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What Future for Africa's Manufacturing Sector in the New World Environment? Rethinking the Industrial Development Agenda in Sub-Saharan Africa

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I. INTRODUCTION

As in most developing countries, one of the characteristic features of industrialization in Africa for decades is the technological dependence (Pereira, 1976; Ikonoff, 1986). Industrialization in Sub-Saharan Africa in particular has marked by a lack of creativity in the production processes and even the nature of products. Equipments and engineering used in Africa already exist in industrialized countries. Products in many African states tend to reproduce the consumption model of western countries (Furtado, 1981). Thus, industrialization process of African countries lacks major innovations. The local market has relatively limited¹; industrialization cannot face to external competition of manufactured goods. Obviously, the structure of imports and exports illustrates the forte vulnerability of the economic system of African countries².

Looking more closely at the statistics of recent years, the share of African countries in World Manufacturing Value Added (MVA) fell 1.2 percent in 2000 to 1.1 percent in 2008 when this share has increased from 13 to 25 percent in developing countries

in Asia. Similarly, the share of MVA in GDP of Africa has dropped from 12.8 percent to 10.5 percent between 2000 and 2008. This situation seems problematic when compared to Asian developing countries, where it rose from 22 to 35 percent during the same period. In the Sub-Saharan Africa particularly, the share of MVA in the Gross Domestic Product (GDP) in the last five decades is about 15 percent; whether half that of the East Asian countries and the Pacific since the 70's (UNCTAD, 2008; CEA, 2011). Despite the fact that all third world countries have surpassed the 25 percent³ of world industrial output in 2000, industrialization in SSA lags behind. Countries in this region account for only an insignificant part of the total while other developing countries have become industrial powers (China, Brazil, South Korea, Mexico, India ...). For this poor performance, we will agree with Samir Amin that the marginalization of Africa in the world results of the non-industrialization (Dembélé, 2011). Industrialization does not appear to have strengthened the search for cultural identity of African countries. On the contrary, it has contributed decisively to the homogenization the consumption model to world scale. However, the indigenous knowledge reactivation could lead to new techniques. Therefore, the endogenous core of creativity is lacking in Africa (Morazé, 1980; Ikonoff, 1986).

Industrialization of SSA countries presents a paradox. The manufacturing sector, which reflects dynamism of industrialization, plays a very limited role in African countries. The share of manufactured products in total African exports dropped 43 percent in 2000 to 39 percent in 2008. However, primary products that have high capitalistic intensity account for about three-quarters of all African exports as step of the exporting primary economy⁴. In this context, to believe that African countries could grow by producing and exporting only primary products without transformation is a serious delusion⁵. Moreover, the share of Africa in the world intermediate products imports of remained unchanged to 2 percent since the 1990s (PEA, 2014).

The growth and development models based on raw materials export have clearly demonstrated their limitations. The few experiences of semi-industrialized

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peripheral countries like South Africa, Mauritius, Tunisia, Morocco and Egypt, seem to give positive results. These countries have privileged the promotion of manufacturing industry even when they were endowed with vast natural resources (Collier, 1997; Bounou Bazika and Bensaghir; Naciri, 2010). This modesty of industrial integration results for these authors was linked to economic context at those countries.

The economic thought today faces a great dilemma; that of providing real alternatives to African continent development and what in a global economic environment in the open transformation (Bounou Bazika and Bensaghir Naciri, 2010). Indeed, foreign aid to African countries is declining; preferential treatment whom these countries have at one's disposal had gradually gives way to a reciprocal and asymmetric treatment under provisions of the World Trade Organization (WTO) and Economic Partnership Agreements (EPAs); and the forte international competition intensified by the high capital mobility and relocation between countries. In relation to industrial redeployment strategies, it seems that African countries do not perceive better these current changes; either because the mains phenomena do not have understood or because their impact on the future of industrialization does not have evaluated properly (Ikonicoff, 1985). Difficulties to understand the significance of these mutations largely proceed from the overall vision of authorities in the development project elaboration of productive forces. In short, domestic developmentalist paradigm or endogenous development has marginally taken into account in Africa's countries development agendas.

A new strategy of industrialization is essential, i.e. the one which, in a context of globalization of economies and exacerbated international competition, ensure the structural transformation and strengthening the competitiveness of African enterprises (Bikoué, 2010; Dembele, 2011). The definition of such an agenda requires the thought and applied an endogenous development⁶ program compatible with the local realities of African countries. Development paradigms followed over the last fifty years by African states are not developmentalist, some were quick to reveal their limits especially in terms of food dependency⁷, socioeconomic inequality, poverty, etc. Today, more than ever before, Africa needs a development program driven from the bottom up. This model has based on more egalitarian local development practices affecting the entire poorest segments of the population.

In the literature, the dominant criterion in the elaboration of new strategies is the priority given to the development of endogenous core industry (Fajnsylber 1983; Ikonicoff, 1986). However, the endogenous core concept of industry is to variable geometry. For Villareal (1984), this core has composed of mass consumption goods and intermediate goods that the production

depends little on imported inputs. Nieto (1981) and Tello (1981) on the other hand think that the endogenous nucleus must be based on the capital goods industry. Beyond the differences, the development of productive forces has a cultural dimension and should primarily be based on local potentialities. Endogenous core of the new industrialization strategy in Africa should capitalize potentialities of informal sector⁸. This is a vast area of small and medium enterprises of craft sector widespread in almost all African countries. Nowadays, this sector is the only fighting against poverty (Nkouika Ndigani Nkita, 2010) and revitalizes local development and regional integration by down (Njifen, 2014). Its dynamism is one of the cultural sources of entrepreneurship of young men and women on the continent. To receive dividends of those millions of young entrepreneurs, African countries need to make this sector a real base of endogenous development driven from the bottom up.

The purpose of this article is to revive the debate on new industrialization strategies in Africa: an endogenous industrialization policy, inclusive and progressive⁹. To achieve this objective, this study privileges an endogenous development process driven from the bottom up. While there may be a specifically African way in development, it is clear that the cottage industry could be a pivot of development. These production units, which constitute the informal sector¹⁰, reflect the dynamism of the social body that reacts to the inability of traditional models contribute to the progress of society. The new policy of industrialization must take informal sector as nursery industrialization and therefore as a catalyst for structural transformation of the continent.

It is not superfluous to review in the second section different traditional strategies of industrialization face in their failure in socioeconomic development. The third section highlights some thoughts on the new policy of industrialization in African countries. The last paragraph presents some concluding remarks.

II. INDUSTRIALIZATION STRATEGIES AND THEIR FAILURE IN SOCIOECONOMIC TRANSFORMATION

Like most other developing countries in the 60s and 70s, the industrialization strategy was central to economic planning in African countries (Mkan-Dawire, 2001; Galal, 2008; Bikoué 2010)¹¹. His first objective was to ensure the autonomy of national economy through the creation of industrial capacity of import substitution and transformation for export agricultural and mining products¹² beyond the continent. However, although there were differences between countries, this strategy has gradually shown its limits in the 1970s leading to deep questioning in the 1980s (Hugon, 1999; Bikoué, 2005; Galal El-Megharbel, 2008; Harabi, 2008).

Within the context of industrialization, several strategies have implemented in African countries over the past five decades.

a) Industrialization By Import Substitution And Rise Again Channels

The industrialization can be based on the strategy of import substitution, i.e. the replacement of imports of industrial products from local productions under the lee of protectionist barriers. For this it is necessary that the national market is sufficient and that the state plays an important role. Beyond the border protection policy, the state can lead a weak currency policy to restrict imports, encouraging new industries through investments, grants or subsidized loans. The substitution shall apply, first, to consumer goods; in a second step, capital goods are in turn involved in rise again channels logic¹³.

The 1960s in sub-Saharan Africa has been characterized by a permanent state intervention in the industrialization process. The instruments of policy choices were the nationalization of strategic units, overall and sectoral planning and organization of the banking system to service industry (Jacquenot and Raffinot, 1993). In front of private investment anemia and necessity to mobilize production field and to economize foreign exchange on a few growth poles upstream, extension of the public sector has emerged as the key feature of the economic policy.

However, this strategy knows several failures from 1960s (Ikonicoff, 1986). First, protectionism reduces competition between low-productivity firms and promotes inflation. Then, the rise again channels runs against a lack of capital and/or increasing foreign debt that weighs, in the late 1970s, due to the appreciation of the dollar. The small size of the domestic market limits growth. The establishment of subsidiary companies led to capital outflows and input imports that can unbalance the foreign accounts.

For some authors, this strategy has been successful over a period of about two decades (Rodrik, 2004). Over the period 1960-1975, many countries have recorded an annual growth of at least three percent of GNP per capita. This list includes the North African countries (Morocco, Tunisia, Egypt) and nine sub-Saharan Africa (Gabon, Botswana, Lesotho, Swaziland, Nigeria, Togo, South Africa, Tanzania, Ivory Coast)¹⁴. However, the forte inequality in income distribution orientates the industrialization by import substitution towards the satisfaction of the demand coming from social classes with high incomes. These results lead to implantation industries producing the consumption dry goods that use the capitalistic techniques and increase foreign exchange needs. In this orientation of industrialization towards the satisfaction of a privileged few requirement, it agrees upon to note the existing collusion between multinational firms, the national

bourgeoisie and the state apparatus (Norel, 1991). In other countries, policies have been oriented towards a strategy of openness and export.

b) Industrialization By Industrializing Industries

This strategy is the result of the most radical theories of underdevelopment. Its aim is to significantly reduce the dependence towards Northern countries and lead to economic independence, financial and technology in the country; necessary complements of political independence. Regarding Africa, Algeria has opened the way for this strategy. The creation of industrializing industries, i.e. of heavy industry, is the first condition of the industrial sovereignty so much desired (Dubos Paillard, 2010). This development model emphasizes basic industries that need to produce a spillover on other downstream industries. This model of industrialization follows the exact opposite path of the Industrialization by Substitution Imports model. Investments have focused initially on upstream industries then down the industrial sector: so one will heavy industry to light industry, intermediate goods industries and equipment to consumer goods industries.

This type of industrialization has heavily inspired by the Soviet example 1930: centrally planned economy. Algeria, which has opted for this industrializing process from 1966 favored the siderurgy and petro chemistry. The particularity of this choice is that it is very costly initial investment and industries in which the financial profitability can be expected at a relatively long term. In Algeria, the share of industry in GDP from 38 % in 1965 to 56% in 1981. However, this model of industrial development involves significant risks. First, economies of scale require from starting a reorganization of fittings exceeding the absorption capacity of the internal market. In countries such as Algeria and Nigeria, the financing of investment has based on oil export. The fall in price in the 1980s posed a real debt problem. Furthermore, the emphasis on heavy industry strangles the growth of light industry and agriculture.

From this point of view, the heavy industries have short and medium term effects, which many consider negative on other economic branches. Consumption industries are somehow overlooked the grounds that at a later stage they will experience a boom thanks to the productive capacity in the relevant branches upstream (Bret, 2006). With reference to Montoussé (2007), agriculture being sacrificed, African countries must import foodstuffs that induce an additional dependence on the continent outside. Thus, Algerian agriculture proves unable to provide consumption goods in sufficient quantity and quality to feed a rapidly growing population. Therefore, countries must import a large share of foodstuffs for its population.

c) *Extrovert Industrialization By Exports And Alliance With Multinational Enterprises*

This strategy, also called industrialization by export promotion, has advocated by neoclassical. This is to replace traditional exports by the new by taking profit of comparative advantages dynamic (low cost of labor, exploitation and valorization process of raw materials, etc.). The country uses its competitive workforce to produce and export low value added products. Then he began a diversification by sector and a rise back to the production of goods with higher added value (durable consumption products, intermediate goods, capital goods ...). This strategy refers to the experience of the newly industrialized countries of Asia whose success has based on a strategy of openness to international trade (World Bank, 1993). Obviously, these countries experienced in two decades a forte growth and made a success of diversify their industry and rise back channels.

According to the nature of products, there are two models of industrialization founded on exports: the first based on primary products exports, the second on manufactured goods export. Both models have experienced mixed fortunes. According to Montoussé (2007), the export of primary products has rarely promoted industrialization. Many developing countries have attempted to establish their economic development on primary products exports for finance investments in the industry sector and capital goods imports. The export of non-agricultural commodities should thus allow the development of a mining industry including spillover effects could encourage a more diversified industrialization. Many oil-exporter countries have adopted this strategy in the 1970s.

However, the worsening of exchange terms of exporter countries of non-oil primary commodities in the 1980s reduced the impact of this strategy: the decline in commodity prices has increased the cost of capital goods imports and increased foreign debt. According to Konate (2002), the growth model driven by primary products exports has greatly exacerbated the structural disequilibrium of the Maghreb countries. Not only, agricultural and industrial exports have fallen due to bad weather and the economic slowdown in European countries, but in addition, the fall in prices of major raw materials exported was brutal. For Morocco, the price of phosphate has halved from 1975 to 1978. As a result, deficits worsened while foreign exchange reserves touched their lowest level. To compensate for this situation, countries have resorted to massive debt. However, from the 1980s, the size of deficits and rising social demands has led to payment defaults (Morocco and Algeria) and governments had to gradually turn to the IMF.

In the early 80s, Structural Adjustment Program (SAP) has led governments to radically rethink their approach of industrialization on the continent. In the

philosophy of the SAP, the markets are efficient in relation to government interventions. Consequently, all of industrialization by import substitution devices were dismantled as well as all measures taken to protect the domestic market¹⁵. However, it consensually appears that SAPs have caused a decline of African industries (Lall, 1995; Jalilian and al., 2000; Marti and Ssenkubuge, 2009; Chang, 2009). Of course, the evolution of manufacturing value added during the period of adjustment has not met expectations. Many Sub-Saharan African countries experienced the decline of industrialization which particularly harmful effects were observed on existing industries.

The latest post- structural adjustment decades are marked with a dramatic transformation of the world. On the one hand, globalization has increased the marginalization of African countries (Charmes, 1995; ECA, 2011). It has undermined development efforts of these countries, creating another fracture due to the marginalization of the informal economy in the economic planning. On the other hand, globalization has fostered the rise of major new actors such as China and India. This effect of globalization appears ambiguous on the Developing Countries because the integration of China and India in the global value chains has been conditionally that then African countries are integrated in this process unconditionally. In other words, contrary to African States, China and Indian have conditioned their entry into globalization through the establishment of sovereign national projects forcing the others countries to accommodate to their development needs.

The questioning of the liberal paradigm that followed the failure of self-centered strategies leads to rethink new ways for future development strategies. A deep thought has conducted both outside and within international development agencies to rethink development.

III. INFORMAL SECTOR AS ENDOGENOUS CORE OF THE NEW STRATEGY FOR INDUSTRIAL DEVELOPMENT IN AFRICA

In a globalized world, industrialization based on manufactured goods exports to developed countries appears more effective. However, the composition of exports from sub-Saharan Africa shows that the type of integration is very near to the primary exporter model, ie a model based on the export of primary products. In this context, according to Pereira (1976), Sub-Saharan Africa is still living in industrialized underdevelopment. To reorient this strategy, it would be necessary to redefine the endogenous core industry reactivating indigenous knowledge and make the industry a tool for integration into the world market. Small businesses also present in rural and urban areas may thus constitute a pivot of inclusive and sustainable industrialization. Despite the many advantages of informality, endogenous

development theory until now was in reality very little developed theoretically. A question, which seems legitimate in the conception of development from below, resides in the real possibilities to promote local industrialization from only local potentials. After showing the extent and some assets of the informal sector in African countries, this section is also working to show that the informal sector can be a pivot or a nursery to the industrialization of the African continent.

a) Informal Sector In Africa: Scope And Performance

The informal sector as formal in Africa is a system of micro, small and medium enterprises (Dinh and Clarke, 2012). Large companies that play a vital role in the economic development of emerging countries and developed countries are few in Africa. According to surveys of manufacturing companies, they have an average of 47 employees in sub-Saharan Africa, against 171 in Malaysia, 195 in Vietnam, 393 in Thailand and

977 in China. The relatively small size of the large African companies is a real opportunity because it means they are not working at their optimum level. However, there are no comprehensive statistics, accurate and harmonized on countless small businesses that make up the informal sector in Africa.

The literature leads to classify the informal sector in two groups: large informal and small informal. Informal big companies are fairly comparable to modern businesses but retain informal behavior. They have similarities with entrepreneurs who started as small farmers. The development of their business has based on an entrepreneurial capacity and perseverance clearly above average and leans on social networks, ethnic and religious. Small informal enterprises have characterized most constantly by a self-employment system and structures registered with the municipalities, but rarely with the tax authorities.

Table 1 : Share of firms holding a sincere accounting according to informality level in French-speaking Africa (%)

	COTONOU	DAKAR	OUAGA	DOUALA	LIBREVILLE	YAOUNDE
Formel	100	100	100	97,22	100	90,16
Big informal	77,78	72,00	87,88	77,78	57,89	40,00
Small informal	48,09	51,09	65,20	44,14	30,23	19,35

Source : CREA, 2007, 2014

However, moving from macroeconomic scenarios to the micro foundations of entrepreneurship, there are defensive or necessity-driven entrepreneurs and opportunity-motivated entrepreneurs (Acs, 2008). The defensive or necessity entrepreneurs are those who form a new business because they need income to survive and not because of market opportunities and innovative ideas. According to Naudé (2010), this kind of survival-driven entrepreneurship has predominantly

diffused in the developing countries, where poverty and lack of job opportunities in the wage sector regularly push a large number of people into entrepreneurial activities. These necessity-driven entrepreneurs are those who started their own firms as a result of personal situations such as failure to find a suitable role in formal employment, thus forming a new business was the best existing option (Reynolds et al. 2005).

Table 8 : Education level of manager according to informality level in French-speaking Africa

Education levels		COTONOU	DAKAR	OUAGA	DOUALA	LIBREVILLE	YAOUNDE
	Formal	6,00%	9,00%	15,00%	24,84%	12,11%	38,54%
Primary	Big informal	7,00%	16,00%	19,00%	11,26%	7,69%	19,78%
	Small informal	21,00%	30,00%	17,00%	34,70%	28,72%	33,45%
	Formal	35,00%	45,55%	55,00%	29,29%	44,24%	39,47%
Secondary	Big informal	38,00%	56,00%	50,00%	40,09%	70,77%	20,51%
	Small informal	42,00%	42,00%	58,00%	46,51%	49,35%	38,49%
	Formal	47,00%	41,00%	18,00%	27,48%	33,39%	14,36%
Higher	Big informal	44,00%	18,00%	9,00%	45,50%	20,00%	59,71%
	Small informal	28,00%	13,00%	8,00%	16,39%	18,54%	20,14%

Source : CREA, 2007, 2014

Economic theory including human capital indicates a strong correlation between the professional qualifications and performance of the workforce. The

best trained workers are generally those who reach a higher level of productivity and income. This correlation holds true in the informal sector, despite low levels of

profitability that have observed there. However, one observes large differences between the formal and informal in access to education and other basic social services, which lead to considerable divergences in skill levels, productivity and income.

The human factor is probably one of the most sensitive to the informal sector. Authors report that 90% of the African labor force are informal (see table 3). The informal sector accounts for over 80 % of total employment and 90% of newly created jobs in these countries (Mbaye, 2014). More specifically, the International Labour Organization (ILO) reports that the informal sector accounts for 48 percent of non-

agricultural employment in northern Africa and 72 percent in Sub-Saharan Africa. Chen (2001) estimates that 93 percent of new jobs created in African during the 1990s were created by the informal sector. Xaba et al. (2002) find that, while formal sector employment and output are stagnant at best, informal sector employment and share in GDP are steadily increasing. Focusing on the rural economy, Otsuka and Yamano (2006) report a non farm informal income share of 13 percent in Ethiopia, 30 percent in Kenya and 38 percent in Uganda. In Burkina Faso, 80 percent of total employment has attributed to the informal sector (Calves and Schoumaker, 2004).

Table 3 : Percentage of informal employment in African countries

Countries	Years	Informal employment	Countries	Informal employment in the non farm sector
South Africa	2010	33,0	Algeria	41,3
Cameroon	2010	91,0	Benin	93,0
Congo	2005	46,0	Burkina-Faso	77,0
Gabon	2005	90,0	Egypte	46,0
Lesotho	2008	37,0	Guinea	86,7
Liberia	2010	60,0	Kenya	71,6
Madagascar	2005	74,0	Maroc	67,1
Mali	2004	82,0	Mauritania	80,0
Ouganda	2010	68,0	Mozambic	73,3
Central Africa Republic	2005	87,0	Niger	62,9
Chad	2005	93,0	Democratic Rep. Congo	59,6
Zambia	2008	69,0	Senegal	76,0
Zimbabwe	2004	54,0	Tunisia	35,0

Sources: BIT (2011), Jutting and de Laiglesia (2009), Njifen (2014).

Informality has reached the alarming proportion in some African countries. In an economy where informal activities have estimated at more than 50 percent of GDP, an improvement of the productive performance of this sector, even at the margin, would involve significant results on the growth of Gross Domestic Product (GDP). Thus, the informal economy represents today between 40 percent and 80 percent of GDP (Table 4). Specifically, the share of informal GDP in sub-Saharan Africa was 54.7 percent against 37.7 percent in North Africa (Charmes, 2000). Overall, it was estimated in 2002/2003 that this sector contributes 43% to GDP in Africa (Schneider, 2006; OECD, 2007). Steel and Snodgrass (2008) report that informal economy accounts for 50 percent to 80 percent of GDP in Africa.

Table 4 : Contribution of informal sector to GDP in percentage

Countries	Years	Percentage	Countries	Years	Percentage
Algeria	2003	38,0	Niger	2007	76,6
Tunisia	2004	42,0	Togo	2007	72,5
Egypte	2004	33,3	Benin	2007	71,6
Burkina-Faso	2000	55,8	Mali	2007	61,6
Senegal	2007	51,5	Nigeria	2006	20,0
Zimbabwe	2008	70,0			

Sources : Jutting and de Laiglesia (2009), Rapport CSI-Afrique.

While undergoing many constraints, the informal sector has numerous potentials that give it comparative advantages for development policies (Maldonado et al., 2004; Njifen, 2014). Indeed, this sector has a more flexible job creation since it does not have impeded by regulatory barriers. This sector is mobilizing own resources of various kinds to create and operate the business. It is also able to make technological adaptations and diversification of the supply by a rapid response to changes in demand. The informal sector also has the advantage of using local inputs in the manufacturing process. The establishment of informal production units throughout the country confers this strategic importance in the decentralization process. Goods and services produced in the informal sector have adapted to needs of populations, notably low-income households.

The informal sector makes possible the development of human resources excluded from formal training institutions thanks to apprenticeship and transfer of technical skills by doing on the job (Adams, De Silva and Razmara, 2013). This sector appears as a business incubator. Filipiak (2007), Haan (2006) and Liimatainen (2002) estimate that up to 70 percent of urban informal sector workers in Africa have been trained through the traditional apprenticeship system. Still, in countries such as Kenya, Tanzania and Zimbabwe, he finds large numbers of youths who are acquiring skills in informal enterprises under the guidance of a master (Haan, 2006).

Africa's informal economy is a source of entrepreneurship culture. This sector is a reservoir of know-how and expertise that provides apprenticeship and job creation related to its flexibility and adaptability. The craft sector in particular is now positioned in many African countries as an economic driver. In this context, it appears in the spirit of experts and observers warned as a laboratory or apprenticeship nursery. In this sector, many modern entrepreneurs today, particularly those of ECOWAS acquired the necessary entrepreneurship and business experience. However, the challenge is to evolve to become a modern private sector. The informal sector has moved from a presumed temporary

phenomenon in developing countries, expected to diminish in size with industrialization, to one that is more permanent in light of today's development patterns. Although interest in the informal sector focuses largely on developing countries, the Organization for Economic Cooperation and Development has demonstrated the growing importance of this sector in industrial countries (OECD, 2009).

IV. THE INFORMAL SECTOR AS A NURSERY TO THE AFRICAN CONTINENT INDUSTRIALISATION

The concept of informal sector has generated some controversy with some authors objecting to the concept of informality, arguing that it is judgmental and gives the impression that those in it are irresponsible and unreliable (Heintz 2012; Simpson 2010). Much of the controversy has centered on the reference to use of the word sector. Proponents of the informality concept prefer using the term informal economy, even though it still contains the conceptual weakness of denoting a distinct and separate entity (Kanyenze et al., 2003). This study avoids the term informal economy or sector and instead prefers to use the term micro and small enterprises or Handicraft industry.

While numerous theories have been put forward regarding the role of entrepreneurship in economic development, the best known is the view of Joseph Schumpeter (1883 – 1950). According to Schumpeter, an entrepreneur is an agent of change who introduces a new product or a new method of production. The entrepreneurship may be in the form of opening a new market or discovering a new source of supply (Ohyama et al. 2009), or in bringing about a new organizational structure of an industry. Schumpeter's creative destruction theory views entrepreneurial innovation as a process through which entrepreneurs bring about industrial mutation, where the economic structure is incessantly revolutionized from within; thereby destroying the old system while creating a new one. In recent years a strong belief has arisen among scholars and policy makers that entrepreneurship is a vital driver

of employment and economic growth for both developed and developing nations (Branzei and Abdelnour, 2010; Thurik and al., 2008; Van Praag and al., 2007).

To become inclusive, economic development must go hand in hand with the socio-cultural development. The cultural development does not accompany by economic development, it is upstream and it is dynamic and innovative factor (Dupuis, 1991). Indeed, it is the culture, which constitutes the source and finality of development, which gives it momentum, quality, direction and duration (Cuellar, 1992). To each culture must match a particular style of development (Desjeux and Sanchez- Arnau, 1994). As for social development, it accompanies by an increase in employment and improvement of employment conditions of local workers in a value chain (Barrientos and al, 2011; Milberg and Winkler, 2013; Bernhardt, 2013). Informality represents an alternative to the development in that it would advertiser idyllic anti-corporations because reinventing the social link (Latouche, 1986). If the autonomy of the informal sector is far from unanimous, this sector has known to have an incubator of enterprises development and job creation (Maldonado, 1999; Kanté, 2002).

Both productive and redistributive, the informal sector has played and continues to play a significant role in the integration and social regulation; functions for which States have specifically found wanting or powerless. Capable of flexibility and adaptation, valuing the spirit of solidarity and individual initiative, this sector carries within it the seeds of its extraordinary vivacity that put down one's name to the antipodes of the development model from top to bottom.

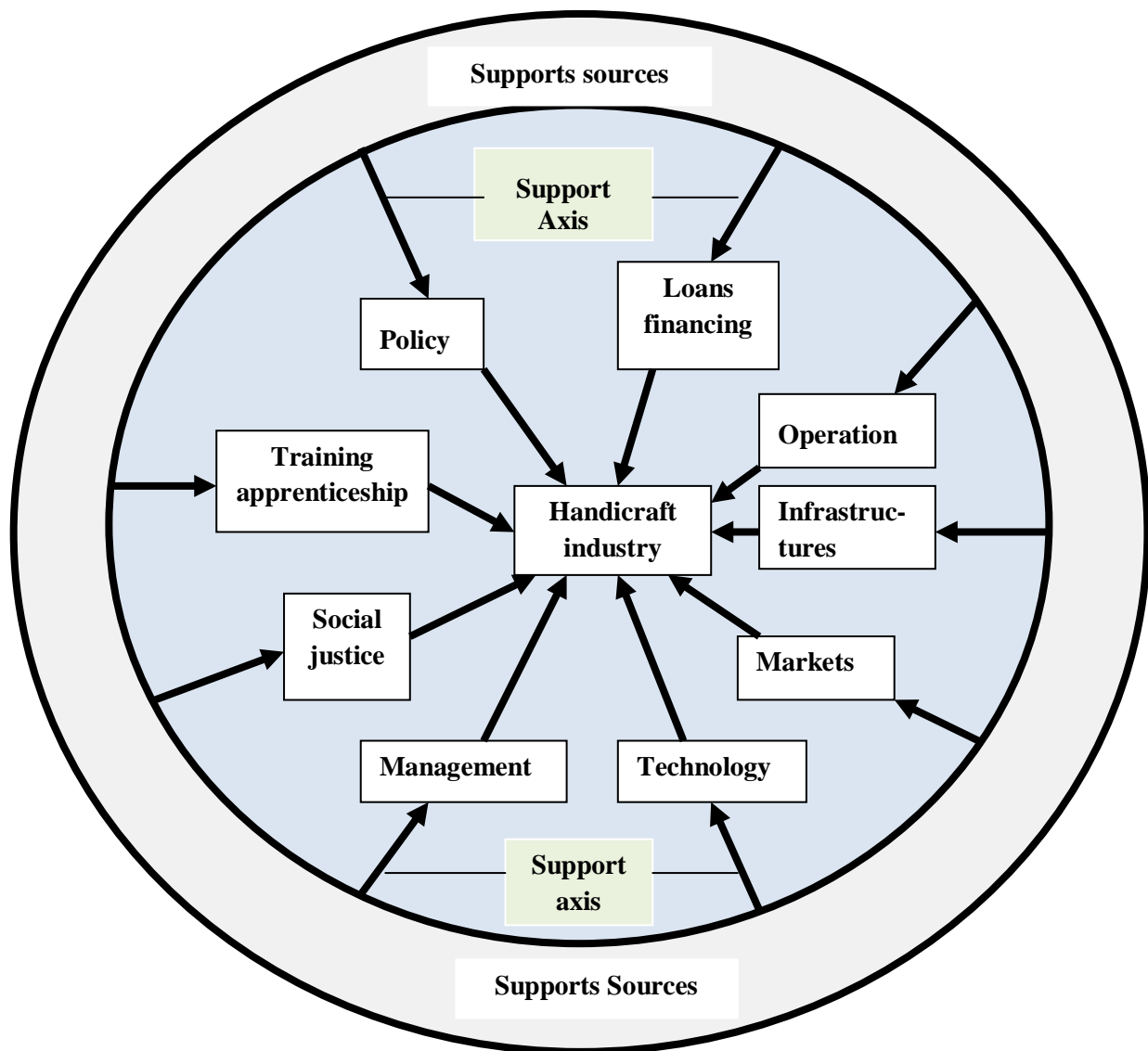
Africa can learn many lessons from international experience. In other countries like India and Pakistan, the industrial informal sector produces between 70 and 75 percent of total industrial production of the country (ILO, 1996). Furthermore, in East Asia, particularly in Korea and China (Hong Kong and Singapore), we observed a decline in the informal economy with the expansion of the manufacturing and industrial sector and the resulting creation of job in the formal economy. These countries have managed to develop strategies that resulted in an effective transformation of the informal sector in structured sector. It has reported that in the USA, the informal sector has been a progressive and completely

absorbed by the informal sector. In Japan, it seems that this sector has been the backbone of industrialization (Gbossa, 1997).

If according to the monetarists and Keynesians, the informal sector constitutes of sands into which lose the multiplier effects of capitalism (Charmes, 1985), it is appropriate to look for ways to capitalize on the sector in order to take advantage of the potential that is hidden there. In the present circumstances of aggravation of youth unemployment and poverty, it is very urgent to replace the small industry in the center of the new philosophy of industrialization in Africa. The industrialization process from the bottom is a different approach to the issue of development. Given its dynamism although debatable registered everywhere, it proves to be a promising alternative to the traditional pattern of development. This new development approach, what is the content? Staying on a global plan, let us say the content analysis of industrialization can be articulated around a few main areas, each the result of a break with the economic and social characteristics of the standard logical development.

The creation of a database of craft enterprises in each country is essential to facilitate the capitalization of the previous experiences, to use and valorize the established facts. It is the stage prior to any intervention in the informal crafts sector. Given the emergence of artisanal production units in Africa, the new strategy requires a global approach from an integration of support system (Maldonado and al., 2004). Similarly, the multidimensional nature of the problematic of artisanal business development requires that we seek more synergy between actors involved in the field (Figure 1). Imagine a project that invests a lot of resources and energy to form craftsmen to produce goods they can not sell thereafter, lack of outlets for production, or lack of transport infrastructure or adequate conservation systems, or simply because the beneficiaries of the training can not apply the knowledge gained lack of access to credit, etc.

Graphic : The support integration system in the artisanal informal sector



Source : Maldonado and al. (2004)

The integration of support system ensures a global consideration of the factors of competitiveness and therefore avoid any link is missing, as shown in the graphic 1. The integration has understood as search complementarities between the support structures in the context of simultaneous interventions reinforced by the coordination or consultation process open to ensure overall consistency.

V. CONCLUDING REMARKS

This study has permitted to show how informal activities have the capacity to reply to needs of development in consideration to their employment potential, income distribution and the satisfaction of basic needs. At the same time, it seems that the

evolution of technology implemented in the informal sector cannot generate the expected economic performance. In addition, the structure of the informal sector depends on a set of economic and non-economic factors that conditions to a certain extent its relative, current and potential economic performance. Their potential ability to generate a class of small entrepreneurs, this sector can be an essential pillar of economic transformation if its internal and external constraints have minimized. It is appropriate to make a pleading to do from the informal sector a real partner of the Africa development policy. It aims to raise awareness of the strategic importance of this sector, both economically and socially. This pleading is for various public from government officials departments

that have an important role to play in promoting the informal sector, in passer-by NGOs and other local stakeholders to everyday realities of informal operators, to leaders of associations of informal sector producers themselves. It has hoped that it will help provide each concrete and useful elements for action.

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¹ Internal Markets are structurally limited by the low average income.

² Imports are often considered as a sign of inner weakness and exports as a force (Cattaneo and Mioudot, 2013).

³ The United Nations Industrial Development Organization (UNIDO) Conference held in Lima in 1975 sets the bar very high: 25% of global industrial production will be the result of the third world in 2000. This goal has been finally achieved in 2000.

⁴ Commodity prices have fixed in the world, and often have wider fluctuations than manufactured goods. These arguments justify the fragility of African economies to external shocks.

⁵ The production of these products does not relate to the economy and therefore weakly affects the long-term economic performance of countries (Hausmann and al., 2007; Lall et al., 2006).

⁶ The literature opposes the concept of exogenous development based on the attractiveness of external forces to that of endogenous development based on support to internal forces.

⁷ If one keeps in mind the issue of food production in the world, it is clear to see that industrialized countries with a rural population about 5 to 6 percent of the overall population, have not only food sovereignty but have the same exportable surplus; USA just as Europe. Moreover, if we look at the most industrialized countries of the third world, especially China, it has a proper food sovereignty. It supplies its population less correctly, not as rich Westerners, even though there still has poverty and misery pockets. As regards the semi-developed countries, they are heavily dependent on food. Egypt and Algeria are the models. The less industrialized countries finally are most dependent on food plan.

⁸ African countries have in common the fact that their parallel economy is relatively forte. Although it is difficult to ascertain the size of the African informal sector, the focus is not exclusively on the economic dimension of progress, social regulation and nearby activities, which are governed by a mobile of local resource valorization in sight of satisfy the basic needs of the population.

⁹ The point of importance in the Western science has always been to look at the thing from the outside even if it is a vacuum shell to inside (Zoual, 1996). This limit is at the heart of economic science that denies the consideration of the subjectivity of the actors.

¹⁰ The informal sector should be clearly demarcated illegal economic activities such as the drug trade, organized crime and the black market.

¹¹ For developing countries, industrialization means more than simply increasing income and production volume. It is for him a means to modernize its primitive structure of production and transform all socioeconomic tradition associated with it (UNIDO, 1991).

¹² In all projects, plans and official statements made by the middle of the decade of 1975, this change is clearly stated: it is to pass from the stage of import substitution to step of local resources valorization. Branches covered by this strategy are old food industries that we will renew and strengthen (palm oil, canned) or new industries for adding some transformation to primary goods exported previously unprocessed (wood sawn veneers and plywood).

¹³ According to the dictionary of socioeconomic sciences (Agostino et al., 2008), the rise again channels is a strategy consisting from the production of a given product to progressively develop national territory business units production intervening upstream of the production of the product, thereby constituting a supply chain consisting of complementary productive activities.

¹⁴ The countries that experienced the forte growth before 1975 was not Singapore or South Korea, but Gabon. Botswana's growth rate over the period 1960-1975 was higher than that of Hong Kong and Taiwan (Rodrik, 2004).

¹⁵ Tariff and import quotas, price controls and subsidies, credit ceilings, etc.