as Lazare
Bafa’a, speak wistfully of the projects completed under CAPLAME, and regret that they did
not realize the role of the cooperatives in their lives when it did so much for them.\textsuperscript{45} Planters

\textsuperscript{42} Nkenmbou, Gaston, Coffee Planter (Foréké-Dschang), Delegue of GIC PROCOCALI, Formal Interview, 21/11/07
\textsuperscript{44} Tsamo, Clément, Director of Education and History, CAPLAME, Formal Interview, 15/11/07
\textsuperscript{45} Bafa’a, Lazare, Formal Interview, 19/11/07
who are no longer members of the cooperative generally have no means by which to transport their beans to a processing facility. Instead, they sell their coffee to *coxeurs*, private businessmen who come to the villages and collect small amounts of coffee from all of the individual small-holders in the area, and then bring it to the CAPLAME for processing. Planets are forced to work much harder under this system because they can get a higher price for their beans if they de-husk them at home before selling them to the *coxeur*, so after the harvest, families begin this laborious process. In the case of Viviane Koutio, a law student at the University of Dschang, during a harvest, she will spend three days in the fields with her family collecting all of the ripe coffee *cerises* (fruits), and then two days at home bent over a huge pile of coffee beans all day, de-husking.

Several coffee/cocoa GICS of Dschang have decided to pool their money to buy a de-husking machine that all of their members can use. UGIC PROCOCALI of Foréké-Dschang, for instance, just rented a space this year in a former CAPLAME building where they have placed several processing machines. Another local GIC, UGIC PACOFW, just voted in its last meeting to buy a machine so that they can get higher prices for their coffee when sold to the *coxeur*. They also have begun the process of finding several reliable *coxeurs* with whom they can build a steady business relationship. These instances of group organization are a heartening development in the face of deteriorating roads and facilities. The members of these proactive GICS generally take a positive stance on development. For Gaston Nkenmbou of UGIC PROCOCALI, the responsibility for developing his neighborhood lies on his own shoulders, and on the shoulders of the other members of his GIC, who are well-

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46 Keleng Chef, Coffee Planter (Kelleng), 16/11/07  
47 Ngoufack, Bernard, Point Focale Departementale de la Menoua du ‘Programme d’Ameliorations de Verger Cacao-Café’ et ‘Programme d’Appui a l’installation des jeunes agriculteurs,’ Coffee Planter, and Delegue of UGIC PACOFW, Formal Interviews, 14/11/07, 19/11/07  
48 Koutio, Viviane, Coffee Planting Family Member (Ngoua), 21/11/07  
49 Nkenmbou, Gaston, Formal Interview, 21/11/07  
50 Ngoufack, Bernard, Formal Interviews, 14/11/07, 19/11/07
positioned to set an example to their neighbors in Foreke-Dschang of self-reliance and good business practices.  

**Land Availability**

Limited land also stands in the way of growth in the arabica coffee sub-sector. The West Province is the most highly populated region in Cameroon, with 142 residents per square kilometer. With population growth increasing at around 2.5% in the last five years, the amount of land available for each person is rapidly shrinking. The large coffee plantations that used to cover all of the hills around Dschang are no longer a common sight; they have all been broken up to give to various children, sold, or given over to the production of food crops. Most of the large plantations are now only found at Santchou, about a two-hour drive from Dschang, where the population is not so dense.

Population density is a particular problem around Dshang, a rapidly growing university city. The formerly large plantation of the Chef of Keleng has been completely broken up for other purposes. When the University was being built, most of the land used for the campus was formerly covered by Keleng coffee plants, as was the land bought for the airport and the municipal lake. As the student population has grown, it has become more lucrative for the Chef to build ‘minicities,’ student housing, than to grow coffee. Additionally, his family has grown since the days when his father was a big planter, and each of the Chef’s brothers needs his own home on the land around the paternal house. All of these land uses are more lucrative and necessary for terrain directly next to a city, and a similar pattern can be found in the case of many other farmers who live in villages close to cities in the Western province.

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51 Nkenmbou, Formal Interview, 21/11/07  
53 Ngoufack, Bernard, Formal Interviews, 14/11/07, 19/11/07
Higher Incentives for the Production of Food Crops

Elisabeth Nganfack is the wife of a planter in Tsinfou, and as a woman, does much more daily work in the fields than her husband. Her preference for cultivating food crops rather than coffee is simple: “J’aime planter les vivrières parce qu’ils sont plus utiles pour ma famille et le prix est plus fiable.” She tends both coffee and food crops, and is tired of the huge amount of work she has to do to make any money from arabica coffee plants as compared to her beans, potatoes, and manioc crops. She uses more fertilizers for her food crops than for the coffee plants because the cost-benefit ratio is biased for her towards the non-export crops.

Arabica planters have increasingly transferred acreage from coffee to food crops. This is a response to the declining prices and yields of coffee, increasing family sizes, and the more reliable nature of most food crops compared to arabica. Although it is important for Cameroon to remain mostly self-sufficient in crop production, a higher production of food crops as compared to export crops does not necessarily increase food security. “Food security is not necessarily best served by a ‘food fundamentalism’ manifested in an all-out drive for food self-sufficiency,” rather, food security is an income problem. If farmers were encouraged to produce coffee alongside food crops, it is likely that food security would be improved as improved cash flow increases productivity in both export and domestic sectors.

Social Limitations: Workforce, Age, Education

The majority of Arabica planters around Dschang are considered “les vieux.” They are the aging successors of fathers who lived in the golden age of coffee production in

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54 Keleng Chef, Coffee Planter (Kelleng), 16/11/07
55 “I like to plant food crops because they are more useful for my family and their price is more reliable.” Nganfack, Elisabeth, Coffee Planter (Tsinfou), Formal Interview, 15/11/07
56 Nganfack, Elisabeth, Formal Interview, 15/11/07
58 Donovan Graeme, p.49.
59 “Older men”
Cameroon. In fact, the average age of a coffee planter in 2004 was 48 years, and the age of his plantation, 27 years. This statistic indicates that there are few incentives today for young people to take over coffee production from their fathers. “Pourquoi est-ce que je préfèrais que mes enfants ne gagne pas d’argent ? Je ne veux pas qu’ils plantent le café s’il n’y a pas d’argent là,” said Mattias Koutio, planter of 5,000 pieds of coffee and father of a large family. His oldest daughter, Viviane, wants to go into law because she agrees there is no money in coffee, although she continues to work hard for her father on the coffee plantation while also pursuing her education. However, not all children choose to continue aiding their parents in coffee production. In the case of Jean Moumbo of Tsinfou, he is forced to use his meager funds to hire help for tasks such as insecticide application and harvesting because he only has one daughter living at home now.

There have been several recent governmental initiatives to increase the number of young people going into agriculture, including the ‘Programme d’appui à l’installation des jeunes agriculteurs.’ However there are no programs focused specifically on coffee production. As Mattias Koutio explained, his children have been much better educated than he was, and they can see by the numbers (the price ratio of inputs to outputs) that coffee production is not worth their attention. However, arabica production would benefit immensely from an influx of young planters, because they are generally the ones who are more aware of new technologies, and have learned through their formal education how to be better businesspeople.

Because lack of education among current growers impedes improvements and reforms in the coffee sub-sector, education is currently a limiting for the older arabica farmers with

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61 “Why would I want my children to make no money? I don’t want them to grow coffee if there is no money there.” Koutio, Mattias, Formal Interview, 21/11/07
62 Koutio, Viviane, Coffee Planting Family Member (Ngoua), Informal Interview, 21/11/07
63 Moumbo, John, Coffee Planter (Tsinfou), Formal Interview, 15/11/07
64 Ngoufack, Bernard, Formal Interviews, 14/11/07, 19/11/07
little formal schooling. About half of the planters with whom I spoke were illiterate, and were uncomfortable speaking French with me, preferring to have my escort from the Ministry of Agriculture translate my words into Yemba. In the opinion of Clément Tsamo at CAPLAME, the competitiveness of Cameroonian arabica in the world market would be boosted if the planters were more educated because they would be able to distinguish which coffee buyers would treat and market their coffee the best. Because the quality of coffee treatment and sorting degraded after liberalization, it would be beneficial if planters had more power in their ability to deal with the coxeurs, a power which comes from education.  

Financial and Structural Resources: Availability and Limitations

Increased resources are crucial to re-instating productive coffee growing in Cameroon. These include financial resources for the purchase of fertilizers and insecticides, a larger work-force, de-husking machines, or younger plants, as well as better infrastructure such as roads. Diversity of resources is the best policy, so that there are different funds available for the varied needs of planters, and so that competition drives down interest rates on credit and creates more efficient economic systems. There are currently a variety of institutions and groups to which planters can look for assistance. These are discussed below. However, to properly support and reinvigorate coffee production and sustain in Cameroon, existing resources must increase, restrictions must be reduced, and programs should be better publicized.

Tontines

Tontines play an important role in the lives of most adult Cameroonians. They are organizations of people that may be associated by neighborhood, occupation, or native village. The goal of a tontine is both social and economic; it is a forum for people with

65 Koutio, Mattias, Formal Interview, 21/11/07
66 Tsamo, Clément, Director of Education and History, CAPLAME, Formal Interview, 15/11/07
common interests, but it is also a way in which to pool money in order to supply members with a source of credit for small projects, and of insurance for the case of a sickness or a death in the family. Each member generally pays an allotted amount to the tontine at each meeting, and every month a different member is the recipient of a percentage of the pooled funds.  

Bernard Ngoufack at the Ministry of Agriculture is a member of two tontines, one in his village and one in Dschang, and they both play such a large role in his life that he told me, “Sans les tontines, je ne peux pas survivre.” Because tontines are so ubiquitous in Cameroonian culture, and have such a well-organized structure, they have the potential to aid planters immensely through access to small credit and informal insurance.

Indeed, the institutions where arabica coffee planters in Dschang go most often to find credit are tontines. Seven of seventeen planters had received credit from a tontine that they used to ameliorate their coffee production. Four of those seven used the tontine money to buy inputs, two used it to pay for hired help, and one used the money to buy young plants. However, money used from tontines is usually associated, according to the seven planters who used money from tontines, with use for the family. Therefore, five of them used their tontine money first to pay school dues and buy clothes for their children, and used what was left for agriculture. The remaining two had grown families and were no longer responsible for young children.

In terms of their helpfulness for arabica producers, it is both a strength and a weakness of tontines that their members are usually not all in the same occupation. This diversity makes the monetary status of the group more stable, because the money inflow is not all coming from the same revenue source, but it does not give specific organizing power to arabica producers as a group. This distinction goes to GICs, or “Groupes d’Initiative Communes,” membership in which is also common among planters.

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Coffee/Cocoa growers’ GICs have enormous potential to ameliorate the position of coffee producers in Cameroon. A GIC is a group of people that assembles to aid each other in a revenue-gaining activity. In the case of agricultural GICs, their members hold regular meetings in which they discuss any issues they have with their particular crop and how the group can work together to improve their circumstances and profit of all the members. For example, Bernard Ngoufack’s GIC, UGIC PACOFW, is a group of coffee planters. At a recent meeting on November 17, 2007, they discussed several projects and initiatives they wanted to undertake as a group. They decided to collect money to buy fertilizers and pesticides for all members, to buy a de-husker in order to improve their revenues, and to collect their harvested coffee and sell it as a group to several different coxeurs. They also designated several days on which they would all help each other harvest their coffee crop. Bernard’s GIC plays an invaluable role in his coffee production because it helps extend his meager resources.

The limitations of GICS is that they only have as much money as their members decide to pool for specific projects, and they are usually not fundamentally development organizations. They do not usually work like a tontine, loaning specific members money for their own projects. GICs are first and foremost forums for people planting similar crops, and meetings can often turn into an unproductive succession of complaints with no constructive solutions. GICs are most helpful in expanding financial and structural resource opportunities for farmers when their members want to be proactive about finding sources of credit and aid themselves. One good example of a proactive GIC is that of UGIC MOD, which recently took out a loan from MC2 for insecticides and pre-harvest preparations.

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68 Ngoufack, Bernard, Formal Interviews, 14/11/07, 19/11/07
70 Ngoufack, Bernard, Formal Interviews, 14/11/07, 19/11/07
group decided that they needed more money than was available through the pooling of member funds, so they went to a micro finance bank and procured a loan, an easier task for a group of planters than for only one.\textsuperscript{72} UGIC PROCOCALI is another proactive GIC, pooling money to buy a de-husking machine for its members, as well as to rebuild an old road that serves as one of the main access points for several large plantations.\textsuperscript{73} If more GICs consider themselves as enabling the development of their village and crops, then they can become collectively a more powerful tool for arabica farmers.

**Micro Finance Institutions**

Traditional banks are not commonly used by peasants in Cameroon. Jean Moumbo, for instance, a planter who took over the plantation from his father in 1965, wondered why he would ever need a bank account: “Je n’ai jamais plus que 5,000 FCFA. Où est l’argent pour une banque?”\textsuperscript{74} Micro finance institutions have the potential in Cameroon to replace the traditional banking system with a more rural-friendly one. The philosophy behind micro credit is that “simply giving charity to the poor creates dependency; with the opportunity to earn credit, they can instead work towards self-sufficiency.”\textsuperscript{75} This idea is well-suited to the fiercely independent coffee growers of Cameroon.

In Dschang, several institutions give micro loans. These include two branches of MC2, often called “La Banque des Paysans;”\textsuperscript{76} Cofinest, the Gatsby Foundation, and First Trust. Of these, the only institution to give loans specifically to arabica producers was MC2 of Foréké-Dschang, although the number of loans is very few. Out of the 309 loans granted since the bank was founded in 2001, only 15 have been to planters.\textsuperscript{77}

\textsuperscript{71}Ngoufack, Bernard, Formal Interviews, 14/11/07, 19/11/07  
\textsuperscript{72}Bafa’a, Lazare, Formal Interview, 19/11/07  
\textsuperscript{73}Nkenmbou, Gaston, Formal Interview, 21/11/07  
\textsuperscript{74}“I never have more than 5,000FCFA. Where is the money for a bank?” Moumbo, John, Coffee Planter (Tsinfou), Formal Interview, 15/11/07  
\textsuperscript{75}From “Grameen: Banking for the Poor.” Website visited 27/11/07: www.gramecn-info.org/mcredit/index.html  
\textsuperscript{76}“The peasant bank”  
\textsuperscript{77}Dzifack Dzangue, Paul Francoise, Employee of MC2 Forêke-Dschang, Formal Interview, 21/11/07
There are many obstacles preventing arabica growers from obtaining micro credit loans. This type of credit is typically short-term, with the longest available at one year. With a perennial crop like coffee, it is difficult to earn back funds in such a short period. By contrast, food crop growers produce on an annual cycle, creating enough cash to pay back loans in a relatively short period of time. Another problem for coffee growers seeking loans is the necessity of collateral. This can take the form of one or two people with sufficient funds to vouch for the loan recipient and to sign off that they will be the ones to pay the loan back if the recipient fails to do so. If a coffee grower has wealthy friends, this can be a viable option. However, for those who live in rural areas and only know other growers, it is difficult. Lastly, and quite importantly, there is a suspicion of any banking institution held by many farmers which prevents them from going to a lending institution for funds. Mr. Dongmo, for instance, at the Gatsby Foundation struggled when he first started his job with accusations of sorcery, because people could not understand why anyone would want to just give away money.

The Gatsby Foundation takes a different approach to micro credit than the other institutions in Dschang, and offers a different kind of liquidity option for planters of arabica. The Foundation gives loans only to women’s groups, at very low interest rates starting at 1.1 percent. The money must be repaid each month, and the women will continue to get loans depending on their successful repayment of the previous loan. Although this kind of situation does not explicitly help coffee growers, it is still a viable and easily attainable option for the wives of planters. Because women are mostly concerned with food crops, they can cultivate those on the side, sell them weekly in the market, and make enough money each month to send their children to school, taking the financial burden off the husband, who can spend all of his earnings on coffee production. This kind of loan does not address many of the

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78 Kamdem, Albert, Director of COFINEST Dschang, Formal Interview, 22/11/07
79 Ngoufo, Professor of History, University of Dschang, Informal Interview, 13/11/07
most urgent credit problems for planters, but a Gatsby Foundation loan is the most easily attainable of all the micro credit institutions in Dschang, which is significant.

If micro finance institutions are to become viable sources of financial resources for arabica growers, it will be necessary for them to make their loans more accessible, and to publicize their services effectively to coffee growers. However, as Paul Francoise of MC2 stated, it is not the bank’s job to revitalize coffee production in the area; their institution needs to make money too, and giving credit to uneducated coffee growers is a major risk. It is clear that though micro credit is an option for planters, they need to increase their incomes and have more governmental support before they can really benefit from such an institution.

**Foreign Aid Organizations**

There are few foreign aid organizations directly concerned with coffee production in Cameroon, however a few projects are worth mentioning in order to convey the benefits and limitations of foreign aid for Cameroonian agriculture. IRAD, a French research organization, has done studies on coffee production in Cameroon for many years. About five years ago, as part of a research effort, they gave young arabica plants to a number of planters around Dschang who had stopped cultivating coffee up to that time. This project, however, was small-scale and not followed up by visits after the plant material was given, as had been intended, which decreased the effectiveness and long-term viability of their efforts.\(^81\)

Larger-scale projects include one financed by the European Union and one by USAID, though they were not in Dschang. The European Union project was based in the Southwest province, trying to encourage organic coffee growing within one cooperative. The EU rarely invests in agricultural projects, however, as its efforts are more often on the research and development front. USAID, when it was still an active presence in Cameroon, invested in

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80 Dongmo, Etienne, Director of Gatsby Foundation, Dschang, Formal Interview, 26/11/07  
81 Sonkam, Paul, Coffee Planter (Keleng), Formal Interview, 13/11/07
some cooperatives in the Northwest Province, but because they no longer have an office in Cameroon, they have done very few agriculture-related projects in recent years.\textsuperscript{82}

In order for foreign investment and aid to become more common in the arabica coffee sub-sector of Cameroon, it will be essential to create a better business and governmental environment in which foreigners can trust. According to Tad Brown of the U.S. Embassy to Cameroon, the United States has a “Millenium Challenge Program” which dictates the countries in which they invest according to their rankings for corruption, election accountability, economic efficiency, and other indicators of good governance.\textsuperscript{83} This in effect means that if the Cameroonian government can improve the lives of its people, it will reap the benefits of more foreign investment, by the United States and other foreign bodies. Because coffee is an export crop, it has increased potential to attract outside investors, a fact that should be capitalized upon.

\textit{Government Aid}

Government involvement in agriculture, through subsidies and price supports, for example, is a contested issue. As previously discussed, the government of Cameroon was heavily involved in coffee production since its introduction in the colonial era. Until the institution of structural adjustment at the beginning of the 1990s, the government heavily subsidized agricultural inputs, ran a coffee marketing board, and operated the regional coffee cooperatives under the central administration. The purpose of the structural adjustment programs was to privatize agricultural development activities and to promote the farmer’s accountability for cost recovery and establish new cooperatives.\textsuperscript{84} Cameroonian farmers are still struggling to do this.

\textsuperscript{82} Ncharé, Amadou, Agricultural Economist at the Ministry of Agriculture and the European Union, Yaoundé, Formal Interview, 17/10/07
\textsuperscript{83} Clinton ‘Tad’ Brown, U.S. Embassy, Group Talk, 17/10/07
Coffee planters today hold mixed opinions about government interference in their enterprise. Six of seventeen planters interviewed did not know that the government used to subsidize inputs and set coffee prices. They only knew that the price of inputs was lower before the economic crisis, but they blamed the rise solely on the stagnant economy. Those that did understand the extent of government involvement in arabica pricing and subsidies were generally angry at the government for deserting them, and particularly bitter about the disappearance in 1989 of the *Caisse de Stabilisation*, the money that should have been used to ease the blow of the price drop.\(^\text{85}\)

The interviewees were nearly unanimous in calling for greater government support for Arabica production. Twelve of them, when asked “Whose responsibility is it to support arabica producers?” explicitly said that it was the responsibility of the government. The other five thought it was their own responsibility, or that it should be shared by all parties involved. The most important thing the government can do for arabica planters, according to all seventeen of them, is to lower the price of fertilizers and pesticides. The Chef of Keleng stressed that it must be in the best interests of the government to help arabica farmers because with no aid in this important economic sector, an increasing number of young people, seeing no other options in their birthplace, will flee the countryside for the city and for other countries, resulting in a ‘brain drain’ that will certainly be detrimental to the Cameroonian economy.\(^\text{86}\)

*Cooperatives*

Coffee cooperatives are an important potential source of structural and financial support for planters, but currently they do not have enough resources to be able to significantly affect planters’ situations. The coffee cooperatives used to be government owned and run, a branch of the government that was directly concerned with coffee

\(^{85}\) Keleng Chef, Coffee Planter (Keleng), Formal Interview, 16/11/07  
\(^{86}\) Keleng Chef, Formal Interview, 16/11/07
producers. Today, however, cooperatives are struggling to survive in the new financial environment. The Dschang cooperative, now officially SCAPLAME (Société was added to the name, although everyone continues to use the name CAPLAME) is seen increasingly as a defunct organization. “Ils doivent lever les poulets pour survivre,” said Bertrand Ngoufack of the Ministry of Agriculture of CAPLAME, “Comment est-ce qu’ils peuvent soutenir les planteurs?” 87

Indeed, the membership of the CAPLAME has fallen drastically in the last ten years due to the departure of many former producers from coffee production. Planters who formerly had large plantations of coffee plants have cut their production by half or more, or left it entirely, and it is no longer worth being a member of the cooperative. In order to continue as an agricultural cooperative, CAPLAME has started diversifying its crops, for instance, it bought 6,000 chickens last year, and it encourages food crop producers to be members as well. 88

In order to become a viable source of credit and organizational assistance for coffee growers, CAPLAME has to rebuild its reputation and make membership more lucrative. People decide not to sell to the cooperative today because they can get a higher price from the coxeurs who come directly to their village. The lower prices offered by CAPLAME used to be justified by the facilities and assistance they gave to planters, but now, with their current financial situation, those benefits are not possible except for their biggest clients. Advances on money to pay for fertilizers at the beginning of the season used to be an excellent and reliable system to financially enable farmers to use the recommended amounts of fertilizers and pesticides on their plants, however, the CAPLAME gave its last such credit in 1988. The cooperative also used to give long-term credit of five years, mainly for the purpose of building housing, but his program was stopped in 1990. The main problem with getting

87 Ngoufack, Bernard, Formal Interviews, 14/11/07, 19/11/07
88 Tsamo, Clément, Formal Interview, 15/11/07
credit, aside from a lack of funds, is the difficulty for the cooperative of recuperating the money which they lent out. Because many planters are no longer members of the cooperative, they have lost their sense of loyalty, and do not think it important anymore to repay their loan.  

If the CAPLAME was truly a cooperative created for and by the planters, with more credit available and with a willingness to ameliorate the roads and processing facilities available to planters, it would become again a more central resource for planters. According to all those interviewed at the cooperative, in order to reestablish themselves as a crucial organization in the minds of planters, they need more funds: to restart their credit program, to buy sacks of coffee at a higher rate, and to offer more services. The directors are in the process of looking for investors, but as yet have been unsuccessful. The cooperative is confident, however, that it is the best system of buying and selling for planters, unsurpassed in the benefits and the quality control it offers, qualities not held by the coxeurs, who have been known to cheat their clients. According to Mr. Tedountsop, the CAPLAME has good facilities and a well-educated staff that will remain until coffee producers decide to return, which he is sure they will. Indeed, if the cooperative is again able to offer the financial resources to its members that it did previously, this will most likely be the best support institution for planters in the future. Until then, however, diversification of financial resources is the best course for planters.

**Arabica Coffee: Viable and Practical into the Future?**

Looking at the current trend in arabica production, it is difficult to see a future for the crop as an important source of export revenue for the nation and a source of income for growers in Cameroon. One wonders if it is even an important part of the economy and culture today, or whether it is only a crop of the past. Given the social, economic, financial, and  

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89 Tedountsop, Claude, Director of Credit, CAPLAME, Coffee Planter, Formal Interview, 26/11/07
infrastructural limitations to cultivation, arabica growers must be prepared to fight a hard battle in order to preserve their tradition. Because the crop is no longer sufficiently profitable to support its growers, it is surprising that Arabica production continues at all.

Based on many interviews, I must conclude that Arabica coffee continues to be grown in Dschang and environs because of its cultural and historical presence in the lives of the people. Despite a recent history of low returns and the lack of input subsidies, no other crop has emerged which is so well adapted to the region and with so great a potential for per plant revenue to the grower.\(^{90}\) Arabica is long-lasting, environmentally sustainable, can be sold before harvest to satisfy need for liquidity, and can be passed on to children, which is not true of most food crops. Non-agricultural industries offer a similar lack of possibility. There are currently no major industries in the Ménoua that could replace arabica production without driving all peasants out of rural areas. Importantly, arabica has become a way of life for the people of Dschang. “Je veux que mes enfants continue d’être les caficulteurs,” the planter Etienne Ladjou said fervently during an interview, echoing the desire of most coffee producers with whom I spoke.\(^{91}\) Those who did not want their children to continue planting said that their view would change if arabica became more lucrative. Additionally, many who had decided to stop tending their coffee plants said they did not have the heart to pull out their plants; that they would wait until coffee prices went up again and recommence cultivation.\(^{92}\) If there is such a strong desire by planters to continue in this particular profession, there must be a way to sustain it.

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\(^{90}\) Kuété, Martin, Formal Interview, 2/10/07

\(^{91}\) “I want my children to continue to be coffee producers.” Ladjou, Etienne, Coffee Planter (Tsinfou), Formal Interview, 15/11/07.

\(^{92}\) For example, Sonkam, Paul, Coffee Planter (Keleng), Formal Interview, 13/11/07.
Potential Solutions

The best way to assure that arabica coffee continues to be produced in Cameroon is to improve its competitive position on the world market. This requires two major improvements on the production side: in plantation output and in product quality. Further, cultural changes including education and governmental reforms are key to re-invigorating the coffee industry. According to a study by Amadou Ncharé, 32 percent of arabica farms in Cameroon are technically inefficient. This inefficiency is due to several factors, including the poor use of fertilizers and pesticides, the ageing of the plant stock on most plantations, the poor handling of crops, and the practice planting food crops with coffee plants, known as mixed cropping.\(^{93}\)

These inefficiencies could be corrected through, first and foremost, access to credit. This allows for the application of more fertilizers and pesticides and for the possibility of monocropping, rather than the planter being forced to diversify in order to protect against financial instability. Secondly, education will go a long way to increase efficiency. Teaching the best ways to apply fertilizers and insecticides, increased production of young arabica plants to replace ageing ones, and better incentives to grow only arabica, rather than intercropping. Quality improvement is a question of better government regulation of the processing of coffee. Because many planters now sell their harvest to coxeurs rather than to the cooperative, there is no coherent system of sorting coffee by grade. The CAPLAME had a distinct method of classing beans by weight and color that is not used by all parties doing the processing today, which has resulted in a degradation of the reputation of Cameroonian coffee.\(^{94}\)

Access to liquidity is integral to all the potential solutions for coffee planters because this would enable them to invest in inputs, become better educated on planting techniques, and embark on development projects within their area, including road improvement. Though

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there exist several microfinance institutions in Dschang, none of them are particularly suited for coffee planters. It is necessary to develop institutions that can give loans for longer than a single year, which is needed to get returns on a perennial crop such as coffee. These institutions must also instil trust in coffee planters. A more workable version of the microfinance bank may lie with the tontines and GICs that can give small credit to their members. The current problem with these organizations, however, is that generally don’t have sufficient funds to allow a group to embark on large-scale projects such as the complete insect eradication for which the UGIC MOD asked for credit from MC2. Adequate funding is necessary for operation on such a scale.

The government can contribute to reviving coffee production by improving infrastructure and funding the agricultural extension service. Roads are difficult for individual communities to keep up, since repair requires heavy machinery and materials they do not have access to. This infrastructural upkeep should be the responsibility of the government. An improved road network would facilitate easier transport of agricultural products, increase the capacity for export, and allow more frequent access by government agents. These extension agents play a crucial role in connecting rural planters with information on programs and services available to them. They are also an important presence on farms just by the fact that they make planters feel that someone cares about their well-being and the success of their endeavors. With low funding, many extension agents have stopped making regular visits to the plantations in their jurisdiction, rather, they wait for planters to come to them with problems.\textsuperscript{95} Agents simply need more money to pay for gas to get to plantations and more resources to offer those planters.

All parties involved in the coffee business, including government, coffee cooperatives, and the planters themselves, must encourage the domestic market for coffee. Small-holder

\textsuperscript{94} Tsamo, Clément, Formal Interview, 15/11/07
\textsuperscript{95} Njiké, Chef de Poste d’Agricole de Bafou, Ministry of Agriculture of the Menoua, 15/11/07
planters who are not members of the cooperative generally cannot afford to drink their own coffee. One service that the CAPLAME does for its members is to give them each a bag of processed coffee at the general meetings. This encourages its members to appreciate their crops as not something just produced to be enjoyed in other countries, but that can be appreciated in Cameroon, among their friends and family. People in Dschang, especially older men, like drinking coffee; it just needs to be made more affordable and more attractive as a beverage of choice. The phrase “Le café donne la force” was very common among interviewees. This is a motto that could be capitalized upon.

Perhaps the most important way to improve the morale and productive capacity of arabica growers is to promote strong, independent planters organizations. The members of GICs with whom I spoke felt more empowered because of the support that they received from their group. This corresponds with the fact that the two planters I interviewed who had requested major loans were the délégués of a GIC in whose name they were acting. Banding together to collect money, to process and sell their coffee, and to ask for financial assistance is the current equivalent of the cooperative system in a grass-roots context.

If arabica coffee producers can gain hope and confidence with the increased resources and sense of group identity given to them by their membership in a planters organization, then arabica coffee could have a chance to become not just a crop of the past, but also of the future.

96 Moumbo, John, Formal Interview, 15/11/07
97 “Coffee gives strength”
Conclusion

Arabica coffee growers of Dschang face unique social, economic, and political challenges. They cultivate a crop that was introduced by colonial powers, but that has since been adopted as an important aspect of Bamiléké life and culture. Growing arabica has been a primarily economic pursuit, and since its introduction in Cameroon in the 1920’s, Bamiléké planters have struggled against political barriers to owning and cultivating their own plantations. Yet the continuation of the struggle throughout the Colonial Period, and then all through Cameroon’s economic crisis beginning in the 1980s and effectively continuing until today, demonstrates that coffee will not be easily relinquished by planters of the Dschang region. It is clear that in order to reinvigorate the economy and the rural sector around this university city, coffee planters must have easier access to financial resources and to infrastructure such as roads and coffee processing equipment. The project of rejuvenating the arabica coffee sub-sector requires not only government and international aid, but rather demands a multi-faceted approach. Only by engaging private micro credit institutions, national and international governments, local organizations, and most importantly, the coffee planters themselves, can arabica coffee production continue to be a part of Bamiléké life and the Cameroonian economy.
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