

State-centric Ploys in the Rise and Liquidation Process of the Nangah Company Limited (Cameroon), 1962-1991

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Corporate enterprises in British Southern Cameroons as in most African territories under colonial rule were dominated for the most part by non-nationals. After the independence and reunification of British Southern Cameroons with the Republic of Cameroon on 1st October 1961, there was a visible paradigm shift in the actors and scope of intervention of corporate business life in Anglophone Cameroon, the territory roughly representing the erstwhile British Southern Cameroons. The Social and economic needs of the new state in office structures, hotels, transportation and the increased exigency for public utilities, gave room for fresh business opportunities. This resulted in the birth of indigenous business companies prominent among which was the famed Nangah Company limited. Though this company became the symbol of indigenous entrepreneurship in Anglophone Cameroon in the 1960s and 1970s, it became a victim of “problematic” liquidation in the 1980s largely as a result of political manipulation. It is centrally in this context that this paper mostly drawing from primary historical sources and employing a descriptive and analytical approach, examines the political influences involved in the rise and eventual collapse of the Nangah Company. The findings revealed that the backbone of the speedy ascendancy of the Nangah Company was the Kamerun National Democratic Party (KNDP) support given that the main shareholders of the company were financial benefactors of the KNDP Party. The paper equally disclosed that, following the putting in place of a one party state in 1966 and later the Unitary State in 1972, political suspicion and social clashes between D. A. Nangah and President Amadou Ahidjo, led to the political victimization of the Nangah Company. This personality differences partly contributed to ushering the company to a calamitous demise. It also emerged from the investigation that, the Nangah Company was entangled by the double matrix of the inability by the government to pay for executed contracts and the absence of an enabling tax environment. Principally, the paper submits that, *inter alia*, the Nangah Company was raised through state-centric favours and collapsed through the same political machinations.

Keywords: Nangah Company, West Cameroon, Amadou Ahidjou, Taxes, Liquidation, Government.**Copyright © 2022 The Author(s):** This is an open-access article distributed under the terms of the Creative Commons Attribution **4.0 International License (CC BY-NC 4.0)** which permits unrestricted use, distribution, and reproduction in any medium for non-commercial use provided the original author and source are credited.

INTRODUCTION

Following the granting of independence to British Southern Cameroons by reunification with the Republic of Cameroon to form the Federal Republic of Cameroon on 1st October 1961, there was need to attend to some urgent social and economic needs of the new state. These exigencies were office structures, hotels, transportation networks and other facilities of public utility. These pressing necessities built up at a time when most expatriate companies were losing grip on the territory as a result of the end of titular rule. It is in this circumstance that indigenous business entrepreneurs stepped in to occupy the intermediate business space. Among the business enterprises that budded and gained

prominence in Anglophone Cameroon, the territory roughly representing the erstwhile West Cameroon state was the Nangah Company Limited. This company quickly rose to prominence becoming the biggest indigenous business initiative in Anglophone Cameroon. This was given its outstanding contributions to the development of the state. From 1962 to 1982 the company registered moments of business success that in the course of time waned leading to its final collapse. The paper examines the specific double-edged circumstances that propelled the company to prominence and rendered it defunct. It delves into the context and overview of the Nangah Company limited, examines the political gambit in the ascendancy of the Nangah Company limited, and discusses the tax bane as well as the liquidation imbroglio in the political

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victimisation of the Nangah Company. Finally it profiles the social complement to the political victimisation of the Company. The paper argues that political-centered maneuvers fashioned and later frustrated the growth and expansion of the Nangah Company.

Context and overview of the Nangah Company limited

In the 1950 spoliational effervescence developing from nationalist aspirations to terminate British titular rule took centre-stage in British Southern Cameroons. This was associated with the emergence of the Kamerun National Congress (KNC) led by E.M.L Endeley, Kamerun Peoples' Party (KPP) headed by N.N Mbile, Kamerun National Democratic Party (KNDP) of J. N. Foncha and One Kamerun (OK) of Ndeh Ntumazah. These parties, although with dissimilar political packages, propelled the territory to independence and reunification with the Republic of Cameroon on 1st October 1961. The end of Trusteeship culminated in the birth of the Federal Republic of Cameroon constituted of East and West Cameroon. After the establishment of the Federal State in 1961 the KNDP, that emerged victorious at the UN organized Plebiscite of 11th February, remained in power in West Cameroon, coterminous with British Southern Cameroons. The chairman of the party, Foncha, cumulated the positions of Prime Minister (P.M) of West Cameroon and Vice President of the Federal Republic of Cameroon until 1965 when he was replaced by A.N. Jua as P.M [1]. On the other hand, the KNC and KPP that had coalesced to form the Cameroon Peoples National Congress (CPNC) before losing at the February plebiscite became the principal opposition party. The activities of these political parties only lasted up to September 1966 when the President of the Federal Republic, Ahmadou Ahidjo following diplomatic and repressive tactics dissolved all the existing political parties in the country and formed the Grand National Party named the Cameroon National Union (CNU).

As the government in power, the KNDP in West Cameroon developed a political economy that kept economic affairs apron-stringed to the political dictates of the party. It began by inheriting long established colonial economic institutions in Southern Cameroons such as the Cameroon Development Corporation (CDC), Cooperative Societies and Produce Marketing Board. In addition, it created a commercial and development financial institution, the Cameroon Bank to finance economic and business operations. The economic institutions for the large part were headed by members of the governing party. To facilitate the KNDP influence and grip on power, the party provided financial support to some emerging business class within the party [2]. This strategy was intended to groom a cream of financially opulent elite in the KNDP who will in turn sustain the party in the face of fierce political competition [3]. Thus, several confidential security reports in West Cameroon, pointed to the fact that prominent Bamenda indigenous entrepreneurs and

commercial enterprises owed their rise to prominence from KNDP support mechanisms [4]. This to an extent was a subtle form of state capitalism practiced by the KNDP government in Southern and later West Cameroon(s). Among these politically machinated entrepreneurs were D. A. Nangah of the Nangah Company, S.K. Kilo of Kilo Bros Ltd and Daniel Che of Che Company Ltd who were all strong supporters of the KNDP and close associates of J.N Foncha.

Daniel Awa Nangah who became the pivot of the KNDP business upbringing machination was not only a political acolyte to the party's president, Foncha, but had close sanguinary relations with Foncha's wife, Anna [5]. He created the Nangah Company which was incorporated on 20th/03/1962 under the Companies Ordinance of West Cameroon principally as a building construction and engineering company with headquarters in Buea [6]. This company went forward to be the leading and most prominent indigenous company in West Cameroon throughout its period of existence. Nangah who was the principal shareholder of the Company, served as the lone Managing Director of the Nangah Company [7]. He carried on the day to day business of the company and exercised control and supervision over the acts and proceedings of all servants of the Company in matters of execution of duties, administration as well as matters concerning the appointment of staff and control of accounts and records [8]. By the mid-1970s, Nangah personally owned 64.65% of the total amount of shares issued by the Nangah Company, valued at 129,290,000 FCFA, with the next person having barely 6% of the shares, valued at 12,000,000 FCFA [9]. Prominent, businessmen, professionals and especially politicians were shareholders in the Nangah Company. Examples included; J. N. Foncha, Anna Foncha, S.T. Muna, Prof. Victor A. Ngu, Kadji Joseph, and Francis Max Moffor. Foncha in particular was the fourth highest shareholder in the company.¹⁰ A vast majority of shareholders in the company were family members of D. A. Nangah.¹¹ The Nangah Company quickly expanded and became associated with many outstanding achievements with its assets worth over 2 billion FCFA as shown on table 1.

⁴ NAB, Qb/d(1966) 18 Business and Construction Companies in West Cameroon, 1966.

⁵Nji William Tamo (Retired Businessman and Cousin to D.A. Nangah, 96 years), Njimafor- Mbatu, 11/6/2017.

⁶Idem.

⁷Peter Ngufor (Commercial Entrepreneur and former worker of the Nangahcompany, 74 years) in discussion with the author, Mile 3 –Bamenda, 15th/10/2017.

⁸Lambert N. Munang, "Indigenous Entrepreneurs in Bamenda, 1939-1991: Emergence and Contributions" M.A. Dissertation in History, The University of Bamenda, 2018, 83.

⁹Barminjoh Chambers Bamenda, Nangah Company Limited File, Issued Share Capital, Shedule 1.

¹⁰ Ibid.

¹¹ Ibid.

¹ Ibid.,238.

²Lovette Z. Elango,(Emmeritus Professor of History, 76 years), Buea, 5th/5/2017.

³Idem.

Table-1: Statement of Affairs of the Nangah Company as at May 1982

Assets	Value in FCFA	Liabilities	Value in FCFA
Land and Buildings	673,000,000	Bank Loan (guaranteed by D.A. Nangah)	250,000,000
Motor Vehicles	118,000,000	Bank Advances on Job Situations	387,828,068
Plants and Machinery	272,800,000	Bank Overdrafts	278,520,991
Sundry Debtors	163,074,028	Shareholder's Loan (D.A.Nangah)	110,000,000
Contract Debtors	626,396,908	Shareholder's Current Account (D.A. Nangah)	256,818,559
Stocks of Materials	335,000,000	Sundry Creditors	378,997,335
Cash in Hand	5,925,615	Bills of Exchange (Traits Payable)	23,163,648
		Employees Advances on Contracts Current Position	335,438,321
		Estimated Bank Interests on Current Accounts	38,100,000
		Taxes owed the State	81,886,875
		Accrued Expenses: Employees' Salaries and Benefits	230,000,000
Total	2,194,196,551	Total	2,370,753,797
		Deficiency (Difference of Liabilities and Assets)	176,557,245

Source: Established with data extracted from Nangah Company Audit Report, Accounts for 146 Months to 30th June, 1994.

At its peak, the Nangah Company employed about 1000 workers on permanent basis including expatriate staff [12]. The company also became associated with successful execution of numerous contracts with well-designed and durable structures. Some of the projects executed by the company included the New P.M.'s office in Buea, SCB Kumba, MMC Nkwen Bamenda, the Forestry School at Mbalmayo, Journalism School in Yaoundé, Grammar School Nkambe, CAMSUCO Mbanjock and CCAST Bambili student's halls of residence. The Company also later diversified to include coffee and cocoa dealership, furniture production, real estate and other business [13].

Political gambit in the ascendance of the Nangah Company limited

Political influences played a key role in the ascendancy of the Nangah Company. Nangah, like some of his business peers who were committed militants of the KNDP Party such as S. K. Kilo and Daniel Che did not have any prior track record of involvement in business activities before emerging as a business mogul. Some crucial sources points to the fact that there were covert and at times overt financial transactions between the KNDP leadership in power and some major commercial entrepreneurs. A case in point is the confidential security report No. 12.18/vol.2/72 from the security service in Buea on the Nangah Company in 1967. The report inter alia revealed that the popularity of the Nangah Company was "...due to the fact that this company's backbone has been the KNDP Party support"[14]. The same source

posited that "ever since the dawn of the CNU and even the come together of opposition and government parties in West Cameroon, the [Nangah] company began experiencing hardship by gradually losing its popularity"[15].

In fact, several security reports from the Security service in West Cameroon credited the birth and expansion of the Nangah Company to the political covering of the KNDP Party. According to the reports, KNDP authorities who were at the helm of government in West Cameroon empowered the Nangah Company along with the Kilo Bros Ltd above rival indigenous companies by giving them limitless access to colossal loans from the Cameroon Bank. This bank was somehow a state sponsored and controlled financial structure. Confidential security report no.197/126 of the West Cameroon Security Service revealed that there was open bias in the granting of loans in the Cameroon Bank where "The rich who were in abundance; easily received huge credits as opposed to those who were really in need [16]." As posited in the report, the rich in this quote clearly referred to Nangah Company, the Kilo Brothers Company and the Che Company. The same report disclosed that John Ngu Foncha and his wife Anna Foncha who were shareholders in the Nangah Company had taken 75 million francs from the Cameroon Bank to sponsor the Nangah company. The money was to be invested and managed by Nangah, under the direct supervision and control of Madame Anna Foncha [17]. These disclosures undoubtedly pointed to the fact that the rise of the Nangah Company could among other factors be attributed to the direct sponsorship received from the KNDP Government in Southern Cameroons and later West Cameroon.

¹²Lambert Munang Ngong & Nixon Kahjum Takor, "Emergence, Stratagems and Extent of Adaptation of Corporate Business Enterprises in the North West and South West Provinces Coterminous with West Cameroon, 1962-1982" International Journal of History and Cultural Studies (IJHCS).vol 7, no. 2, 2021, pp. 104-115, 108.

¹³ Ibid.,110.

¹⁴NAB.Fileno.Qb/d(1966) 18, Business and construction Companies in west Cameroon, 1966.

¹⁵ NAB, Qb/d(1966) 18 Business and Construction Companies in West Cameroon, 1966.

¹⁶ Ibid.

¹⁷ Ibid.

The political support of the KNDP government in West Cameroon to the Nangah Company was also manifested in the award of public contracts in West Cameroon. The company enjoyed the favour of being granted juicy state public contracts ahead of expatriate and other indigenous companies. For example, the Nangah Company was awarded a contract to build the Mankon town market for 200 million francs CFA. The Merrs Tellco Cameroon Ltd, had offered to build the market for one hundred and 135 million francs CFA. This was 65 million francs less than the amount demanded by the Nangah Company [¹⁸]. In spite of the difference of 65 million Francs between the two bidders, the government prioritised the Nangah Company undermining the loss of 65 million francs. This again demonstrates the attention accorded the Nangah Company by the top officials of the KNDP led government in West Cameroon. According to Elango, their intention was to raise financial tycoons who will in turn shoulder financial responsibilities, especially during campaigns leading to elections of the KNDP and rival political parties [¹⁹]. This was corroborated by a confidential security report in early 1966 which stated that “Nangah the managing director [of the Nangah Company] brought ten (10) *deuxchevaux* (horse power) and presented them to the KNDP to be used for political campaigns for the next coming parliamentary elections into the West Cameroon House of Assembly” [²⁰].

However, some sources point to the fact that, the startup capital for the creation of the Nangah Company was mobilised by D.A. Nangah from savings generated with earnings received in his previous employments. Born in Mbatu on April 29th 1929 into a very humble home, Nangah grew up and was in an early age associated with a number of jobs. These included working with the Prison Department in Bamenda as awarder, working with the CDC [²¹] and working in Public Works Department (PWD) [²²]. It was while working there that he discovered his giftedness and inborn skill in construction. Savings accumulated from earnings in these employments constituted an important source of the initial capital of the Nangah Company [²³]. It is therefore safe to

¹⁸ NAB, Qb/d(1966) 18 Business and Construction Companies in West Cameroon, 1966.

¹⁹ Lovette Z. Elango, (Emmeritus Professor of History, 78 years), in discussion with the author, Buea, 5th/5/2017.

²⁰ NAB, Qb/d(1966) 18 Business and Construction Companies in West Cameroon, 1966.

²¹ Joseph Kwi (Retired NW Regional Delegate of Labour and former Cameroon MP, aged 86) in discussion with the author, Ntambessi-Bamenda, 20th February 2020.

²² Ngiah Caroline (Retired Health Worker and Niece of D.A. Nangah, 61 years) in discussion with the author, Njimafor-Mbatu village, 15th/06/2017.

²³ Idem.

conclude that, while D.A. Nangah could be credited for mobilising startup capital for the Company through personal savings, its growth and expansion was facilitated by the political covering and financial favours accorded the company by the KNDP Government in West Cameroon. The Company enjoyed huge loans from the Cameroon Bank and was largely given preferential treatment in the award of state contracts in West Cameroon. These privileges were largely enjoyed by the Company prior to the establishment of the unitary system of Government in 1972.

Tax bane component of the fragilisation of the Nangah Company Limited

In spite of the exploits of the Nangah Company, the lifespan of the Company was quite ephemeral. The conditions that facilitated the prominence of the company were quite similar to the conditions that triggered its collapse. As a politically fashioned entrepreneur, Nangah’s business exploits were later embroiled in politics. The political entrapment of the Nangah Company hinged on arbitrary tax assessments and internecine disputes between the company and the state of Cameroon.

In the first place, the company claimed to have been a victim of arbitrary tax assessment. This resulted in protracted and devastating tax disputes with the government of the Republic of Cameroon. Taxation officials including Inspectors –Verifiers and Directors of Taxes, were accused by the Nangah Company of being too hard and biased in the tax assessments drives towards the enterprise. They were also blamed for poor treatment of reviewing tax petitions and in the imposition of penalties. The Nangah Company complained that, the enterprise was a victim of arbitrary tax assessments in the 1970s. Illustrative of such accusations was, the Limbe Tax Inspectorate that the management claimed continuously imposed 50% penalties in lieu of 30% on turn over tax assessments from the company’s adequate returns in accordance with Article 246 (3) of the General Tax Code [²⁴]. This continued unchecked despite petitions from the Nangah Company. Such moves placed a heavy tax burden on the company.

²⁴ Barminjoh Chambers Archive Bamenda, Nangah Company file, Buea High Court Suit No. HCF/47/89, Report on the Reconciliation of Accounts Between Nangah Company Limited (in Liquidation) and the Cameroon Government, 2.

Table-2: Excess Penalties Paid By Nangah Company from 1975-1978

Year	Rate at 30%	Rate at 50%	Net loss
1975- 1976	66,808,560 FCFA	85,652,000 FCFA	18, 843,440
1976- 1977	88,186,133 FCFA	113,059,144 FCFA	24,873,011 FCFA
1977-1978	86,433,735 FCFA	110,812,480 FCFA	24,378,745 FCFA
Total from 1975-1978			68,095,196 FCFA

Source: Established with Data extracted from Barminjoh Chambers Archive Bamenda, Nangah Company file, Buea High Court Suit No. HCF/47/89, Report on the Reconciliation of Accounts Between Nangah Company Limited (in Liquidation) and the Cameroon Government, 2.

As shown on Table 2, in 1975 to 1976, tax roll no. 77-06-1-09158-W assessed 50% penalties in lieu of 30% for the Nangah Company. This excessively placed the sum at 85,652,000 FCFA instead of 66,808,560 FCFA if the tax penalties were calculated at 30%. The extra 18, 843,440 were considered by the company to be too huge to loosely forfeit [25]. Similarly, in the year 1976-1977 tax penalty assessment in tax roll no. 79-03-1-63057-R, Nangah Company tax penalties assessed at 50% in lieu of 30% amounted to 113,059,144 FCFA instead of 88,186,133 FCFA if assessed at the appropriate 30%. The Company was thus faced with an excess tax penalty of 24,873,011 FCFA [26]. In 1977-1978, same approach placed the company on tax penalties of 110,812,480 FCFA instead of 86,433,735 FCFA. There was therefore an excess penalty charged amounting to 24,378,745 FCFA [27]. Thus, from 1975 to 1978, excess penalties charged on the Nangah Company amounted to 68,095,196 FCFA. The Nangah Company was badly affected by such excess penalties and vigorously petitioned against them but this went in vain.

Furthermore, the Limbe Tax Inspectorate was accused of continuously assessing the Nangah Company for staff's supplementary PAYE taxes instead of directly assessing the staff concerned. For example, the Nangah Company staff supplementary PAYE Tax assessments for 1976-1977 and 1977-1978, involving 24 staff amounted to 1,387,683 FCFA [28]. These assessments that ought to have been addressed and directed to the staff concerned, was instead debited from the account of the Nangah Company at the Buea Provincial Treasury. Efforts made by the Nangah Company for such errors to be corrected were fruitless. Tax inspectors – verifiers of taxes did not bother to fully reconcile and give credit for the 1972/1973, 1973/1974 and 1975/1976 excess turnover tax settlements [29]. Besides, Inspectors–Verifiers of taxes assessed the Nangah Company turnover tax on prior 1st

July 1973 contracts' income at 8% in lieu of 6% in 1973/1974 [30].

There were also instances where, Inspectors–Verifiers and Directors of Taxes even refused to honour contracts that were awarded and duly signed by appropriate Government authorities. One of the most frustrating taxation hurdles experienced by the Nangah Company is reported by Sendze in the following words: the provincial Treasury in Buea continuously charged and forcefully recovered and deducted monies for 10% penalties on delayed settlements of tax rolls despite the fact that the Director of Taxes/Government had granted delayed installment settlements (moratoires) for the same rolls: and also despite the Minister of Finance's clear instruction that these penalties were to be waived since the company was honouring its installment settlements' arrangements [31].

From the foregoing illustrations, it is therefore evident that the Nangah Company was victim of uncompromising taxation policies and officials. Such conduct had a damaging effect on the Nangah Company. The harsh and biased tax assessments culminated in protracted and daunting dispute between the Nangah Company and the Cameroon Government. This was the company's most pertinent problem because it led to the liquidation of the Company. Between 1979 and 1982, the Company ran into financial difficulties and taxation disputes with the government. These circumstances ushered the enterprise into liquidation wrangling.

The Liquidation imbroglio

By May 1982, the difference of the liabilities and assets of the Nangah Company stood at a deficiency of 176,557,245 FCFA. This brings to light the gravity of the company's financial difficulties by 1982. The company ran into financial difficulties due to nonpayment of executed contracts by the state. At this time, the government owed the Nangah Company for

²⁵ Ibid.

²⁶ Ibid.

²⁷ Ibid.

²⁸ Luke Kudze Sendze (Attorney at Law and former legal Adviser to Nangah Company Ltd, 78 years), Veterinary Junction –Bamenda, 16th/10/2017.

²⁹ Ibid.

³⁰ Barminjoh Chambers Archive Bamenda, Nangah Company file, Buea High Court Suit No. HCF/47/89, Report on the Reconciliation of Accounts Between Nangah Company Limited (in Liquidation) and the Cameroon Government, 2.

³¹ Ibid.

jobs already completed the sum of 700,511,357 [32]. As a result, in its 7th extraordinary assembly in May 1982, the Nangah Company decided to go into voluntary liquidation following the provisions of Cap 37 of the 1958 Edition of the laws of Nigeria-Companies Ordinance, under which the company was incorporated in West Cameroon in 1962 [33].

It should be mentioned here that, when the Nangah Company was in financial difficulties, D.A. Nangah the Managing Director of the Company, loaned money to the company and used his personal property as sureties. It was in the midst of this complicated financial difficulty that the shareholders of the Company passed a regularly extra-ordinary resolution to put the Nangah Company into voluntary liquidation. Njoh Litumbe, a Chartered Accountant of Messrs Akintola Williams in Douala and M.N. Weledji, Solicitor and Advocate of Ngehdee's Chambers in Limbe; were appointed as liquidators of the company. On 19 June 1982, Njoh Litumbe and M.N. Weleji held a meeting with the creditors of Nangah Company and the government was invited to attend. The reason for inviting the government according to the company was because at the date of going into liquidation, the government was a creditor of the company by virtue of the fact that, the company owed the government some accrued tax dues which were still being contested [34]. It was in this respect that the government was represented in the meeting by two top officials. T. Elad who was the South West provincial delegate of the Ministry of Economic Affairs, represented president Amadou Ahidjou; while Bifere Henri of the Buea Provincial Treasury, represented the Minister of Finance [35].

The meeting held under an unusual tense atmosphere. Participants however unanimously agreed that the creditors should add another liquidator to the two already appointed by the Company. In this light, Charles Koh who was an expert accountant in Douala was added to the liquidators [36]. However, the meeting ran into a deadlock when Bifere Henri who was representing the Minister of Finance claimed that the tax liability of the Nangah Company stood at 970,718,887 FCFA. On her part, the Nangah Company claimed that, before the company went into voluntary liquidation, the accountants of the company had

calculated the tax liability to be 81,886,875 Francs CFA [37]. The difference was a colossal 888,832,012.

According to Luke Sendze, before the Nangah Company decided to go into voluntary liquidation, all attempts by the company through the efforts of its Managing Director D.A. Nangah and its Accountant to sit with the government and have the tax situation reconciled proved abortive as the government was not ready for that exercise to be carried out. The government insisted that the company had to pay the tax claimed by the government before anything could be done. It was this position that forced a complex crisis provoking the company to choose to go into voluntary liquidation as provided for by the company law under which the company was incorporated [38]. Furthermore, the deadlock was accentuated by the company's claim that before the Company went into voluntary liquidation, it had executed several jobs for the government on credit taken from various banks and because the government officials failed to issue discharge certificates upon expiry of the guarantee period after final completion of the said jobs, the banks were holding guarantees of the company worth over 1,600,000,000 FCFA for which the company was paying interest [39]. According to the company, these guarantees could have been written off upon the presentation of the said certificate of discharge [40].

As the deadlock dragged on, the Government of Cameroon decided to use force to frustrate the voluntary liquidation of the company. Through its agent the Treasurer of Buea on the 15th of July 1982 ordered the company's appointed liquidators to suspend their activities and through Bifere Henri, proceeded to put seals on all the properties of the Nangah Company. In spite of the vigorous protests of the Nangah Company to these actions, the government designated a commission for the auctioning of the assets of Nangah Company headed by Bifere Henri [41]. The Nangah Company was not represented in the commission. It was this commission that proceeded to sell the properties of the Nangah Company. All these actions taken by the government were considered a violation of the Ordinance under which the company was incorporated. Thus, the company wasted no time in protesting these actions by filling a motion in the Buea High Court praying the court to declare if the Ordinance

³²Luke Kudze Sendze (Attorney at Law and former legal Adviser to the Nangah Company Ltd, 78 years), Veterinary Junction –Bamenda, 16th /10/2017.

³³“Memorandum and Article of Association of Nangah Company” (Victoria: Cameroon Times, 1962), 1.

³⁴Luke KudzeSendze (Attorney at Law and former legal Adviser to the Nangah Company Ltd, 78 years), Veterinary Junction –Bamenda, 16th /10/2017.

³⁵Idem.

³⁶Idem.

³⁷Barminjoh Chambers Archive Bamenda, Nangah Company file, High of Fako Division Holden at Buea, Suit No.HCF/148/88, D.A. Nangah / Nangah Company (In voluntary liquidation) against the State of Cameroon, 1988, 2.

³⁸Luke KudzeSendze (Attorney at Law and former legal Adviser to Nangah Company Ltd, 78 years), Veterinary Junction –Bamenda, 16th /10/2017.

³⁹Idem.

⁴⁰Idem.

⁴¹Idem.

was still in force and whether the company had complied with the ordinance by going into voluntary liquidation. It was in this respect that among other things, the court ruled as follows; "... There was a valid voluntary liquidation of Nangah Company limited and the liquidators should be afforded the opportunity of carrying out their duties as spelt out in sec. 152 of the companies Ordinance"^[42].

Sendze posits that, with the above ruling, the company went further to commence action in the Administrative Bench of the Supreme Court to order the removal of the seal placed on the properties of the Company by the Government ^[43]. The ruling of this Court once more called on the Government to remove the seals for the Company to continue with its process of voluntary liquidation ^[44]. However, the government appealed against this ruling to the Full Bench of the Administrative sector of the Supreme Court in November 1983. The court ruled that it had no jurisdiction and set aside the decision to have the seals removed ^[45]. It was in this respect that one day after the above ruling; the government ordered the sale of the properties of the Nangah Company on 18th November, 1983.

Thus the sale of the properties of the Nangah Company was conducted by the Government appointed commission. This was in defiance of two of the court rulings. Firstly that the Companies Ordinance was the applicable law to the liquidation of the company and secondly, that the said voluntary liquidation was validly declared. Consequent to these legal wrangling, the Nangah Company was completely helpless and on the 6th of September 1984, D.A. Nangah and Weledji wrote to Bifere Henri requesting that he should make available a list of the assets of the company on takeover, an evaluation of the said assets, minutes of sales from day to day with money realised on each item, and an account of money collected from other sources ^[46]. According to Luke Sendze, Bifere Henri and his team ignored the request and proceeded with the sales keeping the D.A. Nangah and the Nangah Company in complete ignorance of what was going on. Nangah and other shareholders in the Nangah Company in liquidation, continued to decry the fact that the

Government did not involve either the Company or any of its creditors or liquidators in the sales exercise ^[47].

Furthermore, D.A. Nangah and the other shareholders and creditors of the Nangah Company in liquidation, claimed to have discovered and documented a plethora of what they considered 'grave irregularities' in the conduct of the sale of the company's properties by the Bifere commission. For instance, they discovered that proper receipts were not issued on the purchase of various items of the Company's properties; the President of the Government appointed commission was asking checks to be issued by the debtors of the company to his personal name. They equally noticed that some properties of the company worth over 200,000,000 FCFA were held by a bailiff in Bafoussam and many other such irregularities ^[48]. For example, a receipt issued by Bifere Henri, on 5th February, 1984 to Sojah Ngante for the purchase of a bulldozer, did not state the amount at which the item was purchased ^[49].

The climax of the consternation came in August 1984 when the Bifere Henri led commission revealed that the assets of the company amounted only to 245,500,000 FCFA ^[50]. This amount was paid into the Buea Provincial Treasury and according to Sendze, D.A. Nangah only learnt of it unofficially in 1988. Furthermore, up till 1988, the government had made no statement on the money it owed the Nangah Company for projects long executed. Again, in helplessness, D.A. Nangah and the Nangah Company (in liquidation), made further moves to the Government in an abortive attempt to let reason prevail and the law respected but received no reaction. Under such circumstances, they were left with the feeling that, massive fraud had been committed on the assets of the Nangah Company by government agents and that some of the properties of the company had been abandoned to the mercy of thieves and vagabonds with the company not being in the position to know whether the apparently abandoned property had been already sold. Faced with this prevailing state of affairs, the company was left with no alternative than to sue the Government in the Buea High Court in 1988 in Suit No. HCF/148/88 ^[51].

⁴²Barminjoh Chambers Archive Bamenda, Nangah Company file, High of Fako Division Holden at Buea, Suit No.HCF/148/88, D.A. Nangah / Nangah Company (In voluntary liquidation) against the State of Cameroon, 1988, 5.

⁴³Luke KudzeSendze (Attorney at Law and former legal Adviser toNangah Company Ltd, 78 years), Veterinary Junction –Bamenda, 16th /10/2017.

⁴⁴Barminjoh Chambers Archive Bamenda, Nangah Company file, High of Fako Division Holden at Buea, Suit No.HCF/148/88, D.A. Nangah / Nangah Company (In voluntary liquidation) against the State of Cameroon, 1988, 5.

⁴⁵ Ibid.,6.

⁴⁶ Ibid.

⁴⁷Nji William Tamo (Retired Businessman and Cousin to D.A. Nangah, 96 years), Njimafor- Mbatu, 11th/6/2017.

⁴⁸Barminjoh Chambers Archive Bamenda, Nangah Company file, High of Fako Division Holden at Buea, Suit No.HCF/148/88, D.A. Nangah / Nangah Company (In voluntary liquidation) against the State of Cameroon, 1988, 7.

⁴⁹ Ibid.

⁵⁰Luke Kudze Sendze (Attorney at Law and former legal Adviser to the Nangah Company Ltd, 78 years), Veterinary Junction –Bamenda, 16th /10/2017.

⁵¹Barminjoh Chambers Archive Bamenda, Nangah Company file, High of Fako Division Holden at Buea, Suit No.HCF/148/88, D.A. Nangah / Nangah Company (In voluntary liquidation) against the State of Cameroon, 1988.

According to Luke K. Sendze, the purpose of that suit was to bring the government to account for all the actions it had taken against the Nangah Company and its property without justification and accountability [52]. In a series of law suits that followed the various Government actions, the Government was found wanting on several claims and was condemned to pay damages of a substantial amount to the Nangah Company in Liquidation. The Court appointed a committee of experts to go into the reconciliation of accounts between the Nangah Company in liquidation and the state following the tax claim put up by the Government. The experts appointed were Chartered and Registered Accountants including: J.N. Bakoh (Bamenda), F.O. Awah (Limbe), J.C. Awundaka (Douala) and D.E. Ebune (Limbe) [53]. After meticulously examining the various relevant accounts, the committee of experts found the balance in favour of the Nangah Company (in liquidation) to be 3,883,416,488 FCFA [54]. According to the Committee, this sum was owed to the Nangah Company (in liquidation) by the Cameroon Government for:

Executed construction contract works, the company's unsettled taxes, the company's claims for the value of assets seized and sold by the Cameroon Government's appointed commission, the company's claim for costs of repairs of its dilapidated buildings and lost rents during the 7 to 8 years to 30th April 1991 sealing of its real properties by the Cameroon Government [55].

The Government was accused of violating the text governing the affairs of the Nangah Company namely, the Companies Ordinance Cap 37 of the 1958 Edition of the laws of Nigeria. According to the company, this text was wholly ignored by the agents of the Ministry of Finance for inexplicable reasons. The Nangah Company was incorporated on the 20th of March 1962 under the Companies Ordinance Cap 37 of the 1958 edition of the Laws of Nigeria. The Memorandum and Articles of Association were drawn up and got their legal existence from the company's ordinance cited above. After reunification between the Southern Cameroons and the Republic of Cameroon, the law on this subject was not harmonised or repealed. Under such circumstances, the Nigerian law in which the Nangah Company was incorporated was still in

⁵²Luke Kudze Sendze (Attorney at Law and former legal Adviser to the Nangah Company Ltd, 78 years) in discussion with the author Veterinary Junction – Bamenda, 16th/10/2017.

⁵³Idem.

⁵⁴Barminjoh Chambers Archive Bamenda, Nangah Company file, Buea High Court Suit No. HCF/47/89, Report on Reconciliation of Accounts Between Nangah Company Ltd (In Liquidation) and the Cameroon Government).

⁵⁵ Ibid.

force in post-independence Cameroon. It was in this respect that the Nangah Company Limited throughout its existence continued to derive legal authority for its existence from the Companies Ordinance Caps 37 of the Laws of Nigeria.

Provisions for liquidation were provided in Section 184 of the Companies Ordinance and article 119 of the Articles of Association of the Company [56]. It allowed for voluntary liquidation if sanctioned by an extraordinary resolution. Thus, when the Nangah Company was embroiled in difficulties, it decided to go into voluntary liquidation and this was done in keeping with the provisions of the Companies Ordinance and article 119 of the Articles of Association of the Nangah Company. Luke Sendze posits that, other steps taken after the resolution to go into voluntary liquidation were legally justified. This was in keeping with the provisions of the Companies Ordinance [57]. The Cameroon Government was invited to attend a meeting of creditors, by virtue of the fact that the Government was the company's creditor since the company owed dues to the government [58]. The Ministry of Finance responded to the invitation by sending representatives. The Company expected the liquidation to proceed normally but on the 15th of July 1982, an official of the Ministry of Finance Bifere Henri ordered the liquidators to suspend their activities in contravention of the regulations in force [59].

In this move the company claimed the Government at best intention was only a creditor to the company. As any other creditor the company was on the opinion that any proceeds accruing from the liquidation had to be primarily used for servicing the Government debts before attending to other creditors [60]. The company's management further stressed that, if the Government as a creditor was not satisfied with the liquidation process, or the activities of the directors of the company, the Companies Ordinance gave adequate provisions of alternative measures of seeking appropriate redress to protecting its interest. To them, the sealing of the Company's assets was not one of

⁵⁶Nangah Company Limited, Memorandum and Articles of Association (Victoria: Cameroon Times, 1962), 19.

⁵⁷Luke Kudze Sendze (Attorney at Law and former legal Adviser to Nangah Company Ltd, 78 years) Veterinary Junction – Bamenda, 16th/10/2017.

⁵⁸Idem.

⁵⁹Idem.

⁶⁰Barminjoh Chambers Archive Bamenda, Nangah Company file, High of Fako Division Holden at Buea, Suit No.HCF/148/88, D.A. Nangah / Nangah Company (In voluntary liquidation) against the State of Cameroon, 1988, 4.

those provisions [61]. Based on this explanation, the company considered the acts of the Government a violation of the Companies Ordinance.

According to officials of the Nangah Company, after the liquidators regularly appointed to liquidate the company had been frustrated by Government action, they met on 3rd December 1982 and concluded that there were chances of paying every creditor if they were allowed to sell the assets of the company in the condition subjected to the liquidators of the Ministry of Finance [62]. The actions of the Government left the Nangah Company officials with the feeling that the other creditors of the company had no chance of recovering anything from the sale of the company's assets. This was because of the numerous irregularities and especially the desire by the Government to monopolise the proceeds of the sales [63]. In the first place, Bifere Henri was accused of taking over the Company's assets without drawing up an inventory counter signed by the Ministry of Finance that he was representing and the management of the Company [64].

Furthermore, the company blamed the government for careless handling of its assets. Having taken over the assets, no steps were taken to protect them. As a result, some were stolen. Equipment (light, heavy, movable and immovable) which required regular servicing were allowed to depreciate. Few months after the takeover of the company's properties, a crane worth 40 million FCFA was reported to be destroyed [65]. In the final analyses, the property of the company seriously deteriorated and lost value. To the directors of the Company, the responsibility for this loss was to be attributed solely to Government's action [66].

In another perspective, the government was accused of exaggeration and inflation of Government credits to the Nangah Company. According to Sendze, at the time the Company went into liquidation, the Government owed the Nangah Company over 700,000,000 FCFA [67]. Regarding the amount owed the Government by the company; the former

⁶¹Luke Kudze Sendze (Attorney at Law and former legal Adviser to legal Adviser to Nangah, 78 years) Veterinary Junction –Bamenda, 16th/10/2017.

⁶²Barminjoh Chambers Archive Bamenda, Nangah Company file, High of Fako Division Holden at Buea, Suit No.HCF/148/88, D.A. Nangah / Nangah Company (In voluntary liquidation) against the State of Cameroon, 1988,

⁶³Ibid.

⁶⁴Luke Kudze Sendze (Attorney at Law and former legal Adviser toNangah Ltd, 78 years) Veterinary Junction –Bamenda, 16th/10/2017.

⁶⁵Idem.

⁶⁶Idem.

⁶⁷Idem.

(Government) was accused of maintaining contradictory positions on what the company owed the State. For example, at the creditors meeting, Bifere Henri stated that the company owed 970,718,887 francs [68]. In the State vs the Nangah Company legal suit introduced in the Douala Court by Barrister Soo Georges, it was stated that the debts of the Nangah Company to the State amounted to1,012,000,000 FCFA [69]. Again, in the submissions filed by the same solicitor, Soo Georges in the same case, he modified the amount owed to 1,009,540,267 FCFA [70]. Still, in the summation sans frais (Balance Sheet without charges) of 28thNovember, 1983 the amount owed was stated as 1,102,436,536 FCFA [71]. These contradictory figures left the company with the feeling that the Government was evidently not sure of what its debt was.

Given such circumstances, a rational action would have been to use what the Government owed the company to offset part of what the company owed the Government and only sue for the difference if there was any. Since that was not done, the company on its part was compelled to critically look at the “*somation sans frais*” report of 28thNovember, 1983 which according to them, “revealed startling irregularities”[72].

According to the company, the first irregularity was that, some taxes were burdened on the company which was not supposed to be its responsibility [73]. Also, the company noted that there were duplications of tax burdens on the company. For example, the two taxes-23,141,961 FCFA of 15th October, 1980 and 23,141,961 of 20th February, 1981 [74]. Again, the company argued that some of the taxes it was expected to pay were levied after the company had legally ceased to carry on any business [75]. The company was also dissatisfied with the fact that some of the impositions were not analysed. They further noted that one of the items on the “*summation sans frais*” from the Ministry of Finance was payments to be made to Buea National Social Insurance Fund (CNPS) amounting to 107, 517, 863 FCFA, when CNPS was not part of the Ministry of Finance [76]. Furthermore, the company protested the miscellaneous levy (*divers frais de pour suites*) of 65,

⁶⁸Barminjoh Chambers Archives Bamenda, Nangah Company File, “Nangah Company Petition to the Minister of Finance”, 1984. 2.

⁶⁹Ibid.

⁷⁰Ibid.

⁷¹Ibid.

⁷²Barminjoh Chambers Archives Bamenda, Nangah Company File, Buea High Court Suit No.HCF/47/89 “Report on reconciliation of Accounts Between the Nangah Company (In Liquidation) and Cameroon Government,” April 1991.

⁷³ Ibid.

⁷⁴ Ibid.

⁷⁵ Ibid.

⁷⁶Ibid.

974,300 FCFA arguing that “it is imaginary as it is unjustified [77]”. Lastly, the company posited that there was no evidence that exoneration from 10% penalty accorded them by the Minister of Finance was respected. Earlier on, from the mid-1970s, up till the time the company went into voluntary liquidation, the Nangah Company protested against some tax assessments made over jobs which were either exonerated from Taxes Consolidation Act (TCA) or other taxes. These protests were never resolved. Under such circumstances, by the time the company went into voluntary liquidation, the taxes of the company had not been reconciled [78].

Drawing from the foregone arguments, the Nangah Company officials maintained that the Government was not even sure of the liability of the Company. To them, even if the highest figure of 1,102,436,536 FCFA was to be taken as the amount owed and from that, 700,000,000 FCFA which the government owed the company was used as an off-set, the balance will have only been 402,436,536 FCFA. This amount would not have justified the taking over of all the assets of the company [79]. Writing to the Minister of Finance, the Nangah Company stated that, knowing how the Government had earlier carried out the liquidation of other companies such as SONAC, they had every reason to be apprehensive as the “zeal displayed by those out to sell the assets of the Company in complete violation of the companies ordinance” made them feel that the whole exercise would end up only benefitting the vendors and purchasers, to the detriment of the creditors. Since the other creditors were not parties to the sale of the company’s properties, they had no chance to protect their interest [80].

The protracted dispute between the Nangah Company Ltd. and the Government of Cameroon, left several unanswered questions. Why did the government refuse the reconciliation of accounts in the early stage of the dispute in the 1980s? Why was the report of the expert’s commission that found Government at fault only presented and approved by the court in April 1991, a few months after the death of D. A. Nangah? Were the dramatic events that unfolded in the course of the protracted legal dispute politically motivated? D.A. Nangah was very politically active. In the days of the KNDP, he was a leading financial sponsor of the party and had high political ambitions. He was earmarked by the KNDP party for a major political appointment prior to the establishment of the single party (CNU) in

⁷⁷Ibid.

⁷⁸Luke Kudze Sendze (Attorney at Law and former legal Adviser to the Nangah Company Ltd, 78 years) Veterinary Junction –Bamenda, 16th/10/2017.

⁷⁹Idem.

⁸⁰Barminjoh Chambers Archives Bamenda, Nangah Company File “Nangah Company Petition to the Minister of Finance”, 1984. 4.

September 1966 and later the unitary state in May 1972. Under the CNU, Nangah’s political ambitions pushed him to campaign to be the Section President of the CNU in Mezam. The Ahidjo government was bent on making sure he did not win [81]. This could possibly be explained by the fact that the Ahidjo Government was not willing to permit D.A. Nangah who already had economic power to gain additional political power.

Social complement to political Victimisation: Ahidjo-Nangah rift

Another source of conflict between Ahidjo’s Government and D.A. Nangah as Zih evidenced and corroborated by Tamo a cousin to Nangah, was linked to the suspected dating affair between D.A. Nangah and Delphine Tsanga, who was Cameroon’s Minister of Social Affairs from 1975 to 1984. The alleged affair was not welcomed by President Ahidjo who equally shared similar emotional moves [82]. Tension between the two heightened when in a grandiose birthday celebration organised by Delphine Tsanga, D.A. Nangah offered a flashy car as a birthday gift [83]. This gesture did not augur well with President Ahidjo who became determined to politically and economically fragilise D.A. Nangah [84]. In fact it is no secret that D.A. Nangah entertained extra marital affairs with several ladies, some of whom he had children who were formally recognised as part of the Nangah family. The socio political clash of interest between Ahidjo and Nangah certainly had damaging repercussions on the Nangah Company. The analyses of the events associated with the liquidation of the Nangah Company, point to the fact that there were some strong biases in the liquidation of Nangah Company. They seem to point to the fact that the actions that were taken against the Nangah Company were politically motivated.

CONCLUSION

The paper examined the rise, prominence and liquidation imbroglio of the Nangah Company limited. The findings revealed that, though ingenious, D. A. Nangah was a politically fashioned entrepreneur who owed his ascendancy in business to the influence of KNDP politicians in Southern Cameroons and later West Cameroons. The KNDP politicians intentionally financially empowered the Nangah Company as a means of equipping Nangah to serve as a financial sponsor of the party. Besides, the company was a

⁸¹Luke Kudze Sendze (Attorney at Law and former legal Adviser to the Nangah Company Ltd, 78 years), Veterinary Junction –Bamenda, 16th/10/2017.

⁸²Martin Meh Zih (Retired Senior Warrant Officer, 72 years), Ntambessi-Bamenda, 06/06/2017.

⁸³William TamoNji (Retired Businessman and cousin to Nangah, aged 96 years),Njimafor- Mbatu, 11th/6/2017.

⁸⁴Zacheaus Ful Amandoh (retired social insurance worker and quarter Head for Ntemnifor quarter-Nkwen, 70 years), Foncha Street-Bamenda, 3rd Febuary2018

business hub for some top KNDP politicians who were shareholders in the Company to find alternative life means. The 1960s and early 1970s were glorious years for the company as it excelled in business encompassing many domains of entrepreneurship including construction, trade, real estate and furniture production employing about a thousand workers directly and indirectly. In these glorious years of the Company, it enjoyed preferential treatment in the granting of state contracts in the KNDP led West Cameroon. The paper also disclosed that political victimisation later orchestrated a tax bane and a liquidation imbroglio that brought the company to an unhappy end. The developments that led to the regrettable collapse of the Nangah Company were politically motivated but with a Social complement. Principally, the paper submits that, Nangah was a politically fashioned entrepreneur whose exploits were destined to be embroiled in politics. The Nangah Company was raised through state-centric favours and collapsed in like manner.

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