

**Year: 2014**  
**Volume: 59**  
**Issue: 1**

**STUDIA**  
**Universitatis Babes-Bolyai**  
**OECONOMICA**

**SOME EFFECTS OF TRADE LIBERALISATION ON CAMEROONIAN  
MANUFACTURING EXPORT PERFORMANCE**

**Bernard Bongsha**

School of Economics, North-West University, South Africa

**Henri Bezuidenhout**

School of Economics, North-West University, South Africa

**Ewert. P.J. Kleynhans\***

School of Economics, North-West University, South Africa

**Waldo Krugell**

School of Economics, North-West University, South Africa

**Abstract.** This study investigates the effect that trade liberalisation had on the export of manufactured goods in Cameroon. The study estimated the effects this liberalisation had on the determinants of exports of manufactured commodities and its influence on the country's economy, using an augmented gravity model. The model revealed that the effect of exchange rate appreciation on the export of manufactured goods was less than it was before trade liberalisation, though still positive. After liberalisation, manufactured exports reacted positively following increased imports of intermediate goods and a lowering of tariffs; but it was restricted by higher production capacity. Further investigation indicates that the exports of manufactured goods were stimulated by the liberalisation of trade, although manufacturing growth was still dampened. The effect of the local economy's size became more important, while the influence from foreign GDP declined. Membership of regional trade agreements became negative, which was unexpected. Distance became more important, and the effect of tariffs declined; though still negative. It was found that international trade liberalisation by Cameroon mostly benefited its manufacturing sector, improving its ability to export and to create jobs.

**JEL Classification:** D22, F13, F14, F63, L60

**Keywords:** trade liberalisation; manufacturing, gravity model, strategic policy, and industrial policy

---

\* Corresponding author. Address: Prof. Dr. E.P.J. Kleynhans, School of Economics, North-West University, Private Bag X6001, Potchefstroom 2520, South Africa, Tel: +27 18 299 1418, E-mail: 11289570@nwu.ac.za