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Trade is War by Other Means: The Impacts the Trade War between the United States and China has on Brazil

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Abstract- The main objective of this article is to carry out an analysis of the impacts of the Trade War between the United States of America and China in Brazil. To this end, the field of studies of International Political Economy (IPE) will be used to understand how Brazil is affected by this dispute between the two major global powers. We hypothesize that there may be short-term advantages for Brazil as well as long-term disadvantages. The article contains three sections in addition to the introduction and final considerations, the first being a theoretical perspective, with an IPE theory approach through the lenses of Brazilian authors; the second section deals with the U.S.-China Trade War, and in the third section we analyze the impacts of the Trade War on Brazil. We conclude that Brazil may make strategic decisions to extract advantages from the dispute.

Keywords: *trade war; brazil; united states; china; international commerce.*

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Trade is War by Other Means: The Impacts the Trade War between the United States and China has on Brazil

Bruna Coelho Jaeger ^α & Júlia Santos Duarte ^ο

Abstract- The main objective of this article is to carry out an analysis of the impacts of the Trade War between the United States of America and China in Brazil. To this end, the field of studies of International Political Economy (IPE) will be used to understand how Brazil is affected by this dispute between the two major global powers. We hypothesize that there may be short-term advantages for Brazil as well as long-term disadvantages. The article contains three sections in addition to the introduction and final considerations, the first being a theoretical perspective, with an IPE theory approach through the lenses of Brazilian authors; the second section deals with the U.S.-China Trade War, and in the third section we analyze the impacts of the Trade War on Brazil. We conclude that Brazil may make strategic decisions to extract advantages from the dispute.

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I. INTRODUCTION

Carl von Clausewitz's work "From War," which became known for its famous statement that "war is the continuation of politics by other means," was published in 1832. Clausewitz (1780-1831) was a Prussian strategist and war theorist. In this paper, the understanding of war goes beyond the conventional sphere and includes other dimensions of power, such as trade and technology, and hence we affirm that "commerce is war by other means." The title does not contradict Clausewitz, seeing that politics is also implicit in this idea. War is unquestionably politics by different methods, and the measures that we will examine in this research are trade and technology in the pursuit of influence, development, and especially power.

Drawing from the idea that trade is war but by other means, this article's primary objective is to analyze the Trade War between the United States and China. To understand the impacts this conflict has upon Brazil. The US is cited by author José Luís Fiori (2009) as one of the most influential and relevant nations in the current

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world, which seeks economic coercion. In his theory of global power, Fiori foresaw structural changes that ought to occur in the 21st century, especially given the competition between the US and China (FIORI, 2009).

China has increasingly stood out on the international scene as one of the fastest-growing contemporary world economies. In the last 50 years, China began to expand and increase its power to influence the international system, became a strong economy (HIRST, 2015), and has also become the largest trading partner of various countries. In 2009, the USA ceased to be Brazil's major trading partner, losing its place to China (MOORE, 2009).

Since 2018, we have become aware of charged tensions between China and the U.S. on the international scene, known as the Trade War, which is a result of impositions of tariffs or quotas on imports from a rival country, as the latter responds with retaliation in similar forms of trade protectionism (AMADEO, 2019). This dispute has been taking place due to the United States' attempts at preventing China from controlling strategic industries, which in many cases are dominated by U.S. companies (PASA, 2018). However, China is also capable of pressuring large US companies (GOLDMAN, 2018). This trade war may affect many countries, including Brazil, considering that China and the United States of America are, respectively, the country's largest trade partners (MDIC, 2019).

To fulfill its objectives, this research aims to answer the following question: how can the trade war between the United States of America and China affect Brazil? The leading hypothesis is that the Trade War may initially positively affect Brazil, for when there is a sanction placed on the other country, regarding specific products that Brazil may be able to supply, such as soy, for example, the sale of this Brazilian product increases, making it favorable for Brazil. If Brazil manages to position itself strategically and has a foreign policy that can handle the situation, the dispute can be beneficial for the country, because it can get advantages from both sides.

In addition to the historical approach, we will also use the case study methodology to ascertain similarities and differences between Brazil's relations with China and Brazil's relations with the U.S. This will be done to better understand the Trade War and how it

affects Brazil. Statistical data on the commercial engagement between the analyzed countries will also be employed.

The theoretical approach used in this article is the field of studies of International Political Economy (IPE), through the perspective of the author, Maria da Conceição Tavares, one of the main IPE connoisseurs in Brazil and Latin America, in addition to other Brazilian authors such as José Luís Fiori. We will, therefore, base ourselves on the article "The North American Hegemonic Return" (TAVARES, 1985), where we can note that the author analyses the policies involving American hegemony to evidence how the United States seeks to pursue hegemony, not only in terms of wars and weapons, but also through its currency, the dollar (TAVARES, 1985). Furthermore, this study will be grounded on a text by Fiori (2009) "Global power and the new geopolitics of nations," in such a way as to understand the role of the US in the 21st century and how China would emerge as a rival power, especially in the economic field, by competing with the US in the International System.

The article comprises of three sections, the first of which is The Theoretical Perspective, in which we will aim at understanding International Political Economy through the eyes of Brazilian authors such as Maria da Conceição Tavares and José Luiz Fiori. In the second section, we will understand how the Commercial War between China and the United States commenced and its development up to November 2019. In the third section, we will seek to understand the impacts of the Sino-American Trade War on Brazil, attempting to analyze its advantages and disadvantages for the country. Lastly, we have the final thoughts as the closing-point of the article, which will bring conclusions and possible scenarios for Brazil.

II. IPE'S THEORETICAL PERSPECTIVE THROUGH THE EYES OF BRAZILIAN AUTHORS

In 1970, Susan Strange published the article "International Economics and International Relations: A Case of Mutual Neglect," in whose seminal text the author states that there was an uneven pace of change occurring in the international political system, which was being neglected by internationalists. According to Strange, these changes were not perceived by political scientists, internationalists, policy-makers, nor by economists, as they focused solely on the study of political and strategic relations of governments, or strictly on economic transactions, and overlooked all other areas (STRANGE, 1970).

International Political Economy (IPE) is a field of study that originated in the context of the 1970s, with a British political scientist and international analyst, Susan Strange, as its chief proponent. IPE surfaced as a

response to the crisis of the American hegemony in the 1970s, in a context where the U.S. was heavily committed to consolidating itself as a unipolar hegemony in the International System (FIORI, 2005). Through this political theory, the author sought to analyze and explain the changes in international economic relations. Strange believed that it was necessary to combine the study of international economics with political science, thus inaugurating the International Political Economy (STRANGE, 1970; GASPARD, 2012). In a lecture, Fiori (2008) stated that Susan Strange based IPE on facts rather than on ideas, as a response to the international challenges that were unfolding in the 1970s and 1980s, especially regarding US foreign policy (FIORI, 2008).

To examine the Trade War between the United States and China with a proper understanding of how this problem affects Brazil, we considered it necessary to analyze the phenomenon through the eyes of Brazilian IPE authors. Amongst whom, is the author Maria da Conceição Tavares, a leading figure in IPE throughout Brazil, whom through her article "A retomada da hegemonianorte-americana" ("The North American Hegemonic Return") written in 1985, we see the author scrutinizing policies involving the American hegemony in an attempt to demonstrate how the United States pursues (a leading role/a high ground..instead of hegemony) not only through wars and weapons, but also by using its currency, the dollar (TAVARES, 1985). Besides Maria da Conceição Tavares, it will also be of equal importance to consider Professor José Luís Fiori, who acknowledges that the world system is undergoing an enormous structural shift in the 21st century, but does not deem it likely that capitalism or even the hegemony of the United States would be heading towards an ending. The author attests that this relative decline of American power could alter the geopolitical and economic structure of the world, however, he believes that the U.S. is likely to continue occupying a pivotal position in the International System for the coming decades (FIORI, 2014).

The author also addresses the maintenance of power relying on material bases obtained through force, commerce, or perhaps through a combination of financially coercive measures. Fiori claims that this expansion stems from military and economic competition between States; however, that in modern times has led to change, and territorial expansion has made room for "supranational economic territories," in which States attempt to impose their currencies and private capital upon the international arena. The author points to the US' global power as the main example, given that most communication, information, and logistic technologies were developed by the US. Furthermore, some of the main and most important actors of globalization consist of American multinationals. He also considers the fundamental fact

that the currency of reference in the international financial system is indeed the US dollar, which remains under US control. Ultimately, the U.S. has considerable decision-making power in the major international forums, through which it establishes rules, procedures, and many political actions on the international scene.

Moreover, the author lays out five structural changes ought to occur in the 21st century, them being: The growth of the IS coupled with the integration of other sovereign States; the shifting of the axis that defines the world economy towards Asia, converting itself into a "Sino-American axis"; the expansion of China's importance as an articulator of the world economy; the international monetary system of the "flexible dollar" would be consolidated, increasing the pace of globalization and amplifying the US' global power; and finally, he further unravels the forging of the heavy competition between the US and China (FIORI, 2009).

Carlos Medeiros and Franklin Serrano, along with José Luís Fiori (2008), in the volume entitled "The myth of the collapse of the American power," analyze the changes in contemporary capitalism, regarding the relationship between power and money, states and currencies. In this book, the authors go in the opposite direction of the dominant thought, which claimed a downward spiral of the USA. They contend that to sustain the argument that the country was in decline, it would be necessary to validate other points, such as the lessening of US presence on the international plane as well as the decreased representation of the country's national interests in major global conflicts. Also, according to Franklin Serrano, it is necessary to evidence the internal restructuring of the economy, and especially the currency of the North American hegemon. At last, Carlos Medeiros, reiterates that the external fragility of the U.S. would need to be proven, particularly in the light of China's strong economic growth and the Russian military's resurgence. The authors weave the text around these points to affirm that the collapse of the American power is in fact a myth, given that it is impossible to verify the fulfillment of any of the points the authors mentioned (FIORI; MEDEIROS; SERRANO, 2008). Fiori (2008), following Susan Strange, claims that the American hegemony's crisis is not real, considering that the point is not regarding the USA's relational primacy, but rather, concerns structural power. Americans possess control over the fundamental structures which govern the International System, namely: the weapons, the information, the technology, and the funds. In virtue of this power, the USA can condition other countries to operate as it wishes (FIORI, 2008).

To understand how this Trade War between the United States and China may affect Brazil, this paper will be grounded and explored from the perspective of the cited Brazilian authors. As a result, it is possible to

assess how the current IPE's agenda fits into the viewpoint of Brazilian authors in this field of study.

III. THE TRADE WAR BETWEEN CHINA AND THE UNITED STATES

In this section, we will understand what the Trade War between China and the United States is, how this conflict came about, and what signs already indicated tensions between the two countries. It will also be important to understand the events since their development in 2018 up until the second half of 2019, as well as the motivations behind these two head States, beyond trade, especially concerning technology and the dispute for influence.

It has become evident that China has been pressing to further its development of both the technology and industry sectors over the last few years (MARTIN, 2018). To that effect, in 2015 in Beijing, a project called Made in China 2025 was publicly announced. This project targeted three main objectives: (i) improving the Chinese manufacturing productivity through the use of information technology; (ii) forming leadership and capacity in high-tech sectors such as semiconductors, robotics, and electric vehicles; on top of, (iii) attempting to achieve self-sufficiency through the substitution of imported technological devices, in addition to seeking military innovation (KROEBER, 2018). The growing international projection of Chinese power places the U.S. on alert, as Americans are currently the leaders of the high-tech sectors. In addition to Made in China 2025, China also launched the Belt and Road Initiative (BRI) in 2013, also known as the "New Silk Road," which seeks to unlock opportunities and facilitate China's trade with other countries in Asia, Africa, and Europe (KROEBER, 2018).

As China strives to expand its commercial opportunities with other countries and invests in its domestic technology and industry, the U.S. has sought to protect the American industry and its technological dominance. This simultaneous process of power projection ended up triggering a Trade War between the two powers (MARTIN, 2018).

A trade war is waged by attacks between countries over their commerce, through the imposition of tariffs and quotas, deemed as protectionist procedures, as they decrease the purchase of imported merchandise and, in turn, boost the production and demand for domestic products (HAVRÁNEKOVÁ, 2019). During his election campaign, US President, Donald Trump, already affirmed that protectionist measures intended to protect US economic and business interests should be expected if he were to be elected. Trump further accused China of unfair trade practices and promised to impose 45 percent tariffs on the importation of Chinese products (JOHN, 2016). Tensions between China and the US increased following early 2017

elections, when the US president pressed for the investigation of China, alleging misuse of intellectual property and unfair trade practices, which were considered as detrimental to the US. In light of this investigation, Trump imposed billion-dollar tariffs on Chinese products, thus furthering the tension between the two countries. One of the U.S.'s goals was to reduce their trade deficit with the Chinese, which peaked at \$375 billion in 2017 (HAVRÁNEKOVÁ, 2019).

We can interpret the beginning of the Trade War as commencing in March 2018, since on the 8th of said month, the USA applied taxes on the importation of products like steel and aluminum, thereby affecting several countries. On March 22 of the same year, the U.S. was even more assertive on applying a US\$50 billion tax on China, which became effective only on June 15 of the same year (TREVIZAN, 2018). In response to the U.S. attack, on April 2, China imposed 25% tariffs on 128 U.S. products, among which were porcine products and suchlike. At which point, the U.S. threatened China by stating that they would increase the former taxes by an additional US\$100 billion, causing China to appeal to the World Trade Organization (WTO). From that point on, both sides made numerous threats. In July, China called on the WTO three times and then threatened the US with retaliation. The United States also resorted to the WTO with regard to China and other countries. In August, both China and the US imposed further charges on products imported from each other. That is, until December, when the U.S. agreed to postpone the increase of 10% to 25% of tariffs on the US\$200 billion-worth of Chinese products, by 90 days (TREVIZAN, 2018).

The Made in China 2025 plan, along with the Belt and Road Initiative, considered to be one of the fundamental reasons for the dispute between the U.S. and China, have as their primary objectives, the increase, and facilitation of Chinese exports, in parallel to establishing China as an industrial hub and also a world leader in technology (MARTIN, 2018). However, the rivalry between the two countries is more than a commercial matter; it may also qualify as a dispute for technological superiority, seeing as Trump judges China to be a direct strategic competitor (KROEBER, 2018).

China and the US both seek to protect their national security and economic interests, but the litigation is growing over one specific area, technology. Chinese President, Xi Jinping, has an ambitious plan to ensure that China dominates smartphone technology, artificial intelligence, and advanced computer technology. Americans fear that their large-scale technology companies may lose ground in this area; so to prevent this, Trump filed for an investigation against China, accusing it of possible violations of intellectual property rights. This was carried out to safeguard U.S. industries, in particular, its technology companies (RAPPOPORT; KANG, 2018).

The statement "information is power" is no longer merely a well known proverb. At present, we can view information and the ability to process it as a truly vital assessment of power. Traditionally, power had been defined by a territorial extension, population size, as well as military and economic capacity (SATELL, 2014). Nevertheless, in previous decades, these definitions of power have become subject to revisions, due to the rapid evolution that the world has undergone and is still undergoing, such as advancements in telecommunications, developments in the means of production, and modifications in transportation and infrastructure. The world has undergone three industrial revolutions and is currently experiencing its fourth one, marked by profound technological breakthroughs. Under this competitive system, States aim to increase their capacity for extracting information, as they also strive to safeguard their technologies and information sources, for knowledge is power and technology is a substantial part of that. China and the United States, two of the most developed countries in this domain, hold advanced strategies for obtaining technological monopolies, as they strive to expand their leadership capacities in the International System (MOREIRA JR., 2019).

To protect U.S. technology industries, Trump declared a national emergency over the protection of U.S. technology on May 15, 2019. The U.S. president affirmed that he would prohibit U.S. telecommunication and technology companies from acquiring technology or contracting services from foreign companies. U.S. analysts say that by default, this action was adopted to ban the Chinese company, Huawei, from the U.S. market (BUCCO, 2019). Huawei is a multi-national Chinese technology and communications corporation that was founded by Ren Zhengfe in the 1980s, currently ranked as the second-largest smartphone provider in the world, second only to the Korean Samsung. The U.S. company, Apple, is no longer the second-largest smartphone company, losing its position to Huawei (VASWANI, 2019). In addition, Huawei also supplies technology to third party companies, even foreign ones, for the development of their own devices and wi-fi networks. The U.S. has claimed to suspect that the Chinese giant is a threat to its security ever since 2012. Following the formal charge of espionage, Huawei has claimed to be an independent organization, with no link to the Chinese Government (BBC, 2019).

As a result of this technological race, the U.S. is increasingly investing in the reputed 4.0 Industry, the outcome of the fourth industrial revolution, which combines advanced manufacturing techniques with the Internet, thus creating systems that both communicate and exchange data for taking intelligent actions (DELOITTE, 2019). Since 2002, the U.S. has strongly increased its relocation of production to other countries,

on account of cheaper workforce, thereby making them more dependent on imports.

Nevertheless, the U.S. is striving to enhance its industries by building smart factories to achieve a significant economic impact in the country. By pursuing the use of 4.0 Industry technologies the US aims to surpass China, which currently operates the largest industrial production in the world (IMMERMAN, 2018). The United States and China are, respectively, the most prominent investors in research and development (R&D), which is a precondition to the mastery of innovation. The U.S., leading this ranking, invests \$476.5 billion annually, whereas China, in second place, invests \$370.6 billion, which together account for 62 percent of global R&D investments. For comparative purposes, Brazil is in 9th place in this ranking, totaling US\$42.1 billion annually, equivalent to 2.3% of global investments (BUSINESS, 2018).

Apple is an American company with annual revenue of \$262 billion, which, according to Forbes research, is the most profit-generating company in the world, obtaining an equivalent of \$59 billion dollars in revenues. It is also considered the world's largest technology company, reaching a \$961 billion dollar market value. The U.S. tops the rankings, with 65 of the 154 technology companies that are considered the world's largest enterprises, followed by China, which holds 20 of these companies (PONCIANO, 2019).

Despite being the world's largest technology company, Apple may suffer negative consequences as a result of the trade war. Given the business strains between China and the U.S., especially in the technological field, the U.S. corporation may undergo a downturn in sales, considering that the Chinese market represents 20% of Apple's revenues, with a significant US\$44.7 billion value in 2017. The Chinese purchased around 41 million iPhones in 2017, operating 40 stores in the Chinese territory, where Apple happens to be the fifth-largest technology provider in the Chinese market (MURGEIRA, 2018). In the present year of 2019, Huawei has already sold more smartphones in China- which was accountable for 62% of this company's sales in three months, than Apple was able to, in iPhones, all over the world in the same year. Apple is at this moment, the third company in the smartphone industry's ranking in the world, losing its second-place title to Huawei, which is increasingly approaching Samsung's lead (MOGNON, 2019).

Regarding the data discussed above, Apple may have serious concerns over its products, since part of its iPhones are being manufactured on Chinese soil by Foxconn. The American company is concerned with the possibility of the Chinese government blocking iPhones from exiting the country as a consequence of the trade war, which would incur in a delayed delivery of the iPhones, along with possible hits for the American company (MURGEIRA, 2018). Also concerning the

dispute between China and the USA in the technological field, the American president, Donald Trump, has added Huawei to the American government's blacklist, which in turn, has caused a blow to the Chinese company. Google suspended its business with Huawei and restricted the services provided to it. For example: the transfer of hardware, software, and technical support that Google once offered to the Chinese company. These changes severely hurt Huawei internationally, as it depended on the services and applications provided by Google (MOON, 2019). However, through the open-source license-the Android Open Source Project (AOSP), Huawei maintains access to the free version of Android operating systems. The Chinese company confirmed that it was already undergoing developments of its technology, to no longer depend on Android services, in case of being prevented from using them. Part of this technology is already used within the Chinese national territory, as China bans the use of several Google applications in its country. Consequently, the Chinese domestic market will avoid greater harm, although Huawei could face challenges in the international arena, especially when it comes to the European market-its second-largest market in the world, which is equally dependent on Google technology (MOON, 2019).

The Trade War's effects are not only limited to China and the US but have also positively and negatively affected other countries in the world. Mexico has benefited with the reduced participation of China on U.S. imports, as it can sell part of the products which China requires, initiating an increase in Mexican exports. Nonetheless, Mexico is not the only country undergoing changes induced by this Trade War; Brazil will also be touched by its effects. Even in 2019, Brazil still holds the potential of overcoming the U.S. as the largest soy producer in the world, which in part, these efforts are due to the Trade War, which allowed Brazil to increase its soy exportations, especially to China. (CANUTO, 2019).

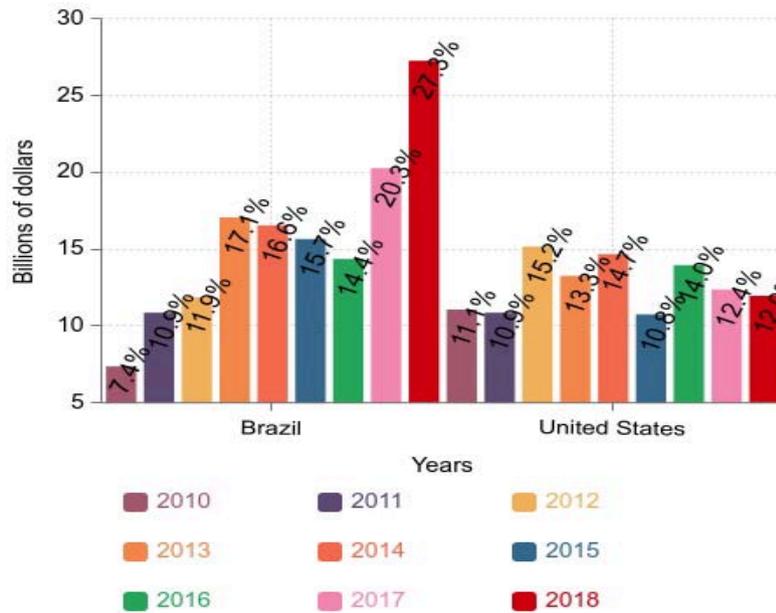
IV. THE TRADE WAR'S IMPACTS ON BRAZIL

The continuous slowdown of world commerce is a concern that impacts several countries of the world, seeing that this situation may lead to multiple economic losses. The prolongation of the Trade War may be an aggravating factor for the deceleration of the world commerce since investors tend to reduce their investments on account of uncertainty regarding the future, brought about by the tension of the conflict. In the short term, however, some countries are benefiting or have already benefited from this dispute, as in the case of Brazil (PASSARINHO, 2019). The Chinese demand for Brazilian soybean augmented as a result of the trading tensions between the US and China. This rise in demand for the Brazilian commodity occurred

because soybean from America became more expensive. In turn, the soaring amounts of soybean exports from Brazil, turned it into the largest exporter of the legume to China and also the largest soybean exporter in the world, thereby assuming the U.S.'s former position (PASSARINHO, 2019).

According to data from the Ministry of Industry, Foreign Trade and Services (MDIC), it is possible to assess that China imported US\$20.31 billion in soybeans in 2017 and that in 2018 that figure rose to US\$27.34 billion. When comparing the data from February 2018 and the same period for the year of 2019, even more significant growth is distinguishable. In February 2018, China imported US\$0.81 billion of

Brazilian soybeans while in February 2019, China more than doubled its imports, surmounting US\$1.82 billion (MDIC, 2019). As evidenced in Graph 1 below, in 2018, Brazil had a surplus in its balance of payments equivalent to US\$30 billion, as its soy exports to China increased by 35% when compared to 2017. Although Brazil exported 20% less soybean to China in 2019, than it had in the first half of the previous year due to the decrease in Chinese demand; which was unrelated to the trade war itself, but rather, due to the limitations of Chinese growth, even so, Brazil remains the major soybean exporter to the Asian country. Hence, Brazil has been profiting from the Commercial War, over the short term (PASSARINHO, 2019).



Source: Self compilation using MDIC data (2019); OEC (2017) and the Office of the United States Trade Representative (2019).

Graph 1: Comparison between Brazil and the USA in terms of soybean exports to China from 2010 to 2018 (in millions of dollars)

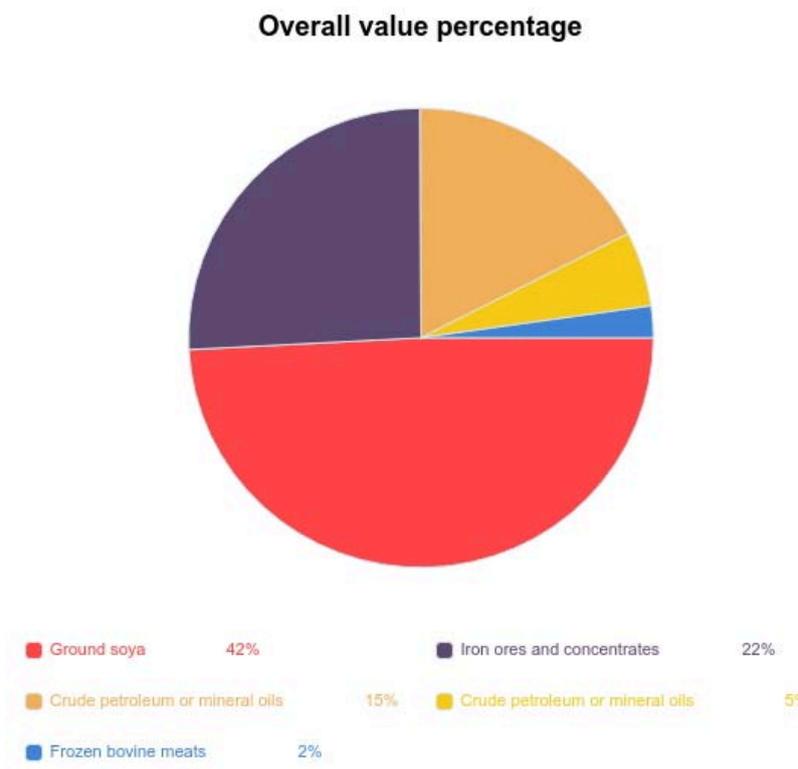
The Brazilian vice-president, Hamilton Mourão, visited China in May of 2019 and met with the Chinese president, Xi Jinping, and also with the vice-president, Wang Qishan, as well as businessmen and bankers. One of his trips to China's overriding purpose was to attract Chinese investments and to further Brazilian exports to the country. Compared to 2017, in 2018, Brazil experienced a rather significant increase in the export of agricultural products to China, including products such as soybeans, almonds, oranges, apples, and meat, on account of the high tariffs imposed by the Chinese government on American products (PASSARINHO, 2019). There remains, however, the possibility that China and the U.S. will agree, something that could harm Brazilian exports. In this year of 2019, the Chinese president, Xi Jinping, and the U.S. president, Donald Trump, attempted to negotiate an

agreement, under which, China would increase the import of U.S agricultural products. However, China demanded changes to the settlement that was in course, Trump refused, ordering an increase of tariffs imposed on Chinese products. Had this arrangement been reached, it could have been detrimental to Brazilian exports, given that China imports, on average, 30% of the food exported by Brazil (PASSARINHO, 2019).

In parallel with the increase in commodity exports, Brazil holds the potential to increase its exports of manufactured products. The U.S. president applied taxes on footwear originating from China, however, virtually all the footwear sold in U.S. territory is imported, 70% of which originate from China. Consequently, shoes sold in the U.S. would have their costs increased, and this readjustment would possibly transfer over to the

consumer, who would, in turn, need to pay more for the same product (THOMAS, 2019). With this increase of tariffs, a handful of companies are seeking other product suppliers. As a result, Brazil was able to increase its footwear exports to the USA by 70%, in the period between January and September of 2019, generating revenue 54% higher than that in the same period in 2018. Brazil is the fourth major world producer of footwear, following China, accounting for 53% of all world production, along with India and Vietnam. In 2018 however, it came in 11th place in the footwear exporters' ranking after exporting 123 million pairs of shoes (ABICALÇADOS, 2019).

Regarding China, Brazil mainly exports soybean (42%), followed by iron ore and its concentrates (22%) and crude petroleum oils (15%), among the other products represented in Graph 2 below. Graphic 3 demonstrates that Brazilian exports to the United States are more diversified than to China, to whom soybean represents almost half of all imports from Brazil (OEC, 2017). Brazilian exports to the USA are composed of crude petroleum oils (12%), aircraft (9.4%), and semi-manufactured products (4.5%) (OEC, 2017), among other goods.

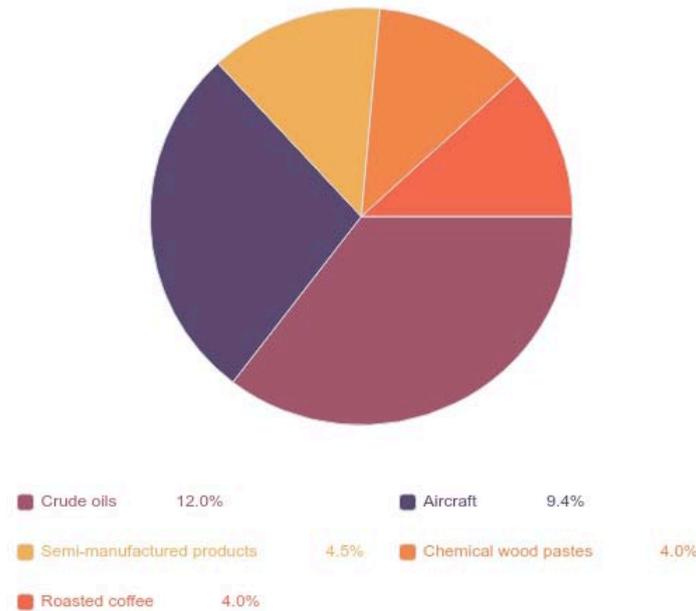


Source: Own compilation based on OEC data (2017).

Graph 2: Main Brazilian products exported to China (2017)



Overall value percentage



Source: Own compilation based on OEC data (2017).

Graph 3: Main Brazilian products exported to the USA (2017)

Based on this information, we can conclude that the USA is more beneficial for the Brazilian industrial sector the export to, given the greater existing diversity in the products as well as the increased number of manufactured and semi-manufactured products than in trades with China. Although, some Brazilian companies could be sold to foreign capital, as was the case of Embraer. The Brazilian company merged with the North American company Boeing in July of 2018, to form a joint venture, now called, Boeing Brazil-Commercial (STATE, 2019). The Brazilian corporation made a fusion with the American company, Boeing, in July of 2018. Embraer sold 80% of its company, upon authorization of the current Brazilian president Jair Messias Bolsonaro. This way, making the American company Boeing the predominant owner. Brazil managed to develop the largest aircraft ever made in the country, the military freighter KC-390, through Embraer, and the USA holds an interest in marketing this aircraft, and this was one of the reasons for the joining of the companies (ESTADÃO, 2019).

Brazil can reap benefits from trading with both countries in the longer run, provided it uses the capital obtained from the exports to invest in research and development, thereby reducing the structural delay in the technological race and the era of the 4th Industrial Revolution. In the short-term, however, Brazil is benefiting from the increased exports of the agricultural segment to China, despite deepening the country's deindustrialization process. Commerce with China has

become very profitable for producers of Brazilian agriculture. The problematic aspect lies in the possibility of Brazil developing an increasing dependence on the exportation of commodities, which are low value-added goods which do not require, nor encourage, much research and development in comparison with the industrial and technological sectors.

Even as it is going through this process of decline in industrial activity of the export agenda, Brazil relies on diversified exports to the U.S., which have mostly consisted of industrialized, manufactured, and semi-manufactured products of low added value (MAGALHÃES, 2012). As is pictured in Graph 3, the most exported items to the U.S. are crude oil, semi-manufactured iron or steel and other manufactured objects such as aircraft and engine parts (OEC, 2017). On the other hand, China, which replaced the U.S. and has maintained its position as Brazil's main trading partner since 2009 (AGENCIA BRASIL, 2009), primarily imports soybeans, which represent almost half of the entire volume of Chinese imports from Brazil, in addition to having iron minerals and their concentrates representing 22% of the total, making it a predominantly primary market, as shown in Graph 2 (OEC, 2017).

The volume of Brazilian commodities mainly exported to China increased with the Trade War. According to MDIC (2018), soybean represents 15.3% of Brazilian exports. Holding the second position in the ranking of most exported Brazilian products, we can find iron ore (8.8%), crude oil (7.7%) in third place, in

addition to meats (6.9%) and sugar (5.4%) (MDIC, 2017). The reduction of the industrial activity in the Brazilian economy may present a challenge for the country because when Brazil behaves as a merely crucial commodity exporter in the world market, it reaffirms its peripheral position in the capitalist system (MAGALHÃES, 2012). Moreover, Brazil becomes increasingly dependent on the export of primary goods, and this leaves the country vulnerable to the price shock since the prices of commodities tend to vary significantly in any context of international crises. Should Brazil reaffirm its peripheral place and accept its position as that of being solely a powerful exporter of primary goods, this will likely maintain the low rate of progress in research and development, as well as other areas of technology. These low proportions will remain, unless the profit generated by these surplus exports is used as an investment in those areas which are vital to the developing countries of the 21st century (COSTA, 2018). All in all, it is Brazil itself that will determine the impacts that the Trade War will have on the long-term development of its economy.

V. FINAL THOUGHTS

In examining the Trade War, as its very name suggests, we maintain once again that trade is war by other means. The USA and China are both seeking their leadership in strategic sectors. This pursuit of influence is evidenced by Tavares' suggestion, in saying that the USA "takes a primary interest in the information, banking, and arms segments, which are the sectors over which they wish to maintain absolute hegemony, and the ones that present the most promising possibilities of expansion in the long term [...]" (TAVARES, 1985, p. 14). On the capital end, the US possesses the advantage that its currency is the world monetary reference. Recently, however, the USA officially accused China of manipulating its national currency, the yuan, to obtain advantages over the dollar and thus increase its exports (POZZI, 2019).

China and the US, both demonstrate their drive to maintain and expand their might. According to Fiori's theory of global power, the maintenance of power rests on material bases, which are obtained through force, via trade, or perhaps, a combination of economically coercive tactics, as is currently occurring. Many of the central actors in globalization are American multinationals; the benchmark currency in the international financial system is the U.S. dollar, and ultimately, the United States holds superintending decision-making power in key international forums, which set and establish the rules, procedures, and a great deal of political action on the international stage.

The Sino-American dispute, which became known as the Trade War, is something beyond mere trading; this dispute is a battle over power, information,

and supremacy in a much significant segment, that of technology. It is quite evident that the Trade War between the United States and China has affected many other countries besides the protagonists. This work aimed primarily at understanding what the impacts of the Chinese-American dispute have on Brazil. We have concluded that the country of Brazil is being directly affected, as its largest trading partners are respectively, China and the United States. Hence, the decisions regarding trade with the two parties affects Brazil both positively and negatively.

Over the short term, Brazil has benefited from the Commercial War, as its exports significantly grew, especially in 2018. The article highlighted the increase of Brazilian footwear imports to the USA. Regarding China, soy has been the major source of Brazilian imports, among other primary goods, considering the fact that China is the largest importer of Brazilian commodities.

The Trade War is affecting Brazil, which is not to mean that is necessary for the country to remain yet another spectator of the conflict. Brazil may proceed to modify its position in the international system through its choice of actions. The first possibility of a scenario is one in which Brazil continues to be passive in this layout of tensions between the two super powers, benefiting from the rise in exports of certain products, such as soybean, while also possibly suffering from the crises that may spring from the Trade War. Thus, reaffirming Brazil's place as a peripheral country in the international system with the prospective deceleration of the world economy.

The second feasible scenario is for Brazil to side with of one of the two contending forces in this conflict. If it decides to go with China, Brazil becomes further dependent on commodity exports. Dependency of a specific type of export means higher vulnerability in regards to global crises, and therefore destabilization of the Brazilian economy, in turn reinforcing the process regression from industrialization in the country. Moreover, it would represent a direct offense to the US, a traditional partnering country. Still, under the second possible scenario, should Brazil stand with the United States in the dispute, Brazil's trading balance would suffer, considering that China is its largest trading partner and the North American demands would not suffice to compensate for the deficit that the absence of China could bring about with a reduction of imported Brazilian products.

In the third potential scenario, Brazil would be ready to strategically position itself between the two countries, leveraging advantages and benefits from either side. With the increase of commodity exports to China, Brazil would be able to use the profit generated to invest such capital in research and development to improve its industries, further develop Brazilian technology, as a means of transcending its position as a

peripheral nation in the International System. With increased research and development, Brazil's manufactured exports to the U.S. would become increasingly improved and more appealing. As a result, this would generate opportunities for Brazil to expand its export market of manufactured goods and lessen its dependency on primary goods exports alone, thereby providing eminent stability to the country while halting the present ongoing process of deindustrialization of the Brazilian economy.

Among the three scenarios presented, we deem that the second one would have the worse results, since taking any side in an intense dispute between the two most distinguished economies in the world presents risky consequences that could seriously hurt Brazil. The first scenario, of the three mentioned, is the more probable. Yet, it would not produce the best outcomes for the country, as it would establish Brazil's role as a spectator of the conflict without pursuing results using its strategies. The third scenario would be the better option that Brazil could adopt in this situation, as in essence, it would allow for dialogue with the two powers while drawing the benefits that each side has to offer. Thus, making it possible for Brazil to invest in research and development to revoke its present-day image of a peripheral country.

Due to the COVID-19 crisis, which started in the second semester of 2019, this scenario became even more complicated. The disputes between China and the USA shattered the commercial sphere in the face of the pandemic of the new coronavirus. In this sense, the global health crisis has amplified tensions between the two countries, with China increasing its international influence. In contrast, the United States has elected a system contested by the World Health Organizations. For Brazil, one of the countries most affected by the crisis, the effects have been devastating, both in terms of health and also economically. More than ever, the South American State must adopt a consolidated strategy of strengthening in the face of international crises, given that the historical external dependence has made Brazil more vulnerable to global level instabilities. As discussed in this article, the best way out for Brazil is not to automatically ally with either the USA or China, but to work with both in partnerships, using pragmatic solutions and an autonomous posture.

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Ouverture Commerciale Et Croissance Économique En Afrique Centrale: Le Rôle Du Contrôle De La Corruption Et L'absence De Violence Politique

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Abstract- The aims of paper is to examine the effect of the quality of political institution including the control of corruption and the absence of political violence on the relation between trade and economic growth of a sample 5 Central African countries over the period from 1995 to 2018. Using the Generalized Moment Method (GMM), the results reveal that (i) trade positively influences economic growth (ii) corruption control improves the positive effect of trade on economic growth (iii) the absence of political violence does not influence the effect of trade on economic growth. In order to benefit from growth led by trade, corruption control matters. In terms of economic policy implications, our results urge the political authorities to strengthen the control of trade facilitate the accession of their countries to the club of emerging economies.

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GJHSS-E Classification: JEL Code: F1, O4, N2



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Ouverture Commerciale Et Croissance Économique En Afrique Centrale: Le Rôle Du Contrôle De La Corruption Et L'absence De Violence Politique

Votsoma Philémon ^α, Ntang Philémon Bonaventure ^σ, Nkot Samuel Cedric ^ρ & Souabou Djoulde ^ω

Résumé- L'objectif de cet article est d'examiner l'effet de la qualité des institutions politiques notamment le contrôle de la corruption et l'absence de violence politique dans la relation entre l'ouverture commerciale et la croissance économique d'un échantillon de 5 pays de l'Afrique Centrale sur la période allant de 1995 à 2017. Utilisant la Méthode des Moments Généralisés (GMM), les résultats révèlent que (i) l'ouverture commerciale influence positivement la croissance économique (ii) le contrôle de la corruption améliore l'effet positif de l'ouverture commerciale sur la croissance économique (iii) l'absence de violence politique n'affecte pas l'effet de l'ouverture commerciale sur la croissance économique. Afin de bénéficier d'une croissance tirée par l'ouverture commerciale, le contrôle de la corruption importe. En termes d'implications de politique économique, nos résultats exhortent les autorités politiques de renforcer le contrôle de la corruption dans les échanges commerciaux pour faciliter l'accession de leurs pays au club des économies émergentes.

Mots-clés: ouverture commerciale, croissance économique, contrôle de la corruption, absence de la violence politique.

Abstract- The aims of paper is to examine the effect of the quality of political institution including the control of corruption and the absence of political violence on the relation between trade and economic growth of a sample 5 Central African countries over the period from 1995 to 2018. Using the Generalized Moment Method (GMM), the results reveal that (i) trade positively influences economic growth (ii) corruption control improves the positive effect of trade on economic growth (iii) the absence of political violence does not influence the effect of trade on economic growth. In order to benefit from growth led by trade, corruption control matters. In terms of economic policy implications, our results urge the political authorities to strengthen the control of trade facilitate the accession of their countries to the club of emerging economies.

Keywords: trade, economic growth, corruption control, absence of political violence.

I. INTRODUCTION

Dans une des grandes publications mensuelles, en vue d'une réforme institutionnelle des pays à faible revenu, le Fond Monétaire International (FMI) affirmait en ces termes : « L'Afrique a besoin des institutions fortes et non des hommes forts..... ». Soulevant ainsi un débat sur l'importance de la qualité

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des institutions. North (1990) a été l'un des premiers à démontrer l'importance des institutions dans le développement économique. Mauro (1995) a mis l'accent sur le phénomène de corruption qui est nuisible à l'investissement et à la croissance économique dans les pays en développement. Acemoglu et Robinson (2005), ont démontré que la qualité des institutions prédéterminée par des facteurs historiques, géographiques ou climatiques, était la clé du développement économique. Engerman et Sokoloff (2003) ont postulé qu'il y a des économies d'échelle dues à la bonne qualité institutionnelle et l'ouverture commerciale dans la détermination du développement économique. Dollar et Kraay (2003) ont formulé que les pays qui ont des institutions de qualité ont une tendance à commercer davantage. Rodrik (2000) est le premier à notre connaissance, a montré que l'ouverture commerciale n'a pas d'effet sur la croissance économique si elle est séparée des institutions. Cependant, la plupart des travaux examinent les liens entre les institutions et le commerce ignorant leur effet sur la croissance économique (Bhattacharyya et al, 2009 ; Gandjon, 2017).

A cet égard, des auteurs néolibéraux comme Acemoglu et al, (2004) et Rodrik et al (2002) affirment que la qualité des institutions politiques notamment le contrôle de la corruption et l'absence de violence est vitale non seulement pour la relance de la croissance, mais surtout pour le développement. Rodrik (2004) prend ainsi le contre-pied de la plupart des études sur ce sujet, en montrant que les médiocres performances commerciales des pays africains sont avant tout la conséquence de leurs difficultés économiques et institutionnelles en général et non l'inverse. A cet effet, Rodrik (2004) constate que la qualité des institutions politiques est une variable qui détermine à la fois le niveau du revenu et le commerce; si cette qualité change dans le temps, elle influencera à la fois ces deux variables sachant que son influence sera attribuée de manière erronée à l'effet du commerce ou n'importe quelle autre variable spécifique à chaque pays.

A l'aide de données annuelles, cet article examine si le contrôle de la corruption et l'absence de violence politique a un effet dans la relation entre l'ouverture commerciale et la croissance économique des pays de l'Afrique Centrale. L'objectif de ce papier

étant de donner un aperçu du rôle de ces indicateurs d'institutions politiques dans la relation entre l'ouverture commerciale et la croissance économique, la question qui pourrait être soulevée ici est celle de savoir pourquoi cette recherche reste pertinente pour l'économie des pays de la CEMAC. Une raison évoquée, est le choix de la dimension des institutions politiques se justifie par la rareté des travaux à notre connaissance qui ont analysé l'effet du contrôle de la corruption et l'absence de violence politique dans la relation entre l'ouverture commerciale et la croissance et, singulièrement en Afrique Centrale. Dans ces pays le niveau du contrôle de la corruption et l'efficacité du gouvernement semblent mitigés au regard des statistiques de l'indicateur de gouvernance mondiale (WGI, 2017) et au vu des autres pays dotés d'un contrôle de la corruption et l'absence de violence politique (Transparency, 2010). Ces indicateurs en matière de gouvernance politique ont relativement progressé comparativement aux années antérieures (Transparency, 2016). Le rôle du contrôle de la corruption et de l'absence de violence dans la relation se pose.

Le reste du papier est organisé de la manière suivante: la seconde section expose le cadre

méthodologique utilisé. La troisième section présente les différents résultats obtenus et les discussions qui s'en suivent, et la quatrième section conclut ce travail

II. DÉMARCHE DE L'ANALYSE

Il expose successivement le modèle de croissance économique à estimer, les données et leurs sources ainsi que la stratégie d'estimation du modèle.

a) *Modèle empirique*

La spécification du modèle de croissance néoclassique développé par Mankiw et al. (1992). Le modèle considère le capital humain et le capital physique. Le modèle peut être exprimé comme suit :

$$Y(t) = A(t)K(t)^\alpha L(t)^{1-\alpha} \quad 0 < \alpha < 1 \quad (1)$$

La fonction de production de Cobb- Douglas (Y) dépend du capital physique (K), de la main-d'œuvre (L) et du niveau de la technologie (A). Inspiré de cette fonction précédente, le modèle néoclassique de Mankiw et al (1992) est formulé de la manière suivante : La forme fonctionnelle globale nous permet d'établir la relation suivante :

$$\text{Relation directe : } [PIB]_{it} = a_0 + a_1 [PIB]_{it-1} + a_2 [OUV]_{it} + a_3 [X]_{it} + v_{it} + \varepsilon_{it}$$

$$\text{Relation indirecte : } [PIB]_{it} = a_0 + a_1 [PIB]_{it-1} + a_2 [OUV]_{it} + a_3 [IP]_{it} + a_4 [IP \times OUV]_{it} + v_{it} + \varepsilon_{it}$$

Où $a_0 \dots \dots a_4$ sont des paramètres de la variable du modèle. X est de la variable de contrôle; PI*CTS est la variable interactive entre ouverture commerciale et la qualité des institutions politiques, OUV est l'ouverture commerciale, PIB est le produit intérieur brut. u est la spécifique pays, e est le terme d'erreur.

b) *Variables du modèle*

Le taux de croissance économique réel en pourcentage, il tient compte de la parité de pouvoir d'achat afin de permettre la comparaison entre pays (Greenaway et al, 2012). *L'ouverture commerciale* mesure la proportion du revenu total d'un pays donné qui est liée au commerce international. *le Contrôle de la corruption* : il mesure comment la puissance publique est exercée pour le gain privé, y compris de grandes et petites formes de corruption (Kaufmann et al, 2004). *Stabilité et absence politique de violence* : cette variable montre à quel point le gouvernement peut être déstabilisé ou renversé par des moyens inconstitutionnels ou violents, incluant le terrorisme (Aisen et Veiga, 2013). *Les dépenses publiques*, mesurées par la consommation finale publique en pourcentage du PIB, cette variable permet de prendre en compte les effets de la politique budgétaire dans notre analyse en vertu des enseignements keynésiens

(Levine et Renelt, 1992 Sachs et Warner (1995). *Le taux d'inflation* mesure le taux de croissance annuelle de l'indice de prix à la consommation (IPC), l'IPC est l'une des meilleures mesures de l'inflation pour des économies fortement dépendantes des prix à l'importation. Cette variable permet de prendre en compte la stabilité macroéconomique. Dans la littérature économique, on parle du taux d'inflation lorsque l'indice n'est pas précisé (Romer, 1991). *La Formation Brute du Capital Fixe*, c'est l'agrégat qui mesure, en comptabilité nationale, l'investissement (acquisition de biens de production) en capital fixe des différents agents économiques résidents. Anciennement appelée investissement intérieur brut, elle consiste en des dépenses pour des ajouts aux immobilisations corporelles de l'économie plus les variations nettes des inventaires (Yanikkaya, 2003, Wacziarg et Welch, 2008), *Les ressources naturelles* mesure la rente naturelle par la différence entre le prix de vente des ressources naturelles et leurs coûts d'exploitation (Mondjeli et Tsopmo, 2017). *La population active* mesure du taux d'accroissement de la population active cette variable permet de prendre en compte le rôle du facteur travail dans l'activité économique. En effet, une expansion démographique augmente la proportion de la population considérée comme non productive,

principalement celles des enfants et des séniors (Gandjon, 2017).

c) *Source de données et échantillon*

Les données ont été obtenues de plusieurs sources, notamment : (i) la Indicateur de Gouvernance Mondiale (WGI, 2018), (ii) Indicateurs de développement de la Banque mondiale (WDI, 2018); et (iii) les données du Fonds Monétaire International (WEO, 2017). L'échantillon porte sur les pays membres de la CEMAC (Cameroun, Congo, Gabon, Guinée Équatoriale et le Tchad) excepté la République Centrafricaine (RCA).¹ L'incorporation de ces cinq pays dans le même échantillon peut être justifiée par leurs racines historiques et culturelles fortes, en plus des liens économiques de faire partie de l'union douanière et monétaire.

d) *Méthode d'estimation*

Les travaux de Chang et al (2005) ont contribué à la littérature qui examine comment l'ouverture commerciale et les institutions interagissent, recherchant un rôle possible pour des complémentarités de politique. Bien qu'ils n'y aient pas donné les applications spécifiques. Il affirme du fait que l'essence de l'analyse peut être prolongée pour analyser la complémentarité entre l'ouverture commerciale et autre réformes. Pour atteindre notre objectif d'analyser l'effet du contrôle de la corruption et l'absence de violence politique dans relation entre l'ouverture commerciale et la croissance économique, cette recherche utilise une méthodologie empirique basée sur la méthode des variables instrumentales (IV-GMM) sur la période 1996-2016. La décision d'utiliser cette méthode se justifie à l'effet de corriger l'hétéroscédasticité pour pallier au mieux l'endogénéité de certaines variables de l'échantillon (Arellano et Bond, 1991 ; Arellano et Bover, 1995 ; Blundell et Bond, 1998 ; Roodman, 2009).

accepte l'hypothèse nulle d'absence d'autocorrélation de second ordre ($p\text{-value} > 0.05$). L'arbitrage se fait par la comparaison de la valeur fournie automatiquement par la probabilité associée à la valeur Wald calculée, ce qui facilite grandement l'analyse. Il suffira donc de comparer la probabilité associée à la Wald-statistique au seuil de 5% retenu. Dans le cas où la probabilité associée à W-Statistique calculée est inférieure à 5%, alors l'hypothèse H_0 sera rejetée au profit de l'hypothèse alternative selon laquelle la régression est globalement significative. Dans ce cas, la statistique de Wald est inférieure à 5%, donc l'hypothèse nulle est rejetée et le modèle est globalement significatif.

III. PRÉSENTATION ET DISCUSSION DES RÉSULTATS

Le tableau 2 ci-dessous montre que globalement, les variables instrumentales utilisées dans nos régressions sont valides en effet, le test de Hansen/Sargan ne permet pas de rejeter l'hypothèse nulle de validité des instruments en niveau et en différence ($p\text{-value} > 0.05$). De plus, nous constatons qu'il n'y a pas d'autocorrélation de second ordre des erreurs de l'équation en différence AR (2), car le test d'autocorrélation de second ordre d'Arellano et Bond

¹ Cette restriction s'explique au vu du faible volume de commerce des ressources naturelles dans les échanges commerciaux (exportations). Cependant, la dépendance des ressources ne fait pas l'objet principal de cette étude. Elle est juste évocatrice du contexte actuel et semble le mieux expliquer les exportations considérables des pays dépendants de ces ressources naturelles.

Tableau 2: Institutions, ouverture commerciale et croissance économique

Variable	dépendante	Variable indépendante : taux de croissance annuel		
		System dynamic panel-data estimation (GMM-type)		
		Modèle (1)	Modèle (2)	Modèle (3)
		Relation directe	Relation indirecte	Relation indirecte
Croissance économique (-1)		0.007* (0.34)	0.184** (1.68)	-0.032 (-1.03)
Ouverture commerciale		0.354*** (3.76)	0.137*** (6.17)	0.152*** (0.48)
Population		-4.567 (-0.69)	11.207** (1.37)	7.984 (1.37)
Dépenses publiques		-0.343*** (-3.89)	-0.592** (-3.97)	-0.461*** (-2.91)
Inflation		-0.879*** (-3.37)	-0.239*** (-3.62)	-0.309*** (-2.60)
Ressource naturelle		-0.013 (-0.90)	0.253* (1.81)	0.259 (1.43)
Investissement privé		-1.985 (-0.98)	2.688 (1.13)	-5.949 (-0.94)
Contrôle de la corruption		0.138* (4.73)	0.153* (6.91)	0.152* (6.67)
Absence de violence		0.087 (3.25)	0.070 (3.38)	0.078 (4.08)
Corruption *Ouverture		///	0.098*** (4.72)	//
Absence de violence* Ouverture		//	//	0.445 (0.83)
Constante		4.161 (0.09)	-59.348** (-2.23)	-44.263 (-1.40)
Observations		95	90	90
Sargan/Hansen test (P_value)		0.0570	0.101	0.2035
AR(1) p-value		0.312	0.451	0.679
AR(2) p-value		0.4096	0.344	0.5424
Wald P_value		0.0000	0.000	0.000
Nombre de pays		5	5	5

Note: ***: significatif au seuil de 1% ; ** : significatif au seuil de 5% ; * : significatif au seuil de 10

Dans la colonne 1, 2, 3, il existe une relation positive entre l'ouverture commerciale et la croissance économique. La colonne (1) montre une incidence positive de l'ouverture commerciale sur la croissance économique. Le coefficient associé à l'ouverture commerciale est de 0,354, ce qui suggère qu'une augmentation de 1 point de taux d'ouverture commerciale entraîne une hausse de la croissance économique de 0,354 point. Ce résultat, qui à première vue semble rejoindre les travaux de Frankel et Romer (1999) ; Busse et Koniger, (2012) ; Musila et Yiheyis (2015) ; lyke (2016) ; Ho et lyke (2018). Ils mettent en évidence le rôle important de l'ouverture commerciale comme facteur qui promeut la croissance à long terme. Parmi les effets favorisant la croissance économique, plusieurs auteurs soutiennent la place prépondérante que joue le processus de l'ouverture commerciale dans l'amélioration du bien-être par un regain de la productivité.

Deuxièmement, nous avons testé la validité des effets interactifs entre l'ouverture commerciale et le

contrôle de la corruption d'une part, et l'absence de violence politique d'autre part. Les résultats montrent que le coefficient d'une variable principale interactives spécifié a un signe positif. La colonne (2) montre un effet positif de la variable interactive entre l'ouverture et le contrôle de la corruption et l'ouverture commerciale sur la croissance économique. Le coefficient associé à la variable interactive est de 0,098, ce qui suggère qu'une augmentation d'1 point de la variable interactive entre le contrôle de la corruption et l'ouverture commerciale entraîne une croissance économique de 0,098 point. Par conséquent, l'ouverture commerciale et le contrôle de la corruption sont complémentaires. En d'autres termes, le la puissance publique est exercée contre les gain privé, y compris de grandes et petites formes de corruption améliore l'effet de l'ouverture commerciale sur la croissance par le canal de la compétitivité. Ce résultat rejoint les travaux de Blackburn et Forgues-Puccio (2010) et Zaouli et Zaouli (2015). La colonne (3) montre un effet positif mais non significatif de la variable interactive entre l'ouverture commerciale

et l'absence de violence politique sur la croissance économique. Ce qui suggère la variable interactive entre l'ouverture commerciale et l'absence politique de violence n'explique pas la croissance économique. En d'autres termes, l'absence de violence politique n'a pas d'effet sur la relation entre l'ouverture commerciale et la croissance économique. Ce résultat rejoint les travaux de de Nignogabo (2007).

S'agissant des variables de contrôle : Une augmentation d'un point de taux d'accroissement de la population entraîne respectivement une hausse de 11,207 points de croissance économique dans la colonne 2 et une hausse de 7,984 points de croissance économique dans la colonne 3. Ce résultat rejoint les travaux de Hanushek et Kimko (2000). Cependant, le coefficient associé aux dépenses publiques est négatif. Une augmentation d'un point du ratio de dépenses publiques entraîne une baisse de la croissance respectivement de 0,343 point dans la colonne 1 ; de 0,592 point dans la colonne 2 ; de 0,461 point dans la colonne 3. Ces résultats corroborent avec les travaux de Edwards (1998). De même, le coefficient associé à l'inflation est négatif. Une augmentation d'un point du taux d'inflation entraîne une baisse de la croissance respectivement de 0,298 point dans la colonne 1 ; de 0,204 point dans la colonne 2 ; de 0,224 point dans la colonne 3. Ces résultats corroborent avec les travaux de Romer (1991).

IV. CONCLUSION

L'objectif de cet article était de montrer que la qualité des institutions politiques notamment le contrôle de la corruption et l'absence de violence politique est susceptible de renforcer l'effet de l'ouverture commerciale sur la croissance économique de 5 pays d'Afrique Centrale sur la période allant de 1995 à 2017. À l'aide de la technique de GMM en panel dynamique, l'estimation aboutit à deux principaux résultats. En premier lieu, l'ouverture commerciale affecte positivement la croissance économique. En second lieu, le contrôle de la corruption améliore l'effet positif de l'ouverture commerciale sur la croissance économique. En termes d'implications de politique économique, nos résultats exhortent vivement les autorités politiques de renforcer le contrôle de la corruption dans les échanges commerciaux pour faciliter l'accès de leurs pays au club des économies émergentes.

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ANNEXE

Annexe 1: Résultats du Test de stationnarité des variables

Variables	METHODE		Ordre d'intégration à niveau et en différence
	LLC	IPS	
GDP	-1.4681*	-1.6362**	(1)
OPEN	-4.3944***	-4.90140***	(1)
FBCF	3.336	-4.067***	(1)
GOV	-1.4295**	-2.1678***	(0)
INFL	-6.423***	-5.958***	(0)
POP	-7.9712**	-7.2898***	(1)
RN	-4.323***	-4.422***	(1)

Source: calcul de l'auteur à partir des données de la Banque mondiale (2016)

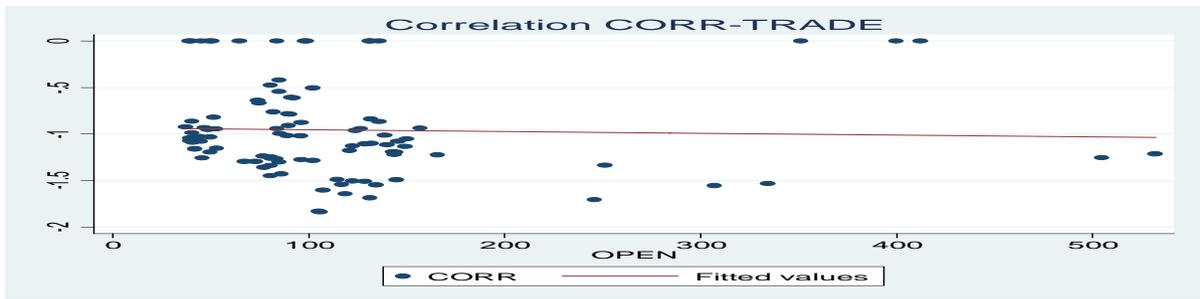
Note: Les chiffres entre parenthèses sont les valeurs absolues des statistiques t ; *** : significatif à 1% ; ** : significatif à 5% ; * : significatif à 10%.

Annexe 2: Statistiques descriptives des variables institutionnelles

	Contrôle de la corruption	Absence de violence
Mean	-1.126237	-0.539253
Median	-1.114307	-0.481263
Maximum	-0.419009	0.498964
Minimum	-1.836509	-1.966515
Std. Dev.	0.305611	0.668694
Skewness	-0.023763	-0.321710
Kurtosis	2.879247	1.982006
Jarque-Bera	0.059642	5.136482
Probability	0.970619	0.076670
Sum	-95.73016	-45.83651
Sum Sq.	7.845437	37.56079
Observations	85	

Source: l'auteur à partir des données

Annexe 3: Corrélation entre le contrôle de la corruption et la croissance économique



Source: résultats générés par l'auteur à partir des données WDI et WGI (2016)





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Export Behavior and Propensity to Innovate in Developing Country: The Case of Afghanistan

By Aimal Mirza

Abstract- The paper is aimed at examining relation between factors determining export behavior and propensity to innovate to fill Afghanistan specific literature gap. For this purpose, a number of 236 small and medium manufacturing firms were targeted as statistical unit of analysis. Required data were collected through questionnaire distributed to owner/manager of firms. Descriptive statistics as well as multivariate probit regression were utilized to analyze the data. Findings confirmed no significant relationship between export behavior and propensity to innovate. It further suggests that marketing innovation and technological advancement positively and significantly influence export behavior and propensity to innovate. Furthermore, and unlike result of many other similar studies there was insignificant influence of firm size and firm age on propensity to innovation.

Keywords: *propensity to innovation, export behavior, firm, technological advancement, marketing innovation.*

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I. INTRODUCTION

The term propensity to innovate refers to firm's willingness and capability to adopt a new ideal (Morris, 2005, Sloan, 2008) from outside (Cannon, 1985, Hansen and Birkinshaw, 2007, Sloan, 2008) at a high level of risk (Dobni, 2006, Sloan, 2008). Whereas, the term export behavior refers to profile of firms with conjunction of their decision to export or not to export (Cavusgil & Tesar, 1979) according to same author when the export objectives characteristics are combined, export profile becomes export behavior (Cavusgil & Tesar, 1979).

Economists mostly agree that export plays important role for any country's development and developing ones in particular. However, according ample studies in export has been less possible without innovation in this era. There are many evidences that proves this assert. Forbes latest ranking of high growth innovative companies is an example to name one of such evidences (Forbes, 2018). According to this ranking majority of the innovative companies are based on a developed country. Therefore, examination of export and innovation at firm level has been an interesting research topic. However, most of studies have been conducted in context of developed countries and there only few ones on same about developing countries. For this purpose, this study attempts to improve our knowledge on relation between export behavior and propensity to in a developing country.

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a) Background to Study

There is a debate if Afghanistan is least developed country (LDC) or developing one. According to United Nation Development Program Afghanistan holding fifth least developed country in terms human index development of rank in 2007 improved its position to 20th in 2019. Furthermore, within same time frame there has been considerable GDP growth and infrastructure development. These positive changes indicate that Afghanistan is developing despite of instability and political unrest.

Earlier the study discussed that export was highly crucial for countries to sustain development, meanwhile we also argued that innovation was one of important element for export. Furthermore, we argued that Afghanistan was developing. These discussion and argument allows as to investigate relationship between both as area of research in this country on the basis of issue that there is a significant deficit in balance of trade in the country. According to figures reported by National Statistics and Information Authority (NSIA, 2020) of Afghanistan, import has been as large as USD 8.5 billion where export has been only 1.7 billion at maximum meaning that import for more outweighs export in this county.

To address the said issue- Afghanistan government recently has focused on promotion of some agro product such as dry and fresh fruit mainly by focusing on these products supply chain. Though there has been some achievement on value chain, analysis of supply chain considering the existing capacity at concerned organization in this county is complex to understand and seems not to bring significant changes. Parallel to this manufacturing industry deserve same attention for its development as experience of many countries indicate that manufacturing has been the prime driver of export development. On the basis of issue, argument and discussion next section proposes problem statement that lays a foundation for conduct of this study.

b) The Problem

As discussed in previous sections it is highly important to address issue of lower export in Afghanistan. This issue lays a foundation for many researches. As the importance of innovation and export was discussed above one of research area is to examine relation between innovation and export in this

country. However, at first we need to understand what determine export behavior and propensity to innovate amongst manufacturing firms in Afghanistan. Following research questions narrow down the broad problem and thus remain focus of this study.

- i. What determines propensity to innovate amongst Afghanistan based manufacturing firm?
- ii. What determines export behaviour/export profile amongst Afghanistan based manufacturing firms?
- iii. What is the relationship between innovation and export behaviour in Afghanistan based firms as specified above?

II. THEORETICAL BACKGROUND

This section focusses the existing studies two strands. The first strand discusses determinants of export behavior. Sai, Sun and Liu (2018) unravels the effects of export and innovation on firm-level markup and productivity. The findings show that starting to export without innovation has negative affect on firm productivity and markup, while starting to innovate without export has a significant positive impact on productivity and ultimately to export. Radicic (2019) explore the extend in which the potential complementary relation exists between technological persistence innovation, feedback and export. Result suggests positive relation between three with no connection between past product and process innovation to export behavior of firms. Similarly, Azar and Ciabuschi (2017) examines relation between export performance and innovation type. Their study finds out that export enhances radicalness and extensiveness of technological innovation. On the other hand, a study of Crick and Crick (2016) examines on what exist behind a firm export order and marketing innovation concentrating on risk/reward considerations in decision-making. Result of the study suggest that a variety of factors can affect the decision of owner/managers in small firms to start their internationalization path. Decisions are made in the context of perceived risk and reward with conjunction of different opportunities exploitation. Edeh, Obodoechi and Ramos-Hidalgo (2020) in their study explore heterogeneous effect of innovation type on SMEs export performance in developing countries finds out simultaneous technological and non-technological impact of innovation on firms' export performance. Study further finds out that product innovation is negatively related with export performance while process innovation is positively related with same. Lewandowska et al (2016) in their study aim at examining to what extend innovation can influence export confirming need for application of network approach to research on between interrelationships internationalization of the firm and innovation. Similar to this, Oura, Zilber and Lopes (2016) comparing the effect of innovation capacity on export

behavior and internationalization experience on export behavior suggests that internationalization has greater effect on export behavior than innovation capacity. Furthermore, Rodil, Vence and Carmen Sanchez (2016) examines the problem that what happens to innovation level of firm when export increases. Finding suggest that marketing innovation is crucial for export enhancement. Similar to this, Tavassoli (2018) analyze role of product innovation on firms' export behavior. Findings suggests output of firm as result of innovation measured by sales has a positive and significant role on firm subsequent export behavior. Result of studies discussed as above point to importance of innovation toward export involving other variables such as internationalization, product quality, owner/manager perceived risk and marketing innovation.

The second strand focus on what determinants of innovation. The research of Shemaiah and Rath (2018) using India's selected manufacturing firms examines the determinants of innovation. Finding is drawn on the basis of panel probit model which uncover that exports and R&D expenditure positively and significantly affect the innovation in case of manufacturing sector. Import intensity, manager's prior experience, and employees training and development at firm level do positively affect the innovation activities. Whereas, firm age and capital intensity negatively affect innovation. Le and Lei (2019) endorses role of training and development in the form of knowledge sharing while examining the differences in transformational leadership's effect on each dimension of innovation capability, namely, product innovation and process innovation. The findings indicate that knowledge sharing mediates transforming leadership effects on innovation capabilities. These findings are further similar to Hues' (2019) study with aims at empirically analysis of innovation decision determinants the result of study indicates that besides firm size, a higher percentage of skilled force representing technological factors and which are based on technological intensive sector to be critical factors of innovation decisions besides. Similarly, Medase, (2020) confirm positive effect of firm size as well as firm age on product innovation. Authors such as Aziz and Samad (2016); Coad (2018) and Pellegrino (2020) emphasize on positive role of firm age on process and product innovation. From the studies discussed above one can realize the importance of variables such as training and development, technology, firm size, firm age and finally product and process quality on innovation.

From the review of literature as document above one understand that innovation can lead to improvement of export behavior. Researches are mostly conducted in developed and European countries in particular. Researches have been generally quantitative and either data were collected through questionnaire or from databases. It further shows that most of researches

are in developed countries. This fact leaves the gap of research in context of developing country. Furthermore, country context is a highly worthwhile research topic. As realized so far, no research on the topic has been conducted in Afghanistan. The study attempts to fill this gap by conducting an investigation on Afghanistan based firm to uncover relation between propensity to innovation and export behavior.

a) *Conceptual Framework and Model Building*

The schematic diagram in figure 2.1 depicts hypothetical relationship model between export

behavior, propensity to innovate and factors that determine both. The model theorizes impact of technological advancement, training and development, firm size and age and finally process innovation on propensity to innovate. Whereas, exposure to internationalization, marketing innovation, product quality and quantity and owner/manager risk-taking behavior assumedly impacts export behavior. We further assume relation between propensity to innovate and export behavior.

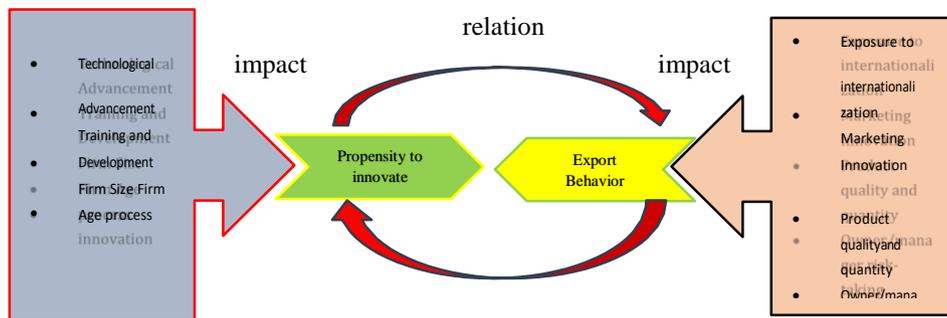


Figure 2.1: Conceptual framework

In the light of above schematic diagram the mathematical expression of given relationship is presented below.

$$ExpBeh = \alpha + \beta_1 ExpInl + \beta_2 MInnov + \beta_3 MgrRTB + \beta_4 ProdQntQlt + \epsilon \tag{1}$$

$$PropInnov = \alpha + \beta_1 TAdv + \beta_2 T\&D + \beta_3 FSize + \beta_4 FAge + \beta_4 PrInnov + \epsilon \tag{2}$$

Constructs such as ExpBeh, PropInnov and etc. represents variables which will discussed in greater details in section to come. Based on above concept author formulate following hypothesis(s):

- H1: Exposure to internationalization significantly influence export behavior.
- H2: Marking innovation significantly influence export behavior.
- H3: Owner/manager risk-taking behavior significantly influence export behavior.
- H4: Product quality and quantity significantly influence export behavior.
- H5: Technological advancement significantly influence propensity to innovate.
- H6: Training and development significantly influence propensity to innovate.
- H7: Firm size significantly influence propensity to innovate.
- H8: Firm age significantly influence propensity to innovate.
- H9: Process innovation significantly influence propensity to innovate.

H10: There is a positive relation between export behavior and propensity to innovate.

III. METHODOLOGY

In order to address the defined research questions author applied quantitate method due to the large population size whereby qualitative study was practically impossible. Data were collected through data collection tool structured in light of available literature and conceptual model as shown in figure 2.1. Table 3.1. explains how variables were measured in questions/ statement included in data collection instrument on dichotomous scale i.e. Yes/No where 1 was assigned to "Yes" and 0 was assigned to "No" and values such as investment and expenditure. Study targeted a number of 236 manufacturing firms located in three major cities of Afghanistan (Kabul, Herat and Jalalabad) and questionnaires were distributed key person in firm (i.e. either owner/manager).

Table 3.1: Data collection instrument and variables measurement

Measure	Scale	Dependent Variable	Predicator	Constructs
Firm Exports	Dichotomous	Export Behavior Propensity		<i>ExpBeh</i>
Growth in sales as result of product/process improvement, technological advancement and training & development	Dichotomous	to Innovate		<i>PropInnov</i>
Firm exposure to Internationalization (Fair, exhibition, Owner/manager business trips)	AFN thousand		Exposure to Internationalization	<i>ExpInt'l</i>
<i>Table continues to next page</i>				
Is manager/owner risk averse?	Dichotomous		owner/manager risk-taking behavior	<i>MgrRTB</i>
Did firm approach for marketing lead to change product or production process?	Dichotomous		Marketing Innovation	<i>MInnov</i>
Has there been changes in quantity and quality of product based on customer demand?	Dichotomous		Product quality and quantity improvement technological advancement	<i>ProdQntQlt</i>
Firm's additional investment on machinery and any other technology after initial outlay.	AFN Million			<i>TAdv</i>
Firm's expenditure on technical and personal development training	AFN thousand		Training and Development	<i>TD</i>
Change in production process as because of improvement in product quality and quantity or vice versa?	Dichotomous		Process innovation	<i>ProInnov</i>
total value of firms fixed asset (Machinery)	AFN Million		Firm Size	<i>FSize</i>
Number of years since firm's establishment.	Number of Years		Firm Age	<i>FAge</i>

Since the required data was a combination of amount and binary values Author utilized descriptive statistics as well as multivariate probit regression to analyze the data. A description/specification of multivariate probit model is presented below.

$$y_{ij} = X_i\beta_j + u_{ij} \tag{1}$$

$$y_{ij} = 1(y_{ij} > 0) \tag{2}$$

$$u_i = [u_{i1}, \dots, u_{iM}] \approx MVN(O, R) \text{ or } y_i = [y_{i1}, \dots, y_{iN}] \approx MVN(X_iB, R) \tag{3}$$

where $i=1, \dots, N$ indicates observations, $j=1, \dots, M$ indicates outcomes, X is a K-vector of exogenous covariates, the u_i are assumed to be independent across i but correlated across j for any i , and "MVN" denotes the multivariate normal distribution.

IV. RESULTS AND FINDINGS

Findings based on descriptive statistics (table 4.1) shows AFN 532,000 and AFN 474,000 on average basis and firms expenditure gain exposure to

internationalization and train their labor force respectively. These amount respectively to equivalent USD 7000 and USD 6000 approximately¹, which are considerable in view of firms size and age. Similarly, average size of firms has been AFN 6.2 million equivalent to USD 80,000 with an average age of 11. This indicates that half of manufacturing firms are medium in size according to SME definition of Afghan Ministry of commerce and industry. The age figure indicates that firms are still young.

Table 4.1: Data descriptive information

Covariate		N	Minimum	Maximum	Mean	Std. Dev
Exposure to Internationalization		236	0.00	994.00	531.59	286.56
Manager/Owner Risk Taking Behavior		236	0.00	1.00	0.54	0.50
Marketing Innovation		236	0.00	1.00	0.50	0.50
Product Quantity and Quality		236	0.00	1.00	0.56	0.50
Technological Advancement		236	0.00	1.00	0.49	0.50
Training and Development		236	0.00	991.00	474.42	296.45
Process Innovation		236	0.00	1.00	0.55	0.50
Firm Size		236	2528.00	9,957.00	6281.28	2079.41
Firm Age		236	1.00	20.00	10.72	5.99

Similarly, to descriptive statistic a percentage analysis of variables (table 4.2) indicates that majority of owner/managers were risk-takers. Effect of marketing innovation on product and process development is equally likely. Majority of improvement in product quality and quantity has been based on customers' demand. And finally a large percentage of is due to product quantity and quality improvement which is further result of customer demand.

¹ Author utilized Afghanistan central bank's (known as Da Afghanistan Bank) AFS/USD mid-rate as of July 25, 2020

Table 4.2: Predicators percentage analysis

	Risk Averse	Risk taker	Total
Managers risk taking behavior	109 46%	127 54%	236 100%
Marketing Innovation	led to product and Process innovation 118 50%	did not lead to Product and process Innovation 118 50%	236 1
Product quality and quantity	as result of customer demand		
	Yes 132 56%	No 104 44%	236 100%
process innovation	As result of improvement in product quantity and quality		
	Yes 130 55%	No 106 45%	236 100%

Probit regression analysis (table 4.3) result shows that majority i.e. 53% of manufacturing firms were not involved in export. Finding further suggests that marketing innovation had higher impact (i.e. sig = 0.045 and coef = 0.536) on export behavior whereas, rest of variables had insignificance influence on same.

Table 4.3: Probit regression on export behavior

Probit Regression	Export Behavior			
	Yes	No	Total	number of observation
	112	124	236	
	47.5%	52.5%	100.0%	
log likelihood	321.36			
Nagal Kerke R Square	0.029			
	Coef.	St.Er	Sig	Exp(B)
Exposure to Internationalization	- 0.000	0.000	0.754	1.000
Owner/Manager Risk-taking Behavior	0.130	0.267	0.627	1.139
Marketing Innovation	0.536	0.267	0.045	1.708
Product Quantity and Quality	- 0.197	0.267	0.462	0.822

Similarly, probit regression of propensity to innovation (table 4.4) indicates that technological advancement has significant and positive influence over propensity to innovate (i.e. sig=0.011 and coef=0.6884). however, other variable defined has insignificant effect on same.

Table 4.4: Probit regression on propensity to innovate

Logistic Regression	Propensity to innovate			
	Yes	No	observation	
	112	124	236	
	47.5%	52.5%	100.0%	
log likelihood	318.93			
Nagal Kerke R Square	0.042			
	Coef.	St.Er	Sig	Exp(B)
Technological Advancement	0.684	0.270	0.011	0.504
Training & Development	0.000	0.000	0.642	1.000
Process Innovation	0.330	0.274	0.229	1.391
Firm Size	0.000	0.000	0.634	1.000
Firm Age	- 0.003	0.022	0.883	0.997

A partial correlation analysis (table 4.5) between export behavior and propensity to innovate indicates negative yet very insignificant relationship between two.

In this analysis all predictors included in model remained control variables.

Table 4.5: Partial correlation between explained variable

Control Variables			Export Behavior	Propensity to Innovation
			Correlation	Correlation
1. Exposure to Internationalization	Export Behavior	Correlation	1.000	-0.038
2. Manager/Owner Risk Taking Behaviour		Significance (2-tailed)	.	0.572
3. Marketing Innovation				Table continues
4. Product Quantity and Quality				
5. Technological Advancement		df	0	225
6. Training and Development	Propensity to Innovation	Correlation	-0.038	1.000
7. Process Innovation		Significance (2-tailed)	0.572	.
8. Firm Size				
9. Firm Ag		df	225	0

V. DISCUSSION

Finding of data analysis is both surprising and interesting. It is surprising in a sense that most of important variables across literature were insignificant and interesting in a sense that innovation is less dependent to firm size and age. Therefore, leading to substantiating only hypothesis(s) 2 and 5. The findings lead to answer research questions one that marketing innovation explains export behavior. Answer to question number two asserts that technological advancement defines propensity to innovate and finally there is no relation between two. However, these findings are prone to some limitation such as higher log likelihood and insignificant R square. Due to nature of data (mixture of

amounts and binary values) study applied multivariate probit regression nonetheless, descriptive statistics and predictors percentage analysis seem to be more reliable on the basis which risk-taking behavior managers/owners, process innovation, product quality are more worthwhile for further examination and attention.

Apart from positive effect of marketing innovation and technological advancement on explained variables which agrees with findings of authors such as Crick and Crick (2016); Rodil, Vence and Carmen Sanchez (2016) and Hue (2019 the rest of findings (i.e. insignificant effect of other variable on explained variables) contradicts with majority of previous studies, which adds more to our surprise.

As policy implication this study suggest the government should not overlook quality control of product that may lead to process innovation as product improvement has been highly emphasized upon through research studies over the world. Besides, technological advancement- managerial implication of this study include attention to training and development which may positively affect product innovation through process improvement that ultimately leads to higher innovation.

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Empowerment of Women for Improved Quality of Life

By Narayan G. Hegde

Abstract- Technological developments and information technologies are rapidly changing the economy and lifestyle. However, women in many developing countries are still deprived of their rights and needs. Over the time women in India have faced many problems of inequality and deprivation, which have also been a cause of illiteracy and poverty. Focused attempt to empower women through sensitization of the community, reduction of hardship, improved health care, development of various skills and support for promoting several income generation activities along with necessary policy support, can improve the status of women within 3-5 years, even in the backward regions. While saving time on their routine household duties and improving the health status of themselves as well as that of their children, they have been happy to take up the additional workload for food security and income generation. The initial preferences of rural women for income generation were agriculture and livestock husbandry over non-farm activities because of inherent skills and high demand for the produce.

Keywords: rural women, women's hardship, gender equality, self-help groups, women empowerment.

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Empowerment of Women for Improved Quality of Life

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Abstract Technological developments and information technologies are rapidly changing the economy and lifestyle. However, women in many developing countries are still deprived of their rights and needs. Over the time women in India have faced many problems of inequality and deprivation, which have also been a cause of illiteracy and poverty. Focused attempt to empower women through sensitization of the community, reduction of hardship, improved health care, development of various skills and support for promoting several income generation activities along with necessary policy support, can improve the status of women within 3-5 years, even in the backward regions. While saving time on their routine household duties and improving the health status of themselves as well as that of their children, they have been happy to take up the additional workload for food security and income generation. The initial preferences of rural women for income generation were agriculture and livestock husbandry over non-farm activities because of inherent skills and high demand for the produce. Suitable policy support through legislation and development programs accelerated the process and reduced the resistance of male-dominated societies in many communities. The development of local organizations and regular guidance was very critical for the successful empowerment of women. There was a direct link between women's development and reduction in poverty. Sustainability of women's local organizations like Self Help Groups needed proper planning and support from development organizations.

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I. INTRODUCTION

Although modern technologies and virtual electronic communication technologies, have accelerated the process of growth and made business and financial operations efficient, they have also increased the challenges of the people of lower-income groups and the less educated in the developing countries. For centuries, it has been confirmed that poverty has been directly linked with illiteracy, community health, suppressed status of women, and social taboos [1, 2]. Therefore, deliberate attempts are being made to address these problems and empower the concerned people to take advantage of emerging opportunities. Due to poor access to new technologies, illiterate and economically backward people have been pushed into unemployment and poverty. In general, the realization about the negative impacts of such skewed development at the national level came very late

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because of the existing system of monitoring the growth and progress. When the growth was measured by the increase in the Gross Development Product (GDP) or Per Capita Income, the economic data presented a very progressive trend. However, at the micro-level, when the progress was measured at the micro level, there were very shocking revelations about the growth in the developing countries. There were many revealing examples like the establishment of large industries providing job opportunities for the people living in a radius of 20 - 30 km, which made a very significant contribution to the regional GDP. Still, the life of the low-income families living in remote areas was not benefitted in any way. On the contrary, their livelihood was affected adversely due to the increase in the cost of living and pollution of the environment, particularly air and potable water [3].

Therefore, the empowerment of the weaker sections of the society, women and the poor in particular, in the developing countries, was essential for taking advantage of the upcoming technologies for their survival. This study was undertaken to review the current status of rural women in India and to evaluate the impact of various interventions on the empowerment of rural women.

II. STATUS OF RURAL WOMEN IN INDIA

In the ancient Indian spiritual scriptures, the saints and the prevalent culture recognized a woman as not merely a mother but also as a superior scholarly Institution. It is documented in *Manu Samhita* (Chapter II, Para 145) that "A Guru who teaches Veda is ten times superior to an ordinary teacher and the father is 100 times more than a teacher, but the Mother is 1000 times superior than the father" [4]. However, unfortunately despite of their laudable and vulnerable roles which cannot be substituted by machines or men, women have been neglected for generations. For rural woman her day starts early in the morning with the responsibilities of fetching water, fodder, fuel, and cooking food. She takes care of the children and members of the family, their health, orientation, and education and attends to various income generation activities. She manages all the household matters, looks after the family assets and livestock, handles the purchases and finance, works for almost 14-16 hours, and is the last to sleep at night. Still, there is no recognition for her hard work, just because her work is

not evaluated in terms of money. Women are ignored in matters, which are of concern to them as well. As a result, women have been the worst sufferers in the society due to hardship, ill health, illiteracy, deprivation, and humiliation. The backwardness of women has been a sign of poverty and women have been the worst sufferers of poverty [5, 6].

India has witnessed a three-fold increase in population over the last 50 years without corresponding growth, especially in rural areas. Over 80 percent of the rural population has been dependent on agriculture, and allied activities and in the absence of any significant drive for giving a boost to agricultural production, with the increasing population, the per capita income has reduced, pushing a large part of the rural population into poverty. During the year 1992-93, 45.3 percent of the Indian population was living in poverty. The poverty in rural India was higher at 51.1 percent, as compared to 31.8 percent in urban areas [7]. Such a striking difference in poverty between rural and urban areas could be attributed to lack of employment opportunities, low rate of illiteracy, inadequate health care services, and neglected status of women. Saddled with the day-to-day household responsibilities, the drudgery of rural women has continued. Despite of their significant role in the development of the family, women were suppressed and given an inferior status in village society. They were not allowed to participate in decision-making issues and were not given the right to express their opinion on matters concerning their well-being. Their health status was at an all-time low. Most of the rural women suffered from various ailments due to malnutrition, neglected postnatal maternity care, poor personal hygiene, and overall neglect [8].

In rural India, agriculture and animal husbandry were the important sources of livelihood. However, out of the 130 million farming families, over 67 percent families were marginal farmers with less than one ha land, and only about 35 percent area was under irrigation. With such small land holdings and without assured irrigation, it was a hard task to ensure the food security of the family. In the absence of other income generation activities, most of the male members migrated to cities for earning wages, leaving the entire burden of the family on women. Thus, the responsibility of managing the farming operations of small cropping area was on women. These families also maintained different types of livestock such as cattle, buffaloes, sheep, goats, pigs, and poultry for supplementary income. Among this livestock, cattle were liked the most, as about 65 million families (50 % of the total rural families) in India owned cattle, while 39 million families (30%) own buffaloes and 33 million families (25 %) families owned goats. However, the productivity of these animals has been very low due to severe genetic erosion and lack of infrastructure for providing breeding,

and veterinary services. Because of illiteracy and immobility, the women had no access to technologies and critical inputs required to increase production. Thus, low productivity has been the cause of food insecurity, malnutrition, and poor health conditions resulting in a vicious cycle of chronic poverty [9]. For addressing the challenge of rural poverty during the 1980s, women empowerment was considered as an essential component of the sustainable development in India, and several programs were launched to empower rural women, particularly those belonging to weaker economic sections of the society.

III. COMPONENTS OF WOMEN EMPOWERMENT

Several Organizations engaged in the socio-economic development of rural communities analyzed the problems associated with the backwardness of women. They observed significant differences in the status of urban women and rural women. Before hoping to increase the status of rural women with men, it was felt necessary to sensitize the men in the families to make them realize the potential of women. When discussed with rural men, the following reasons emerged, which highlighted the weaknesses of women [10].

Weaknesses of Women, as perceived by men:

1. Women were illiterate, and they had difficulty in reading and writing;
2. Women were over-burdened with household work;
3. Women had to take care of their babies as well as livestock;
4. Women did not know how to make business and count money, and hence they were cheated sometimes;
5. Women were shy and it was unsafe for them to move outside;
6. Women did not have decent clothes to visit public places;
7. Elders in the family did not like women going out;
8. Men would do any job better than women.

The Opinion of women about their inability: When the rural women were asked the reason for their confinement to home and not involved in socio-economic development activities, their common answers were as below:

1. They were burdened with household work;
2. They had to look after their children;
3. Being illiterate, they were liable to be cheated;
4. They had no knowledge and too shy to go on enquiring about technology;
5. Elders in the family considered their going out as disrespectful;
6. They could not travel long distances by walk, and did know to ride bicycle;

7. They did not have the money required for working capital and operating costs;
8. Money earned by women was taken away by men and spent without sharing any amount with them.

a) *Gender Equality*

While interacting with the rural women, it was observed that the major obstacles for the progress of women were the older male members in the family as well as in the society, as they were used to seeing their women subdued and non-interfering. Thus, men in many communities had inhibitions in involving women in socio-economic development. They were also concerned about the possible divide between men and women in the family, leading to a lack of harmony. Therefore, it was necessary to sensitize men about the benefits of women empowerment. The development agency discussed with the villagers and convinced that the objective of women's empowerment was to strengthen the economy of the family and maintain harmony without comparing the importance of men versus women in the family. Thereafter the male members were willing to experiment with this new idea. However, they were not comfortable about opening a joint bank account and permitting women to withdraw money. They were also reluctant to add the names of women in the land records. Hence, it was necessary to move step by step to empower these illiterate rural women [6].

After creating awareness about benefits of engaging women in the socio-economic development programs, the men started encouraging the women in their family to take part in the activities. In many regions, the men took a path contrary to tradition, to empower the women. In Rajasthan and Uttar Pradesh, where the *Purdah* (Veil) system was in practice, the woman covered her face with a veil before her husband and other older men in the house as well as in the village. With regular meetings with the Extension Officers of the Civil Society Organizations (CSOs), these women started lifting the veil during the meetings, but covered their face immediately when any older man attended such meetings. Realizing this constraint, men in many villages decided not to come and sit in the front of the women. Instead, they agreed to sit at the back. This initiative enabled women to participate freely. In Uttar Pradesh state, some Village Panchayat Committees comprising of 5 senior and respected men (*Panch*), who sit together and give a decision against any injustice in the community, announced that all the women in the village should be treated as daughters and sisters, thereby allowing them to remove their veils in the village. This feeling among the male members in the community gave a boost to women's participation in various community development programs. In Rajasthan, where many SHGs decided to impose a fine on members arriving late for the meetings, many men encouraged their wives to attend the meetings

on time by taking the responsibility of cooking for the family on those days. A more pleasant surprise was that these men did not mind sharing this information with their friends in the village. Such a change could come within 6-12 months [11].

b) *Gender-Sensitive Approach to Women Empowerment*

For initiating the process of women empowerment, in a community where women were deprived of their primary education, and confined to their houses, without any status, it was necessary to start with attractive entry point activities, without any resistance and controversy. The entry point activity should also benefit most of the people in the village and the impact should be evident within a short period. In fuel scarcity areas, supply of improved smokeless wood stoves helped to sustain the interest of women. Promotion of kitchen gardens, vermiculture, and composting were effective in certain areas where the families had land and water resources. In Eastern UP, where many women were suffering from leucorrhoea, their treatment was given priority over the agricultural development program. After gaining the trust of the local families, activities related to women empowerment could be started with the active participation of women [6].

For the empowerment of women, several activities were introduced under the following categories, such as reduction of women's hardships, sensitization of the community, capacity building, and setting up suitable organizations for sustainable development. It was decided to undertake the women empowerment through the following activities:

- Drudgery reduction to facilitate participation in economic development.
- Identification of strategic gender needs and addressing them.
- Capacity building in technical skills, and leadership development.
- Formation of Self Help Groups for solidarity, motivation, addressing common problems, and micro-financing.
- Economic development to enhance abilities to contribute to family income, access to credit and assets, and reduce economic dependence.
- Staff orientation to adopt suitable approaches to address the problems and encourage participatory development.
- Gender vigilance to ensure women's participation in all fronts, and access to benefits in training, entrepreneurship, and activities of Panchayati Raj Institutions (PRIs).

c) *Components of Women Empowerment*

Entry Point Activity: BAIF Development Research Foundation, a CSO involved in promoting sustainable livelihood by improving the productivity of natural

resources, was wanting to employ the women belonging to very primitive tribal communities in establishing fruit orchards on denuded hilly terrains in Gujarat state in India. The objective was to ensure food security and improve community health and literacy. While interacting with the tribal families, initially, only men participated in the meeting. During a discussion about the problems faced by them, they expressed a lack of food security, safe drinking water, and ill-health as the serious problems. Hence, health checkups were organized in their hamlets by sending a team of doctors. There were high incidences of malnutrition, skin diseases, digestive disorders related to endo-parasites, illnesses linked to the women's hygiene, and maturity of cataract. They were treated through regular follow up visits of the medical team to their hamlets. Patients requiring cataract operations were taken to the nearby hospital in the town, where operation camps were organized. Within 5-6 weeks, the villagers started developing trust and confidence in the CSO. The men in the society permitted the CSO to arrange meetings with women, through women development workers. This was the beginning of an organized women empowerment program. However, the women were not keen to take up new workload as they were already burdened with household work, and care of their livestock. Some of the women expressed that even if they worked hard, and earned additional income, the money would be taken away by the men, who would spend it as per their priority, very often, on alcohol, instead of spending on food and clothing. This indicated lack of incentives for women to take up the additional burdens. During this discussion, it was clear that if they had a share in the earnings and freedom to spend the money as per their priority and need, they would take much more interest in such activities.

While interacting with these families, the tribal women revealed their traditional custom of 'wavli.' Under this custom, women exercised control over their income earned as *wavli*. Traditionally, when tribal women maintain poultry or grow vegetable crops in their backyards as *wavli*, the income generated from this activity is exclusively enjoyed by them. Taking a clue from this custom, women were encouraged to grow vegetables as intercrops in the orchards under *wavli*. The tribal men started considering it a sin to snatch this money from women and they also did not mind the women expanding the *wavli* activity on a larger scale to earn more. This money was generally spent by women on food, clothes, household utensils, and silver or gold ornaments, without seeking the permission of men. This was an excellent custom of keeping the money earned by women with them for their security. Considering the advantages of this custom, the tribal women were supported to grow vegetables and maintain livestock and poultry. In many locations where individual women were not able to work, the neighboring women came

together to work in a group. Some families came forward to lease their surplus land to landless women groups to cultivate vegetable crops. For expanding such farming operations, these women needed some training in different skills. The CSO provided the necessary training. While organizing training, special functional literacy classes were conducted for the women who could not even read, and write. The training courses also covered elementary aspects of community health and child care. Women took pride in their advancement. Joint meeting of men and women were organized once in a month, where women also started sharing their experiences and benefits enjoyed by the family. Therefore, men in the community stated encouraging women to participate in various development activities [12].

Hardship Reduction: The initial success motivated the women to take more interest in income generation activities, but they were already over-burdened. To reduce their hardship and workload, several hardship reduction activities were introduced. Earlier, they used to use stone grinders to grind food grains like wheat, sorghum and finger millet. Initially, to reduce the physical strain, a ball bearing set which was used in bicycle wheels, was fitted at the central pivot, which also reduced the grinding time. Later mini-flour mills were established wherever electrical power supply was available. For providing clean drinking water and to save time on fetching water, shallow bore wells with hand pumps were installed at the hamlets. They were taught to chlorinate the open wells in the villages to control harmful micro-organisms. The women also needed facilities such as toilets and bathrooms. Priority was given to support the construction of toilet with septic tank for each house. A bathing platform was constructed outside the house and all the four sides were covered with dried grass or gunny cloth, to enable the women to take bath during day time. The waste water was let out through an open channel in the garden and used for irrigating coconut and banana plants which needed more water. These initiatives saved some time and also reduced illnesses associated with consumption of polluted water. In coordination with the local government, kindergartens were opened and women were advised to send their children to kindergartens and subsequently to school. As midday meals were provided in the kindergartens, there was some improvement in the nutritional status of the children. These families were also supplied fodder seeds of tree and shrub species for planting around their home garden and on barren lands. In 4-6 months, they were able to collect some fodder to feed their livestock.

Capacity Building: With these initiatives and particularly improved health, they could save significant amount time and energy and were willing to take up additional workload for income generation. The women involved in the orchard development program were free to move

around. They were sent to training centres where they took part in various training and development activities. Generally, the initial trainings were conducted in their own village for 2-3 hours and which addressed their immediate problems. After realising the importance of gaining additional knowledge, they were keen to participate in trainings of longer durations which also required them to stay away from their homes. In many other locations, after the initial meeting, single women who headed their families, came forward to take part in training and for initiating income generation activities. They did not have to face any pressure from their families. Other women from poor families joined later, after considering the advantages of taking part in the women empowerment program and reputation of the CSOs, who were committed to development, without any hidden agenda. After the training on various income generation programs, they realised the need for finance for capital investment and operating expenses. The easy option was to develop their micro-finance organizations.

IV. DEVELOPMENT OF WOMEN ORGANIZATIONS

As the women collected in a group, they were guided to form Self Help Groups (SHGs) of 15-20 members to discuss the project activities and to mobilize their financial requirements. Preference was given to women belonging to homogeneous socio-economic status and those living in a closer vicinity. The SHGs met regularly once in a fortnight or month and discussed various problems and sought suitable solutions from among their members. Initially, one woman representative of the CSO also attended these meetings and guided them suitably. They also collected an installment of saving, which varied from Rs.5 to Rs.100, based on the decision of the members and depending on the socio-economic conditions of the members in each group. This amount was kept in a joint bank account of 2-3 office bearers who had a good reputation of being honest, and efficient, till the Group was registered as a legal entity. This fund was disbursed among needy members at an interest of 12% to 24% per annum, as mutually agreed by the members. Most of the SHGs did not feel the need to lower the interest rate as the moneylenders charged over 5-10% per month. Initially, the members availed loan for medical treatment, purchase of food grains, clothing, house repairs, and education of children. It was difficult for these poor women to start their own business without settling their domestic problems, and health issues [8].

Gradually, these SHGs gained strength to organize various development activities such as the establishment of plant nurseries to raise fruit and wood fuel saplings as a commercial activity in the group. Earlier, the farmers had to purchase mango grafts at a high price from the nurseries located at a distance of

50-100 km. With the initiative taken by the women SHGs, better quality grafts were locally available at 30 percent of the original price, and more farmers were motivated to establish orchards on barren lands. With training in agriculture and animal husbandry, the women invested in improving agricultural production, by availing loan from their SHG, without depending on outsiders. Apart from availing credit, the SHG members also recognized the value of discussion among themselves, which helped in solving various socio-economic problems. These SHGs were linked with a bank either directly or through the Federation of SHGs formed at the block level. The development of these organizations empowered these women to visit different government departments and demand various services for their villages. With women taking interest in education of their children, the quality of education improved. The dominance of the Government officials and vested interests also reduced significantly [12].

V. POPULAR WOMEN ENTERPRISES

Promotion of micro-enterprises and various income generation activities through agriculture and animal husbandry were the important aspects of women empowerment. Although it was extremely difficult to find remunerative self-employment, there were enormous untapped opportunities in the rural sector. These included both on-farm and off-farm opportunities.

Preference for Agro-Enterprises: While promoting various income generation activities, agro-based activities were given priority because of the following advantages:

1. Target groups were acquainted with most of the primary skills.
2. Easy access to inputs locally.
3. Most of the products had good local demand, and markets were well established. As over 85 percent rural families owned land, and livestock, most of the women could be engaged in these activities without heavy capital investment, till new opportunities were explored.
4. Good chances of success, with low risk of failure due to improper technology, price fluctuation and low demand for the produces.
5. The infrastructure required to accelerate on-farm activities was very well established. Hence, entrepreneurs could progress even in backward regions.

It was, therefore, advantageous to tap all the opportunities in on-farm activities. It was observed that the best strategy was to analyze the on-going agro-based activities undertaken by the SHG members and introduce suitable interventions to enhance production [11]. There were several opportunities to improve post-production handling of the produce through grading, storage, processing, and marketing.

Animal husbandry and agriculture were the most attractive enterprises undertaken by women. Dairy husbandry was the most popular activity which helped a large number of poor women to ensure their livelihood. The success of this program was dependent on assured breeding and health care marketing. Fortunately, a leading CSO in India, BAIF, had an extensive network of breeding services spread over 80,000 villages in 16 states, apart from the services provided by the State Animal Husbandry Departments. The unique feature of this program was door to door breeding and health care services by a trained technician, who also provided technical guidance and motivated the backward families to initiate various development activities. As most of the rural low-income families owned low productive local cattle or buffaloes, BAIF decided to breed these animals with superior quality bull semen to produce high yielding crossbred cows and buffaloes, which yielded 2000-2500 kg milk as compared to 200-300 kg/lactation produced by their mothers. A family owning three such cows or buffaloes could earn a net income of Rs.45,000 - 60,000 per year and come out of poverty. This program neither required capital investment nor skills. The women could easily manage the cattle as a part-time activity, without disturbing their routine work at home. Cattle and buffaloes could be fed with agricultural byproducts to generate nutritious milk and farmyard manure, which was needed for agriculture. As milk had good demand, dairy farming was an excellent opportunity for small farmers and women to ensure their livelihood, while keeping a small quantity of milk for home consumption. To improve the profitability of dairy husbandry by reducing the cost of feeding, farmers were encouraged to cultivate fodder shrubs and trees on wastelands.

Goat husbandry, piggery, and poultry were also popular income generation activities for women. Goat husbandry was preferred by farmers in arid and semiarid regions, where fodder resources are in scarcity for maintaining cows and buffaloes. Management of these species has been easier as compared to dairy animals, with lower capital investment and shorter gestation periods. BAIF tried to identify the problems of women goat keepers and observed that a majority of the goat keepers considered goat husbandry as a casual household activity and not as an enterprise to make necessary investments to improve production. Thus, a sustainable goat husbandry program was launched to increase productivity through genetic improvement, using popular local breeds. The program started with the formation of Goat keeping Women Groups, with 10 to 12 women members in each group which maintained an elite buck for breeding their does and engagement of trained local youth, preferably a woman, to serve as a Field Guide, for providing various services to goat keepers. These initiatives helped to increase the income of women goat keepers by 300 – 400 percent from the

third year. The average annual income increased from Rs. 5000 to Rs. 30,000 - Rs. 35,000 per annum [13]. Women maintaining backyard poultry were able to earn about Rs, 12,000 - 15,000 annually. It was observed that with necessary support services under the value chain, women could undertake animal husbandry and animal husbandry activities profitably for sustainable livelihood.

Other on-farm activities which could be undertaken by women were the production of food crops, vegetables, good quality seeds and plants of various crops of local importance, sericulture, production of agricultural inputs such as bio-fertilizers, bio-pesticides, vermicompost, mushroom spawn, and cattle feed using locally available ingredients and operating Agro Service Centres to market these inputs [11].

Non-Farm Enterprises: In the case of non-farm activities, most of the skills and inputs were brought from outside. There was a very limited scope for marketing these products locally. As some of the activities were new to the local women, the cost of starting the enterprise was very high. As a result, the chances of success, and sustainable growth of these enterprises were low. The non-farm enterprises were often affected due to glut in the market, fall in prices due to competition, and poor market distribution and outlet network. The entrepreneurs were not able to sustain such shocks and ended up in a deep financial crisis, which even threatened their food security. It was therefore suggested starting agro-based activities, followed by different non-farm activities, when the chances of success were high, with high risk-bearing ability.

Under the women empowerment program promoted by BAIF, women SHG members had taken loans for a wide range of income generation activities such as cloth sale, setting up of embroidery unit, stationery production and sale, sale of bangles, and procurement and sale of improved seeds. In Uttar Pradesh, SHGs initiated tailoring, rope making, vermicomposting, nursery raising, and food processing as group activities, while in Gujarat, SHGs members were involved in food processing and marketing, leaf cup production, vermicomposting, mushroom production, nursery management, and sale of dress material. The tribal women groups in Gujarat took up *Warli* painting (Tribal arts) and *Bandhani* (special cloth printing) garment production. Production of detergents, operation of flour mills, consumer stores and fair price shops, preparing food products such as chilly and turmeric powder, pickle, curry powder and finger millet malt were other activities efficiently handled by the women SHGs promoted by BAIF in selected areas. Producing superior quality material and developing a better market were the biggest challenges to sustain these businesses [11].

VI. POLICY SUPPORT BY THE GOVERNMENT

Since the 1980s, women empowerment has been recognized as an integral part of sustainable development in India and other countries. Under the Sixth Five-Year Plan (1980-1985) of the Government of India, there was a shift from women's welfare to women's development, marking the beginning of women's development by adopting family as a unit of development. The 7th Five Year Plan aimed at integrating women into the mainstream of national development, and 27 women-oriented schemes were launched. In the Eight Five Year Plan (1992-1997), the approach was to strengthen women's empowerment and establishment of Rashtriya Mahila Kosh (RMK) to meet the micro-credit needs of poor and asset-deprived women. During this Plan, the Constitution of India was amended to reserve seats for women in the local bodies of Panchayats and Municipalities. In the Ninth Plan (1997- 2002), women were projected as agents of social change and development and seats were reserved for women in the Parliament and State Legislative Assemblies. The Government of India supported the formation of women's SHGs as a major process of empowering women. In 1998, the Government launched a new scheme of Swa-Shakti to create an enabling environment for the empowerment of women through setting up of self-reliant Self-Help Groups (SHGs), and developing linkages with lending institutions to ensure women's access to credit facilities for income-generation activities. Thus, the strategy of empowering women as Agents of Social Change, and Development continued in the Tenth Five Year Plan (2002-2007), with a 3-Fold Strategy for Social Empowerment, Economic Empowerment and Gender Justice. The Eleventh Five Year Plan (2007-2012) recognized women not only as equal citizens but also as major players in economic and social growth [14].

VII. IMPACT OF WOMEN EMPOWERMENT

In 2012, there were over 7.43 million SHGs with a membership of over 96.6 million poor households who saved Rs. 9.897 billion, which were recycled for economic development in India [15]. According to the National Family Health Survey, there has been a very significant improvement with concerning gender-related indicators in the last ten years, between 2005-06 and 2015-16. The percentage of girls married below 18 years of age, came down from 47.4 to 26.8 percent. The women having below normal Body Mass Index, reduced from 35.5 percent to 22.9 percent. The literacy of women increased from 55.1 percent to 68.4 percent and the women having savings account in the bank, also increased from 15.1 percent to 53 percent [16].

These initiatives have significantly contributed to poverty alleviation in the country [17]. In the year 2011-12, the poverty in India came down to 21.9 percent and

rural poverty also reduced to 25.7 percent. In ten years between the year 2005 – 06 and 2015 -16, the actual number of poor people in India reduced from 630 million to 360 million, a significant fall of 55 percent. With the reduction in poverty, there was a 23 percent reduction in the number of people suffering from malnourishment, 2.4 percent reduction in child mortality, 27 percent reduction in use of fuel wood for cooking and 26 percent reduction in sanitation problems. These improvements could be directly attributed to the constructive role played by rural women, through their development organizations [18].

At the micro-level, women empowerment and improved quality of life were visible in many ways. All the girls were sent to school and for higher education. Many girls from tribal and backward communities, successfully completed their graduation and even post-graduation and secured employment in government and private organizations. They also practiced family planning. Alcohol consumption by men reduced drastically voluntarily. Men started consulting women while spending money on major activities. Child marriage was banned and domestic violence also reduced. As per the new laws, the names of wife and daughter were also added in the titles of land, and immovable properties inherited from the family. Demanding dowry was a punishable offense and provision was made to punish those indulging in harassment of women. These legislations helped women to work in a free atmosphere and take advantage of various opportunities.

VIII. SUSTAINABILITY

While implementing land-based activities, it was observed that the development of the individual families should be given priority to sustain their interest. As single sector development had several limitations in involving a large number of families, multidisciplinary programs with scope for wider coverage were introduced. Illiteracy and ill-health of the low-income families adversely affected their morale, and capacity. Hence, healthcare, education and organizational development activities should be introduced simultaneously with income generation. They can also take part in solving the problems of the community, particularly those related to women's rights and welfare while taking up women empowerment in new areas.

The women groups can also take greater interest. Many women SHGs had initiated various development activities such as the development of safe drinking water sources, improvement in village drainage and sanitation, operating kindergarten, immunization of children, family planning, sale of illicit alcohol, etc. Many women SHGs have introduced social disciplines among the members of the local communities and participated in local self-government activities in the best interest of the community.

It has also been observed that many members of the SHGs who have taken the responsibility of managing various activities voluntarily, gradually start neglecting their responsibilities, when they engage in their income generation activities. In such a situation, the functioning of the SHG will tend to decline, and it will become dormant. Thus, the SHGs should consider transforming the organization from charity to a business model in due course, by engaging paid service providers, wherever necessary. They can also affiliate with Producer Companies or other organizations to receive support for expanding their income generation activities.

Women empowerment is a continuous process, the members and coordinating organizations should ensure that the SHGs members are vigilant about new opportunities and technologies to improve their business. They should also acquire regular training on managerial and technical aspects of the business. Linkages with technical institutions to improve the quality of the products and banking institutions for easy flow of finance are essential for further development of micro-enterprises managed by SHGs. As the business environment is unstable, regular monitoring and evaluation of micro-enterprises are necessary. The entrepreneurs should adopt simple systems to control finance, inventory, and costs. As most of the micro-enterprises are operating with a thin profit margin, inadequate cost control may upset the business. They should also look for other opportunities to modify the process or the product ranges for sustainability.

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Facteurs Institutionnels Et Attractivité Des Investissements Directs Étrangers En Afrique Subsaharienne: Une Approche En Panel Dynamique

By Mohamadou Oumarou & Oumarou Sali

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Abstract- The overall objective of this study is to assess the effects of institutional factors on the attractiveness of foreign direct investment (FDI) in sub-Saharan African economies (SSA). To achieve this goal, we use five (05) institutional quality indicators. A dynamic model in panel data is specified and estimates are made by the System of Generalized Moments (MMG) method in the period 2007-2017. The main results obtained show that: (i) the quality of certain institutions (the quality of country policies, the quality of regulation and the rule of law) conditions the level of deepening of the FD and its capacity to make a significant contribution to growth; (ii) We also show that the low quality of regulation and the rule of law as well as the uncertainty linked to the political stability of some countries of SSA hinder the entry of FDI in this region; (iii) To contribute to the emergence of more productive and attractive economic systems, the study supports the idea of promoting a legal and regulatory framework providing more guarantees, democracy and restoring political stability.

Keywords: *institutional factors, FDI, GMM in system, sub-saharan africa.*

GJHSS-E Classification: *JEL Code: JC23, G20, O55, P40*



F A C T E U R S I N S T I T U T I O N N E L S E T A T T R A C T I V I T É D E S I N V E S T I S S E M E N T S D I R E C T S T R A N G E R S E N A F R I Q U E S U B S A H A R I E N N E U N E A P P R O C H E E N P A N E L D Y N A M I Q U E

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Facteurs Institutionnels Et Attractivité Des Investissements Directs Étrangers En Afrique Subsaharienne: Une Approche En Panel Dynamique

Mohamadou Oumarou ^α & Oumarou Sali ^ο

Résumé- L'objectif général de cette étude est d'évaluer les effets des facteurs institutionnels sur l'attractivité des investissements directs étrangers (IDE) en Afrique subsaharienne (ASS). Afin d'atteindre cet objectif, nous utilisons cinq(05) indicateurs de la qualité des institutions. Un modèle dynamique en données de panel est spécifié et les estimations sont réalisées par la Méthode des Moments Généralisés (MMG) en système en deux étapes sur la période 2007-2017. Les principaux résultats obtenus montrent que : (i) la qualité de certaines institutions (la qualité des politiques des pays, la qualité de la régulation et la règle de droit) conditionne le niveau d'attractivité des IDE et sa capacité à contribuer significativement à la croissance économique; (ii) Nous montrons également que la faible qualité de la régulation et de la règle de droit ainsi que l'incertitude liée à la stabilité politique de certains pays d'ASS entrave l'entrée des IDE dans cette région; (iii) Pour contribuer à l'émergence des systèmes économiques plus productive et plus attractifs, l'étude soutient l'idée de promouvoir un cadre juridique et réglementaire offrant plus de garanties, la démocratie et rétablir la stabilité politique.

Mots clés: *facteurs institutionnels, IDE, MMG en système, Afrique subsaharienne.*

Abstract- The overall objective of this study is to assess the effects of institutional factors on the attractiveness of foreign direct investment (FDI) in sub-Saharan African economies (SSA). To achieve this goal, we use five (05) institutional quality indicators. A dynamic model in panel data is specified and estimates are made by the System of Generalized Moments (MMG) method in the period 2007-2017. The main results obtained show that: (i) the quality of certain institutions (the quality of country policies, the quality of regulation and the rule of law) conditions the level of deepening of the FD and its capacity to make a significant contribution to growth; (ii) We also show that the low quality of regulation and the rule of law as well as the uncertainty linked to the political stability of some countries of SSA hinder the entry of FDI in this region; (iii) To contribute to the emergence of more productive and attractive economic systems, the study supports the idea of promoting a legal and regulatory framework providing more guarantees, democracy and restoring political stability.

Keywords: *institutional factors, FDI, GMM in system, sub-saharan africa.*

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I. INTRODUCTION

Depuis les années 70, on constate que les performances économiques des pays d'Afrique subsaharienne (ASS)¹ ont été mauvaises par rapport à celles des autres pays en voie de développement (PVD).² De 1968 à 1997, le taux de croissance moyen du PIB par tête des pays africains est de -0,5% contre 1,67% pour les autres PVD. La situation économique des pays africains continue à se détériorer, on parle alors dans la littérature économique de la tragédie africaine ou de marginalisation de l'Afrique. De nombreux travaux de recherches ont tenté d'identifier les facteurs explicatifs de la faible croissance en Afrique (Easterly et Levine, 1997 ; Collier et Gunning, 1999 ; Block, 2001). Les auteurs n'excluent pas d'expliquer cette situation par l'insuffisance de ressources nécessaires au financement des investissements capables d'améliorer leurs performances économiques. C'est ainsi qu'il s'avère indispensable pour ces pays, de développer leurs systèmes financiers et de mettre en place des politiques nécessaires à l'attractivité des flux des capitaux étrangers.

Dans un contexte plus large de globalisation, l'économie a connu une progression rapide du commerce international et des flux des capitaux. L'un des aspects par lequel se manifeste cette internationalisation est la mobilité internationale des firmes et l'expansion des IDE³. Tous les pays en voie de

¹ Afrique subsaharienne (Benin, Burkina Faso, Burundi, Cameroun, Cap Vert, Centrafrique, Congo, RDC, Cote d'Ivoire, Gabon, Gambie, Ghana, Guinée, Guinée Bissau, Guinée Equatoriale, Libéria, Mali, Mauritanie, Niger, Nigeria, Rwanda, Sao Tomé et Príncipe, Sénégal, Sierra Leone, Tchad, Togo, Comores, Djibouti, Erythrée, Ethiopie, Maurice, Kenya, Madagascar, Ouganda, Réunion, Seychelles, Somalie, Soudan, Tanzanie, Afrique du Sud, Angola, Botswana, Lesotho, Malawi, Mozambique, Namibie, Swaziland, Zambie, Zimbabwe) «World Development Indicator»

² Taux de croissance calculés sur un échantillon de 25 pays africains et de 39 autres pays en développement. Les données sont issues de la world development indicators.

³ La notion d'IDE n'est pas récente. Selon (Zorila, 2007), elle remonte au Moyen-Âge. Précisément, en 1148, les marchands vénitiens purent s'établir dans un quartier réservé de Constantinople, cédé par l'empereur Manuel Ier Comnène. L'extension de ce concept à travers le monde a évolué avec le temps. Toutefois, au 19ème siècle le phénomène s'est propagé d'abord en Europe, aux États-Unis et au Japon. Chronologiquement, les contextes économiques qui ont

développement (PVD) se font aujourd'hui une concurrence acharnée en vue d'attirer les IDE. D'une manière générale, le Fonds Monétaire International (FMI)⁴ définit les investissements étrangers comme différentes opérations financières destinées à agir sur la marche et la gestion d'entreprises implantées dans un pays différent de celui de la maison mère. Plus spécifiquement, l'IDE désigne l'opération effectuée par un investisseur non-résident afin d'acquérir ou d'accroître un intérêt durable dans une entité résidente et de détenir une influence dans sa gestion. Par convention un IDE est réalisé dès lorsqu'un investisseur acquiert au moins 10% du capital social de l'entreprise investie. Les données du Conférence des Nations Unies sur le Commerce et le Développement CNUCED (2013) pour la période allant de 1985 à 2012, fournissent une répartition inégalitaire des IDE. Il ressort d'une part que les économies développées sont les meilleures destinations des IDE dans le monde. Soit une moyenne de 59,32% de flux mondiaux, suivies des économies en développement avec une moyenne de 36,51% en suite viennent les économies en transition avec une moyenne de 4,16% de flux mondiaux. La dernière place du classement est occupée par les économies africaines avec une moyenne de 2,9% des IDE mondiaux. D'autre part l'ASS n'attire en moyenne que 1,95% des IDE mondiaux.

La répartition régionale des IDE en Afrique montre que la région d'Afrique Occidentale occupe le premier rang avec une moyenne de 0,75% des IDE mondiaux, suivie par la région d'Afrique Australe avec une moyenne de 0,42%, puis 0,40% des IDE se dirigent vers l'Afrique Orientale et 0,37% se destinent pour l'Afrique centrale. Cette évolution des IDE dans le monde laisse entrevoir que l'ASS est la région la moins attractive dans le monde en terme des IDE. Certes, beaucoup de travaux empiriques ont traité la relation entre les facteurs institutionnels⁵ et l'attractivité des IDE, mais peu d'entre eux se sont intéressés exclusivement

aux pays d'ASS, engagés dans un chantier de réformes depuis le début des années quatre-vingt.

La problématique institutionnelle possède une pertinence indéniable dans la mesure où le paradigme du développement dominant jusqu'au début des années 1990 n'arrive pas à expliquer l'échec des politiques de développement tirées de son corpus théorique. En explorant cette nouvelle voie de recherche, il devient possible d'expliquer presque intégralement les échecs des pays en développement. Un environnement institutionnel adéquat contribuerait à attirer les IDE. Au contraire, un système institutionnel déficient introduit des distorsions dans le fonctionnement des marchés et pénalise les investissements étrangers. *L'hypothèse de base qui se dégage de ce raisonnement est que les IDE sont attirés lorsque le système économique est ancré dans une structure légale et institutionnelle saine, crédible et adéquate.* S'appuyant sur cette hypothèse, la présente étude analyse le lien entre la qualité des institutions et l'attractivité des IDE en ASS.

Selon la théorie néoclassique, en présence d'une libre concurrence sur le marché des capitaux et du fait des rendements décroissants du capital, les capitaux devraient quitter les pays les plus dotés en capitaux (les pays développés) pour les pays les moins dotés (les pays en développement) dans le but d'égaliser les rendements marginaux du capital. Dans la réalité, cette prédiction théorique n'est pas observée (le paradoxe de Lucas). En effet, de la littérature traitant de l'attractivité d'IDE ressortent trois remarques. D'abord, la plus part des travaux se sont focalisés davantage sur l'influence des variables industriels (coûts de transport, coûts d'implantation, coûts salariaux, avantages technologiques, agglomérations d'activités...), commerciaux (taille du marché, proximité de la demande, barrières à l'échange) et les politiques d'attractivité tels que la politique fiscale ou commerciale, les dispositions législatives en matière de rapatriement des capitaux ou de mouvement de capitaux, les risque pays, l'appartenance à une zone d'intégration. Ils se sont peu intéressés à une dimension institutionnelle. Ensuite, certains auteurs comme Rodrik (2005), souligne que les institutions économiques sont la principale source de prospérité économique entre les pays. Entre autres choses, les institutions économiques ont une influence décisive sur les investissements en capital physique et humain. La création et l'exécution de ces institutions économiques sont façonnées par la mise en place des institutions politiques. Aussi, pour que les pays d'Afrique subsaharienne tirent profit de l'ouverture commerciale les gouvernements doivent d'abord renforcer leurs institutions (Doan et al. 2019;

marqué l'évolution des IDE peuvent être délimités à quatre périodes : la stagnation des flux d'IDE (1870-1945), le scepticisme vis à vis des IDE couplé à l'émergence des institutions internationales (1950-1960), la libéralisation des IDE avec l'entame par le FMI de la mise en oeuvre des Programmes d'Ajustement Structurel (PAS). Et des conditionnalités (1980-2000) et la concurrence accrue des IDE (2000 à nos jours) Conférence des Nations Unies sur le Commerce et le Développement (CNUCED, 2013).

⁴ Fond Monétaire International; est une institution internationale regroupant 189 pays, dont le but est de « promouvoir la coopération monétaire internationale, garantir la stabilité financière, faciliter les échanges internationaux, contribuer à un niveau élevé d'emploi, à la stabilité économique... »

⁵ Selon North (1990), les facteurs institutionnels désignent l'ensemble des règles formelles (constitution, lois et règlements, système politique, droit de propriété, etc.) et informelles (systèmes de valeurs et croyances, coutumes, représentations, normes sociales, etc.) qui régissent les comportements des individus et des organisations (c'est-

à-dire des entités regroupant des individus qui poursuivent des buts communs tels que les syndicats, les entreprises, etc.)

Akpan et Atan, 2016). Dans ces conditions, les institutions sont jugées importantes et jouent un rôle majeur dans les flux mondiaux du commerce et des investissements directs étrangers. La problématique institutionnelle possède une pertinence indéniable dans la mesure où le paradigme du développement dominant jusqu'au début des années 90 n'arrive pas à expliquer l'échec des politiques de développement tirées de son corpus théorique. Enfin, la plus part de ces travaux ont été effectués dans des échantillons composites intégrant à la fois les pays développés et les pays en développement. Au vu de nos connaissances, l'effet de la qualité des institutions sur les IDE semble n'avoir pas été abordé en ASS. Ces constats laissent présumer que les institutions influent l'attractivité des IDE. Ce qui nous conduit à formuler la principale question de recherche comme suit: *Quels sont les effets des facteurs institutionnels sur l'attractivité des IDE en Afrique subsaharienne?*

Les questions subsidiaires qui se dégagent de cette question principale sont les suivantes:

- L'état des institutions des pays d'ASS constitue-t-il un obstacle à l'essor de l'attractivité des IDE?
- Quels sont les aspects des institutions qui semblent les plus importants pour attirer les investisseurs étrangers?

Par conséquent, cette étude se donne pour objectif principal d'évaluer empiriquement les effets des facteurs institutionnels sur l'attractivité des IDE en ASS. Plus spécifiquement, il s'agit:

- d'une part, de montrer que l'attractivité des IDE est contraint par les variables institutionnelles;
- et d'autre part, de montrer que certaines institutions sont plus importantes que d'autres dans l'attractivité des IDE.

Cette problématique revêt un intérêt à trois niveaux :

Sur le plan théorique, la problématique institutionnelle et de IDE a suscité beaucoup d'intérêt dans la littérature économique. Cependant, très peu d'études ont pris en compte les institutions dans l'explication de l'attractivité des IDE, surtout pour les pays de l'Afrique. A notre connaissance, cette problématique n'a fait l'objet d'aucune recherche antérieure pour les pays d'ASS. Les variables institutionnelles ont été en grande partie ignorées dans l'explication des résultats macroéconomiques de ces pays. Cette étude contribue à la littérature traitant des déterminants du financement externe des économies. En effet, il convient de voir dans quelle mesure l'environnement institutionnel des pays d'ASS influence l'attractivité des IDE.

Sur le plan empirique, il s'agit d'explicitier la problématique des déterminants du financement externe des économies des pays d'ASS. A la différence des travaux antérieurs, cette étude utilise des

spécifications qui tiennent compte des données de panels dont l'usage présente principalement deux avantages (Sevestre, 2002; Wooldridge, 2002). D'une part, elles permettent de retracer la dynamique des comportements et leur éventuelle hétérogénéité. D'autre part, elles réduisent le risque de colinéarité entre les variables explicatives, puisque celles-ci sont exprimées en deux dimensions. Par ailleurs nous utilisons la méthode des moments généralisées en système (GMM)⁶ qui offre l'avantage de résoudre le problème de biais de simultanéité, de causalité inverse et des variables omises.

Sur le plan opérationnel, cette étude apparaît opportune pour les autorités, d'autant plus que les effets de la qualité des institutions sur les IDE se révèlent des éléments additionnels de gestion ayant des implications importantes sur la formulation des politiques économiques.

La suite de l'étude est organisée de la façon suivante. La Section 2 présente une revue de la littérature académique sur les relations entre institutions et IDE. La Section 3 présente la méthodologie et les variables utilisées pour conduire l'étude. Les résultats des estimations sont analysés dans la Section 4. L'étude se termine par une conclusion qui fait ressortir les principaux résultats et les recommandations de politiques économiques.

II. REVUE DE LA LITTÉRATURE

Cette section revisite la littérature théorique et empirique sur le lien entre les institutions l'attractivité des IDE. Dans une première sous-section, nous examinons l'analyse théorique. Dans une deuxième sous-section, nous abordons les contributions empiriques sur le lien entre les IDE et les institutions.

a) *Les évidences théoriques*

Des nombreux organismes de développement, tels que l'Organisation pour la Coopération et le Développement Economique (OCDE, 2002), le CNUCED (1999), la Banque mondiale (1999) considèrent les IDE comme l'un des outils les plus efficaces dans la lutte mondiale contre la pauvreté et donc encouragent activement les pays pauvres à adopter des politiques qui permettront d'améliorer leur attractivité des flux de capitaux étrangers. Le rôle des IDE dans la croissance économique a été largement abordé dans la littérature qui montre leurs effets positifs sur le développement (Büthe et Milner, 2008). Ces IDE engendrent également un transfert de technologies intangibles aux régions d'accueil et entraînent des effets

⁶ Blundell et Bond (1998) montrent que l'estimation en deux étapes (autorise la prise en compte de l'hétéroscédasticité, de l'autocorrélation des termes d'erreur et les biais de simultanéité et d'erreur de mesures) est plus efficace que l'approche en une étape à cause de la robustesse de la matrice de variance covariance.

de propagation des technologies et des connaissances nouvelles (Medvedev, 2012).

Malgré l'unanimité quant à leurs effets bénéfiques pour les pays d'accueil, il n'existe pas un cadre théorique unifié permettant de comprendre les principaux déterminants des investissements directs étrangers dans un pays. Sur les plans théorique et empirique, il est admis que les IDE sont un catalyseur du développement économique, notamment via leur contribution à la création de richesse. Ils participent notamment à la croissance de l'investissement privé dans le pays d'accueil (Borensztein, Gregorio et Lee, 1998; Bosworth et Collins, 1999). Ils favorisent par ailleurs le transfert de technologies, contribuent à la formation et l'amélioration du capital humain et concourent au développement des entreprises dans un environnement concurrentiel, notamment à travers l'augmentation de la productivité des facteurs de production. Ainsi, le développement des IDE entraîne une intégration plus poussée des pays aux échanges internationaux, et devrait avoir pour effet de faciliter l'accès des pays en développement aux marchés internationaux (Mucchielli, 2002).

En outre, les IDE sont la composante la plus stable de tous les flux de capitaux étrangers¹, car, à la différence des autres flux de capitaux privés, ils sont principalement motivés par la perspective de profits à long terme. Cette stabilité contribue significativement à la prévention des crises financières, au regard de la forte volatilité des autres types de flux d'investissement. Ainsi, lors de la crise asiatique de 1997, les flux d'IDE restaient constants, alors que les investissements de portefeuille ont chuté de 17 milliards de dollars en 1996 à 5 milliards en 1998⁷. Les IDE représentent de ce fait un facteur important de stabilité et permettent aux Etats de réduire leur dépendance vis-à-vis de l'endettement extérieur, en présentant une alternative de financement.

b) *Les contributions empiriques*

Les contributions empiriques pionnières sur l'attractivité des IDE remontent aux travaux de Robinson (1961) et de Behrman (1962) dans le cadre des pays développés, à travers l'identification d'abord des facteurs économiques explicatifs comme la taille et la dynamique du marché, la disponibilité des matières premières, la main-d'oeuvre, les faibles coûts de production, les incitations financières, le climat

d'investissement, les barrières commerciales. Brossard (1997) identifie au rang des facteurs explicatifs des IDE, la stabilité des taux de change réels ou la stabilité politique. Par la suite, les investigations économétriques ont porté sur les modèles de gravité, en soulignant que pour attirer les IDE, un pays d'accueil devrait garantir un environnement économique favorable. Dès 1970, les facteurs politiques (comme le taux d'inflation, la stabilité politique, le capital humain, les incitations à l'investissement) généralement confondus aux facteurs économiques ont été ensuite identifiés comme déterminants des IDE.

Les travaux empiriques laissent penser globalement que des institutions de bonne qualité sont des facteurs d'attrait des IDE. Wang et Swain (1995) trouvent une corrélation négative entre les flux d'IDE et l'instabilité politique : l'instabilité politique, la corruption, la non-transparence institutionnelle, le paiement ou la modification de la dette souveraine, les guerres et autres coups d'Etat sont des situations qui nuisent à l'environnement des affaires et par conséquent réduisent les entrées d'IDE.

Dans la pratique, de nombreux travaux empiriques mettent l'accent sur le climat d'investissement comme facteur déterminant des IDE. Les travaux économétriques en données de panel avec effets fixes menés par Sekkat et Véganzonès-Varoudakis (2005) montrent que les réformes qui portent sur la libéralisation du commerce et du taux de change ainsi que le climat d'investissement (politique et économique) sont les facteurs déterminants de l'attractivité des IDE. Ensuite, ils mettent l'accent sur le risque pays⁸ dans la décision d'implantation des firmes multinationales (FMN)⁹ dans les PVD.

⁷ A la lecture de la composition des flux d'IDE dans les années 1990, il convient de remarquer que les flux les plus résistants aux différentes crises financières étaient les flux d'IDE. Le taux de croissance moyen annuel des IDE durant les années 1990 était de 21%, alors que celui des investissements de portefeuille était de 7%, et de -31% pour les autres investissements (en général, les flux de capitaux à court terme). Les flux d'IDE ont montré une tendance continue de croissance en termes absolus et relatifs, devenant ainsi la composante la plus stable des flux de capitaux dans les années 1990.

⁸ Le risque politique est défini comme la probabilité que les décisions événements politiques affectent la vie économique d'une manière négative pour que les investisseurs étrangers perdent contrôle sur leurs investissements (Akoli et al, 2005). De manière plus large, le risque politique prend en considération les décisions politiques allant de l'interdiction ou la limitation de transfert de fonds, la limitation des transactions, la confiscation d'actifs étrangers, aux violences à fond politique comme le terrorisme, la guérilla ou les conflits armés.

⁹ Michalet (1985) définit la FMN comme étant « une entreprise (ou un groupe), le plus souvent de grande taille, qui, à partir d'une base nationale, a implanté à l'étranger plusieurs filiales dans plusieurs pays, avec une stratégie et une organisation conçues à l'échelle mondiale »

Esso (2005), dans une étude sur la Côte d'Ivoire a trouvé que le degré des libertés civiles et des droits politiques ont des effets positifs et statistiquement significatifs sur les flux d'IDE entrants. Ainsi, Butkiewicz et Yanikkaya (2006) tentent d'expliquer la répartition inégale des IDE dans les PVD par le risque pays.

Michalet (1997) soutient quant à lui que lorsque l'environnement légal et réglementaire est sans cesse modifié de manière arbitraire, et qu'il n'existe pas de juridictions capables d'en assurer le respect, les firmes sont amenées à limiter voire à suspendre leurs engagements financiers. Benassy-Quéré et al., (2007) tentent d'évaluer économétriquement le rôle de la qualité des institutions basée sur un bon système fiscal, la transparence, du respect de droit des contrats, l'assurance de la sécurité des droits de propriété, sur l'efficacité de la justice et la surveillance prudentielle accroît les flux d'IDE.

Mouna et Mondher (2015) aboutissent aux mêmes résultats que (Lucas, 1993 ; Asiedu, 2002; Alfaro et al., 2003) selon lesquels les pays ayant des institutions de bonne qualité bénéficient plus de l'entrée des IDE que ceux de qualité institutionnelle pauvre. Les travaux de Nsiah et Wu (2014) s'inscrivent dans la même logique. Ils estiment que les droits politiques et la primauté du droit sont des facteurs majeurs pour l'entrée des IDE dans les pays africains. Aussi, John et Nadege (2015) montrent que l'instabilité politique a un impact négatif sur les flux d'IDE dans les pays d'Afrique de l'ouest. De tels résultats ont été aussi trouvés par (Anupam et Srinivasan, 2002) sur un échantillon de pays d'Afrique subsaharienne. Gouenet (2016) Prolonge la réflexion sur les déterminants majeurs de la qualité et de la quantité des IDE en destination d'un pays, aboutit à la conclusion que le risque d'instabilité sociopolitique crée un environnement défavorable et représente alors un facteur de risque pour l'investissement privé en général et pour l'IDE en particulier.

III. METHODOLOGIE

Nous présentons en premier lieu la justification et l'importance du choix de la méthodologie, par la suite nous présentons la spécification du modèle qui nous permettra d'analyser l'impact des facteurs institutionnels sur l'attractivité des IDE. En troisième lieu, nous décrivons la méthode d'estimation utilisée pour estimer les modèles spécifiés. En quatrième lieu, nous précisons les variables de l'étude et les sources des données.

a) Justification et importance du choix de la méthodologie

Easterly et Montiel (2005) ont montré que les spécifications dynamiques sur données de panel et la méthode GMM en système permettent d'obtenir de meilleurs résultats quand on analyse l'effet d'une politique donnée sur la croissance économique. Par

ailleurs, comme chez Duesenberry¹⁰ (1949) et chez Brown (1952)¹¹, l'explication de la situation d'une économie est plus importante lorsqu'on tient compte des événements antérieurs.

Depuis le début des années soixante-dix, les modèles combinant des données en coupe instantanée et chronologique, appelés «modèles de panel», sont devenus très répandus et ont engendré un renouveau dans l'analyse économique. Les données de panel offrent plusieurs avantages quant à leurs utilisations:

Premièrement, la prise en compte de l'hétérogénéité inobservée. En effet, les données de panel (ou données longitudinales) sont représentatives d'une double dimension qui est l'une de ses caractéristiques fondamentales. Cette double dimension, généralement individuelle et temporelle permet d'étudier simultanément la dynamique et l'hétérogénéité des comportements des agents (Araujo et al, 2004). La double dimension permet également une interprétation plus fine des résultats. De même, La prise en compte de la dimension individuelle et temporelle permet de faire ressortir des caractéristiques intéressantes qui n'auraient pas pu être distinguées faute de suffisamment d'observations. Un échantillon en données de panel pourrait également être susceptible de nous aider à nous prononcer quant à la stabilité de la relation dans sa double dimension spatiale et temporelle.

Deuxièmement, l'augmentation de la taille de l'échantillon. En effet, un autre avantage des données de panel concerne le nombre de données. En effet, l'utilisation d'un grand nombre de données augmente le nombre de degré de liberté et réduit la colinéarité entre les variables explicatives; ce qui permet ainsi une amélioration des estimations et des tests économétriques. Selon Baltagi (2005), les données de panel acceptent des constructions compliquées pour leurs modèles et pour leurs tests par rapport aux coupes instantanées¹² (transversales) et aux séries temporelles¹³ (par exemple, l'efficacité technique des modèles est mieux enseignée par les données de panel). En bref donc, l'échantillon de données de panel par rapport à une coupe transversale est qu'il permet aux chercheurs d'étudier les différences dans les comportements entre individus.

Pour une plus grande robustesse de nos résultats, nous nous distinguons des travaux que nous

¹⁰ En effet cet auteur montre qu'à travers l'«effet de crémaillère» la consommation d'un agent économique est davantage fonction du revenu antérieur le plus élevé que le revenu de la période.

¹¹ Selon Brown (1952), le niveau de consommation d'un agent à la période t dépend, non seulement de son niveau de la période t , mais également de sa consommation à la période antérieure ($t-1$).

¹² Les coupes transversales (instantanées) sont des variables observées au même instant du temps et qui concernent un groupe spécifique d'individus.

¹³ Les séries chronologiques, chroniques, ou temporelles sont des variables observées à des intervalles de temps réguliers.

avons présentés dans la revue de la littérature sur les techniques économétriques utilisées. En effet, pour estimer notre modèle dynamique en données de panel, s'inspirant des écrits de Roodman (2009), nous allons faire appel à la méthode de moments généralisés (GMM) en système proposée par Blundell et Bond (1998). Cette méthode a été à l'origine développée par Holt-Eakin et al. (1988) et Arellano et Bond (1991). Selon Kpador (2007), il existe deux variantes d'estimateurs

GMM: l'estimateur en différence première et l'estimateur GMM en système.

b) *Spécification des modèles*

Dans le cadre de cette étude, s'inspirant des écrits sur les modèles économétriques, nous adoptons le modèle dynamique conformément aux études récentes de Jamilah et al. (2018), Ekodo et Ngomsi (2017). Nous avons l'équation (1) suivante:

$$\Delta \log(IDE_{i,t}) = \alpha_0 + \beta_1 \log(IDE_{i,t-1}) + \beta_2 \log(Ins_{i,t}) + \beta_3 \log(Educ_{i,t}) + \beta_4 \log(Ouv_{i,t}) + \beta_5 \log(PIB_{i,t}) + \Sigma_{i,t} \quad (1)$$

Dans cette spécification, $\Delta \log(IDE_{i,t})$ est le du taux de croissance des IDE qui dépend du logarithme de sa valeur passée $\log(IDE_{i,t-1})$ qui permet de vérifier l'hypothèse de la théorie de la convergence du modèle. Les IDE dépendent non seulement de la qualité des institutions $\log(Ins_{i,t})$, mais aussi de l'ouverture commerciale $\log(Ouv_{i,t})$, de l'éducation $\log(Educ_{i,t})$ de la

croissance économique $\log(PIB_{i,t})$ et enfin du terme $\Sigma_{i,t} = \eta_i + \lambda_t + \nu_{i,t}$. Ce dernier comporte des composantes inobservables telles qu'un composant spécifique pays (η_i), une composante spécifiques temporelle (λ_t) et du terme résiduel ($\nu_{i,t}$). i et t représentent respectivement les pays et les périodes.

$$\log(IDE_{i,t}) = \alpha_0 + (1 + \beta_1) \log(IDE_{i,t-1}) + \beta_2 \log(Ins_{i,t}) + \beta_3 \log(Educ_{i,t}) + \beta_4 \log(Ouv_{i,t}) + \beta_5 \log(PIB_{i,t}) + \eta_i + \lambda_t + \nu_{i,t} \quad (2)$$

On peut simplifier (2) de la façon suivante :

$$IDE_{i,t} - IDE_{i,t-1} = \beta_1 IDE_{i,t-1} + \beta_2 Ins_{i,t} + \vec{\beta}'_2 CV_{i,t} + \eta_i + \lambda_t + \nu_{i,t} \quad (3)$$

Où $IDE_{i,t}$ et $IDE_{i,t-1}$ représentent respectivement le logarithme des IDE et le logarithme des IDE retardé d'une période; $CV_{i,t}$ est le vecteur des variables explicatives; $Ins_{i,t}$ est la variable représentant les facteurs institutionnels; η_i et λ_t désignent respectivement les effets spécifiques individuels et temporels non observés; $\nu_{i,t}$ est le terme d'erreur; i et t représentent respectivement les pays et les périodes; β_1 et β_2 sont des paramètres à estimer; β_2 est la transposé d'un vecteur de paramètre à estimer. Avec $i = 1, \dots, N$ et $t = 1, \dots, T$

L'hypothèse de convergence entre les économies étudiées suggère que le coefficient (β_1) de $\log(IDE_{i,t-1})$ soit négatif et significatif dans le modèle augmentée, c'est à dire $0 < 1 + \beta_1 < 1$.

c) *Méthode d'estimation*

Afin de tirer avantage des données de panel, trois spécifications permettant de rendre compte des disparités individuelles des comportements sont généralement utilisées: le modèle à erreurs composées, le modèle à effets fixes et le modèles à coefficients aléatoires. Le modèle à effets fixes et le modèle à effets aléatoires prennent en compte les hétérogénéités des données bien que les hypothèses sur les effets spécifiques diffèrent d'un modèle à l'autre. Précisément, le modèle à effets fixes considère que les effets spécifiques sont corrélés aux variables

explicatives alors que dans le modèle à effets aléatoires, les effets spécifiques sont orthogonaux aux variables explicatives. De plus, le modèle à effets aléatoires suppose l'hétérogénéité de tous les coefficients et des effets individuels aléatoires (Mundalk, 1978), alors que le modèle à effets fixes autorise l'endogénéité des coefficients et des effets individuels (Baltagi et al. 2003). Le problème commun dans les spécifications dynamiques investiguant les effets des institutions sur les IDE concerne l'endogénéité de la variable dépendante retardée c'est-à-dire la corrélation entre la variable dépendante retardée et le terme d'erreur. Pour solutionner le problème d'endogénéité, de contrôler davantage les effets individuels et temporels, d'apporter les solutions aux problèmes de biais de simultanéité, de causalité bidirectionnelle et des variables omises, nous faisons recours à la Méthode des Moments Généralisés appliquée à un modèle de panel dynamique. Cette technique économétrique solutionne l'endogénéité causée par la présence d'une variable endogène retardée¹⁴ comme variable explicative, des variables explicatives d'intérêt et des autres variables explicatives susceptibles d'être endogènes à condition d'utiliser un nombre adéquat de variables retardées comme instruments.

¹⁴ A cause de la présence de l'endogène retardée, l'utilisation des techniques standard comme les MCO procure des estimateurs biaisés.

Arellano et Bond (1991), Arellano et Bover (1995) ont introduit l'estimateur GMM en différence (Méthode des Moments Généralisés en différence) comme un outil convenable pour faire face à l'endogénéité de la variable dépendante retardée. Par la suite, Blundell et Bond (1998) ont perfectionné l'estimateur GMM en différence en développant l'estimateur GMM en Système, (Méthode des Moments Généralisés en système) plus approprié lorsque l'endogénéité de la variable dépendante persiste. Arellano et Bond (1991), Arellano et Bover (1995), Blundell et Bond (1998), à la suite de Holtz-Eakin et al. (1988) sont les premiers auteurs à apporter plus d'éclaircissements sur cette technique économétrique. L'avantage de la modélisation GMM en système repose sur le fait qu'elle permet de corriger l'endogénéité des variables explicatives d'intérêt et des autres variables explicatives à condition d'utiliser un nombre adéquat des variables retardées comme instruments.

- *Inefficacité de la méthode d'estimation en différences premières*

En différence première, l'équation (2) se réécrit comme suit:

$$\log IDE_{i,t} - \log IDE_{i,t-1} = (1 + \beta_1)(\log IDE_{i,t-1} - \log IDE_{i,t-2}) + \sum_j \beta_j (x_{i,t}^j - x_{i,t-1}^j) + (\lambda_t - \lambda_{t-1}) + (v_{i,t} - v_{i,t-1})$$

En effet, par construction, $(\log IDE_{i,t} - \log IDE_{i,t-1})$ est corrélé au terme d'erreur $(v_{i,t} - v_{i,t-1})$, donc Arellano et Bond (1991) proposent d'utiliser les valeurs retardées de la variable dépendante $\log IDE_{i,t-1}$ comme instruments pour le terme $(\log IDE_{i,t-1} - \log IDE_{i,t-2})$, et les valeurs retardées des variables explicatives x_i^j comme instruments du terme $(x_{i,t}^j - x_{i,t-1}^j)$. Toutefois, le manque de robustesse fréquemment constaté des estimations obtenues a conduit à s'interroger sur les raisons de cette fragilité. Comme le montre Arellano et Bover (1995), les variables dépendantes retardées sont de faibles instruments dans le modèle en différence première et l'estimateur obtenu est biaisé en petit échantillon. Blundell et Bond (1998) ont montré que cette fragilité provient du manque de corrélation entre $\log IDE_{i,t-2}$ avec les variables du modèle écrit en différences première.

- *Efficacité de la méthode des moments généralisés en système*

Blundell et Bond (1998) propose alors un estimateur plus efficace, l'estimateur GMM en système. Cet estimateur est obtenu: (i) en combinant l'équation en différence première avec les instruments présentés précédemment; et (ii) en utilisant l'équation en niveau mettant en relation $\log y_{i,t-1}$ et x_i^j et leur différence premières comme instruments (proposition d'Arellano et Bover (1995); compléments des instruments en différences premières). L'usage de ce double ensemble d'instruments améliore sensiblement la qualité des estimations.

Nous utiliserons cette méthode pour l'estimation du modèle (2). L'approche GMM en deux étapes

Cependant, l'inconvénient réside dans l'usage d'un grand nombre de variables instrumentales conduisant à remettre en cause la crédibilité des résultats obtenus. Si la méthode GMM en système semble en théorie plus efficace que la méthode GMM en différence, elle utilise en revanche plus d'instruments que cette dernière, ce qui la rend particulièrement inappropriée lorsque la dimension individuelle est petite (Bowsher, 2002). Toutefois, la quasi-stationnarité des variables et l'absence d'auto corrélation des résidus garantissent l'obtention de ces estimateurs.

Etant donné que les mesures des institutions sont à la fois objectives et subjectives, nous ne pouvons pas exclure les risques d'erreurs de mesure des différents indices institutionnels. Ainsi, les caractéristiques désirables de la Méthode GMM en Système permettent de faire face aux problèmes de multicollinéarité, d'endogénéité et de biais de variables omises.

est asymptotiquement efficace et robuste pour la prise en compte de l'hétéroscédasticité¹⁵.

Afin d'avoir des estimateurs efficaces, le rapport du nombre d'individus (N) au nombre d'instruments (i) ($r=N/i$) doit être supérieur à l'unité (Roodman, 2009). Pour cela, nous prenons comme instruments des variables retardées d'ordre 1 et 2.

d) *Choix des variables et sources des données*

L'échantillon d'analyse se compose uniquement des pays en développement, notamment des pays d'ASS, soit un total de trente-trois (33) pays (Angola, Benin, Burkina Faso, Burundi, Cameroun, Cap Vert, Centrafrique, Congo, Cote d'Ivoire, Gambie, Ghana, Guinée, Guinée Bissau, Mali, Mauritanie, Niger, Nigeria, Rwanda, Sénégal, Sierra Leone, Tchad, Togo, Djibouti, Ethiopie, Kenya, Lesotho, Madagascar, Ouganda, Tanzanie, Malawi, Mozambique, Zambie, Zimbabwe). L'horizon temporel retenu dans le cadre de cette étude couvre la période 2007-2017 et est conditionné par la disponibilité des données sur les pays. Le choix de l'échantillon comme champ d'étude se justifie a priori par la disponibilité des données et le manque d'études spécifiques. Mis à part le fait que les résultats empiriques ne s'y accordent, les études existantes regroupent généralement les pays développés et les pays en développement dans un même échantillon. Pourtant les contextes

¹⁵ Blundell et Bond (1998) par les simulations de Monte Carlo montrent que l'estimation en deux étapes (GMM two-step) est plus efficace que l'approche en une étape, car la matrice de variance covariance est plus robuste.

socioéconomiques et institutionnels différent. Cela biaise sans doute les résultats obtenus. Mais ce problème ne semble se poser que dans une moindre mesure lorsque l'analyse porte sur des pays d'une même région comme ceux d'ASS.

Afrique subsaharienne, nous utilisons différentes variables *proxy* ancrées dans la littérature. En plus de la variable dépendante, les variables institutionnelles et les variables macro-économiques sont utilisées.

➤ La variable dépendante est l'IDE entrant.

Il s'agit des entrées nettes d'investissement de capitaux investis, de profits réinvestis et des emprunts inter-entreprises investis, le tout corrigé des transferts de capitaux dans les pays d'origine et des remboursements de dettes comptabilisés dans la balance des paiements.

➤ Cinq variables institutionnelles en tant que variables d'intérêt sont retenues.

L'indice de liberté économique (Economic Freedom Index) d'Héritage Fondation qui mesure la liberté économique (un score élevé signifie plus de liberté). En effet, l'indice de liberté économique offre une description empirique du degré de liberté économique d'un pays selon une optique de responsabilité personnelle, de non-discrimination et de promotion de la concurrence.

L'indicateur de solidité des institutions et de la qualité des politiques des pays (EPIP). C'est un indicateur qui évalue la qualité des politiques et des institutions d'un pays, en termes de leur pertinence à garantir l'utilisation efficace des ressources limitées disponibles pour la promotion du développement durable et de la réduction de la pauvreté dans les pays africains. Les données proviennent de la base de données de la Banque Mondiale.

La stabilité politique et absence de violence (Political Stability and Absence of Violence/Terrorism) variable qui mesure la perception de la probabilité d'une déstabilisation ou d'un renversement de gouvernement par des moyens inconstitutionnels ou violents, y compris le terrorisme. Les données proviennent de la base World Governance Indicators.

La qualité de la régulation (Regulatory Quality), variable qui mesure la capacité des pouvoirs publics à élaborer et appliquer de bonnes politiques et réglementations favorables au développement du secteur privé. Les données proviennent de la base World Governance Indicators.

La règle de droit (Rule of law), est une variable qui mesure la confiance des agents à admettre les règles dans la société et en particulier la qualité de l'application des contrats, le droit de propriété, la transparence dans la police, au sein des tribunaux etc.

Les données proviennent de la base World Governance Indicators.

➤ De même, trois variables de contrôle sont utilisées.

L'éducation (Educ) est la variable éducation dans nos estimations. C'est le nombre d'inscription dans l'enseignement secondaire privé et public. Les données proviennent de la base World Development Indicators.

La croissance économique (PIB/tête) désigne l'indicateur de richesse qui est le PIB/tête en parité des pouvoirs d'achat. Cette variable est utilisée par Acemoglu et al. (2009). Les données proviennent de la base World Development Indicators.

Le commerce (Ouv) variable qui mesure l'ouverture commerciale exprimée comme une part du Produit Intérieur Brut. Cette variable a été utilisée par Siddiqui et Masood (2013), Gandjon (2017). Nous allons dans le cadre de cette étude, utiliser l'intensité commerciale composée¹⁶ de Squalli et Wilson (2011) pour capter cette variable. Les données proviennent de la base World Development Indicator.

IV. RESULTATS EMPIRIQUES

L'analyse empirique procèdera de la façon suivante. Dans un premier temps, nous appliquons des tests de racine unitaire afin de voir si chacune de variables utilisée est stationnaire, nous présentons la statistique descriptive des variables et la matrice de corrélation. Dans un second temps, nous présentons les résultats des estimations avant de conclure et de formuler quelques recommandations de politique économique.

a) *Etude de la stationnarité des variables et analyse des statistiques descriptives et matrice de corrélation.*

Dans cette sous-section, nous présentons d'abord l'étude de la stationnarité des variables, en suite les statistiques descriptives avant de passer à la matrice de corrélation. Cette présentation découle de nos variables d'analyse spécifiées ci-dessus.

¹⁶ L'intensité commerciale composée de Squalli et Wilson (2011) capte le niveau d'ouverture d'un pays en tenant compte non seulement de la performance de son économie locale mais aussi de son degré d'ouverture relative au volume du commerce mondial.

i. *Etude de la stationnarité des variables*

Tableau 1: Stationnarité en panel des variables d'étude

Variables	Nombre de panels	Nombre de périodes	Statistique t non ajustée	Statistique t ajustée	Nombre de retard	p-value
IDE	33	10	-24,0216	-20,9003	0	0,0000
Commerce	33	10	-11,7129	-12,9003	1	0,0000
Croissance économique	33	10	-6,9616	-6,6334	1	0,0000
Education	33	10	-19,4021	-20,1602	1	0,0000
Liberté économique	33	10	-1,5 ^e +02	-1,6 ^e +02	1	0,0000
La règle de droit	33	10	-20,9360	-20,8834	1	0,0000
La qualité de la régulation	33	10	-2,0 ^e +02	-2,0 ^e +02	0	0,0000
La stabilité politique et absence de violence	33	10	-23,1524	-6,58974	0	0,0000
L'indicateur de solidité des institutions et de la qualité des politiques des pays (EPIP).	33	10	-6,2581	-21,2546	0	0,0000

Source: auteurs.

Nous suivons Gandjon et Tchoué (2019) dans l'application des tests de racine unitaire sur données de panel. Il existe dans la littérature plusieurs tests de racine unitaire sur données de panel. Les plus utilisés sont les tests d'Im, Pesaran et al (1995), Levin, Lin et Chu (2002) et Maddala et Wu (1999), qui sont des extensions des tests ADF au panel. Dans le cadre de notre étude, nous présentons les tests de Levin, Lin et Chu (2002), dont la spécificité repose sur l'hypothèse de stationnarité des variables. En effet, l'hypothèse nulle testée par Levin, Lin et Chu (2002) est une hypothèse jointe de racine unitaire et d'absence d'effets fixes, c'est-à-dire la présence de racine unitaire commune à tous les individus, contre l'hypothèse alternative qui stipule la stationnarité de toutes les séries. Par

conséquent, en appliquant ce test pour nos différentes variables, le tableau 1 montre que les p-value associées aux différentes variables sont tous inférieurs à 10% (p-value=0,000). L'hypothèse nulle de présence d'une racine unitaire n'est donc pas valide, par conséquent nos variables sont tous stationnaires en panel.

ii. *Analyse des statistiques descriptives.*

Les statistiques descriptives des principales variables d'analyse sont contenues dans le tableau 2 ci-dessous et laissent apercevoir le même nombre d'observations (330) pour l'ensemble des variables. Le tableau suivant donne la statistique descriptive de nos variables :

Tableau 2: Statistiques descriptives des variables

Variables	Observations	Moyennes	Ecart-type	Minimum	Maximum
Cipa	330	3,028	0,477	1,6	4,1
Liberté éco	330	53,335	6,619	21,4	66,4
IDE	330	5,060	6,557	-5,977	41,809
PIB par tête	330	2,439	4,487	-38,231	18,487
Education	330	35,207	16,280	9,010	94,245
Ouverture com.	330	72,279	29,727	30,849	176,551
Stabilité polit	330	-0,595	0,749	-2,687	0,964
Qualité de reg	330	-0,676	0,434	-2,205	0,248
Règle de droit	330	-0,761	0,501	-1,841	0,592

Source: auteurs.

La moyenne de l'indicateur d'ouverture commerciale des pays d'ASS est de l'ordre de (72,279). Cette variable se caractérise par la plus grande valeur moyenne et présente en moyenne la plus grande valeur maximale. Les investissements directs étrangers, entant que variable dépendante présente une valeur moyenne de l'ordre de (5,060) et une valeur maximale de l'ordre de (41,809). Cela veut dire concrètement que le volume moyen des IDE entrant en Afrique subsaharienne est de (5,060). Globalement, les variables institutionnelles présentent en moyenne de plus petites valeurs maximales par rapport aux autres variables. Ainsi, toutes

les variables institutionnelles (exceptions faites de cipa et de liberté économique), présentent des valeurs moyennes (-0,595 ; -0,676 ; -0,761) et minimales (- 2,686 ; -2,205 ; -2,841) négatives et des valeurs maximales (0,964 ; 0,248 ; 0,592) inférieures à l'unité.

iii. *Analyse de la matrice de corrélation*

Le tableau 3 fournit une description des corrélations entre les différentes variables d'analyse. La matrice de corrélation montre l'existence de corrélations entre les différentes variables utilisées.

Tableau 3: Matrice de corrélation entre les variables

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1) Cipa	1								
2) Liberté économique	0,6677	1							
3) Produit par tete	0,2501	0,0374	1						
4) IDE	0,0776	0,0478	0,0435	1					
5) Ouverture commerciale	-0,109	-0,225	-0,025	-0,099	1				
6) Education	0,2232	0,0736	0,0088	0,0453	0,2184	1			
7) Stabilité politique	0,516	0,251	0,049	0,147	-0,119	0,245	1		
8) Qualité d régulation	0,823	0,852	0,002	0,164	-0,025	-0,123	0,485	1	
9) Règle de droit	0,885	0,669	0,146	0,222	-0,010	-0,000	0,659	0,828	1

En effet, le tableau 3 montre qu'il existe une relation entre nos variables explicatives et la variable dépende. Les corrélations entre les investissements directs étrangers et Cipa d'une part, les investissements directs étrangers et la règle de droit d'autre part, sont respectivement de 0,0776 et 0,222. Les corrélations les plus importantes apparaissent entre d'une part, Cipa et la règle de droit (0,885), et d'autre part, la qualité de la régulation et la liberté économique (0,852). Toutefois, les corrélations entre les différentes variables analysées ne sont pas assez élevées pour causer de sérieux problèmes de muticolinéarité. Autrement dit, la muticolinéarité n'est pas un problème pour l'application de nos techniques d'analyses.

A base du logiciel Stata¹⁷ nous avons estimé par la méthode des moments généralisés en système les modèles (2).

b) *Presentation Des Resultats*

En appliquant la méthode GMM en différence première, le tableau 4 (annexe) montre que le nombre d'observation est de 297 pour chacune des estimations. Par conséquent, ce résultat ne reflète pas la réalité des

Source: Auteur, Note: IDE: investissement direct étranger données utilisées, car le nombre des pays est de 33 et la dimension temporelle est de 10 ans.

Le tableau 5 (annexe) nous montre que la dimension individuelle est constituée de 33 pays et le nombre des observations de 330. Ce résultat reflète donc la réalité de nos données. Par conséquent, nous favorisons la méthode GMM en système comme méthode d'estimation.

La mise en exergue des effets des institutions sur l'attractivité des investissements directs étrangers en Afrique subsaharienne nous conduit à débiter nos estimations par des régressions qui intègrent les seules variables institutionnelles. Par ce procédé, nous ressortons la pertinence simple et la pertinence relative de chacun des indicateurs de la qualité des institutions (l'indicateur d'évaluation de la solidité des institutions et de la qualité des politiques des pays, les indicateurs de liberté économique, de stabilité politique, de la qualité de la régulation et de règle de droit) dans la politique d'attractivité des IDE. A la suite des estimations, nous incluons progressivement les variables de contrôle (croissance économique, capital humain et ouverture commerciale). Les résultats des estimations sont contenus dans le tableau 6 ci-dessous.

La validité d'un modèle en données de panel est conditionnelle à certains tests de diagnostic. Toutefois, le recours à l'une ou l'autre approche est

¹⁷ Il est à noter que Stata nous a permis d'installer le programme xtabond2 nécessaire à l'estimation des modèles dynamiques sur données de panel et disponible sur le site //fmwww.bc.edu/repec/bocode/x/xtabond2 ado.

fonction de la nature des données. Pour cette raison, nous portons notre choix sur l'estimateur GMM système proposé par Arellano et Bover (1995), puis Blundell et Bond (1998). Les tests d'autocorrélation des erreurs montrent qu'il n'existe pas une autocorrélation d'ordre 2. En effet, toutes les probabilités seuils du test à l'ordre 2

sont supérieures à 10%, c'est-à-dire qu'il y a absence de corrélation sérielle des résidus. Cet argument justifie une bonne spécification du modèle estimé. Ces résultats valident de manière globale notre modèle et nous pouvons commenter la significativité individuelle des variables.

Tableau 6: Récapitulatif des résultats des estimations des effets des institutions sur les investissements directs étrangers

	1	2	3	4	5	6	7	8	9
IDE _{t-1}	1.061*** (0.1373)	1.187*** (0.5104)	1.29*** (0.1031)	1.134*** (0.0681)	1.681*** (0,2821)	0,7** (0,106)	0.501** (0.218)	0.691*** (0.197)	0.683*** (0.187)
Cipa	24,658* (14,518)					0.174 (1.083)	0.336* (0.713)	0.016 (0.136)	0.0009 (0.000)
Liberté économique		0.265* (0.262)				-0.013 (0,131)	0,001 (0.018)	-0.002 (0.006)	0.0007 (0.0004)
Stabilité politique			5.683** (2.514)			(0.35)	-0.196* (0.114)	0,041 (0,062)	-0.0001 (0,002)
Qualité de la régulation				-1.006* (5.747)		0,013 (2,915)	0,062 (0.540)	-0,009 (0,113)	-0,0005 (0,011)
Règle de droit					-1,906 (6,972)	0,071 (0,729)	-0,107 (0,620)	-0,056 (0,230)	-0,0001 (0,0011)
Croissance économique						0,102 (10,52)			0,21 (0,5005)
Ouverture commerciale							-1,052 (3,235)		0,031* (0,148)
Education								0,072 (0,868)	-0,034* (0,084)
Constante	-74,81** (43,801)	-14,938*** (13,918)	2,861*** (1,882)	0,758*** (3,702)	-0,67** (5,519)	1,615** (2,653)	-11,363 (5,898)	0,924 (10,215)	0,825 (4,571)
Observations	330	330	330	330	330	330	330	330	330
Nombre de pays	33	33	33	33	33	33	33	33	33
Test de Hansen	0.778	0.279	0.772	0.553	0.326	0.937	0.602	0.976	0.999
AR(2)	0.501	0.412	0.539	0.415	0.349	0.386	0.131	0.383	0.438
Nombre d'instruments	37	34	34	36	48	47	52	46	58

i. *Interprétation des résultats*

Le tableau 6 met en exergue les effets de la qualité des institutions sur l'entrée des IDE en ASS durant la période 2007-2017. Les résultats des modèles (spécifications 1 à 9) sont obtenus par la Méthode des Moments Généralisés en panel dynamique.

En effet, la première spécification (1) illustre le seul effet de l'indicateur de la solidité des institutions et de la qualité des politiques des pays. La spécification (2) illustre l'effet du seul indicateur de la liberté économique. La spécification(3) illustre l'effet de la stabilité politique sur les IDE. La spécification(4) illustre l'effet du seul indicateur de la qualité de la régulation et

la spécification 5 met en évidence l'effet de la règle de droit sur les IDE. Les autres spécifications (6, 7, 8 et 9) prennent respectivement en compte, outre les variables institutionnelles, la croissance économique (modèle 6), l'ouverture commerciale (modèle7) et l'éducation (modèle 8). La spécification (9) prend en compte l'ensemble des variables d'analyse.

S'agissant des variables institutionnelles, l'indicateur de la solidité des institutions et de la qualité des politiques des pays (EPIP) pris individuellement montre un signe positif et significatif au seuil de 10%. Lorsque ce facteur est associé aux autres indicateurs de la qualité des institutions et aux variables de contrôle

prises une à une, on constate un effet positif et statistiquement significatif à 10% avec l'ouverture commerciale, ce qui laisse entrevoir que la solidité des institutions et la qualité des politiques des pays favorise l'entrée des investissements directs étrangers lorsque les pays sont suffisamment ouverts et la croissance économique est forte et soutenue.

Les indicateurs de la liberté économique, de la qualité de la régulation et de la règle de droit présentent globalement des signes négatifs pour toutes les spécifications. En effet, selon *Héritage Fondation*, dans un pays économiquement libre, il n'y aurait pas de contraintes sur les flux des capitaux. Les particuliers et les entreprises seraient autorisés à investir leurs ressources à l'intérieur comme à l'extérieur du pays, sans aucune restriction. Ces signes négatifs observés ne signifient pas nécessairement que celles-ci influencent négativement l'attractivité des investissements directs étrangers. Ils indiquent que l'amélioration de la qualité de la régulation, de la règle de droit dans le cadre des réformes et restructurations des années 90 ne s'est pas traduite par une augmentation du volume des investissements directs étrangers en direction des pays d'ASS. En particulier, les efforts entrepris pour améliorer l'environnement des affaires n'ont pas retenu la confiance des investisseurs et des institutions financières et stimulé la mobilité des capitaux étrangers vers l'ASS. En général, les investisseurs étrangers perçoivent les réformes dans les pays africains comme transitoires. Ils ne modifient leurs comportements que lorsqu'ils croient que ces réformes vont perdurer. Dans le cas contraire, ils préfèrent attendre, le temps d'avoir une plus grande lisibilité.

La spécification (3) montre l'impact de la stabilité politique sur les IDE. Lorsque cet indicateur est pris individuellement, il exerce un effet positif et significatif à 5% sur les investissements directs étrangers. Toutefois, lorsqu'il est associé aux autres indicateurs de la qualité des institutions et aux variables de contrôle prises une à une, on constate un signe négatif pour toutes les spécifications. Ce résultat montre globalement que la situation sociopolitique des pays d'ASS durant la période d'étude a eu un impact négatif sur l'entrée des IDE dans la région. Ceci corrobore l'hypothèse théorique de Lucas (1993) qui pense que l'instabilité politique est une préoccupation des investisseurs étrangers dans les pays en développement. Cette instabilité se manifeste souvent par la confiscation des biens, la dislocation des structures de production, le changement dans la gestion macroéconomique et surtout l'environnement réglementaire. En général, les violences se traduisent par la destruction des installations et même des pertes en vies humaines. Ce constat va dans le même sens que celui de Kim (2010), qui trouve dans une enquête sur les sociétés d'appartenance étrangère en Afrique,

que le plus grand souci des propriétaires d'entreprise est la stabilité politique.

S'agissant des variables de contrôle, les résultats du tableau 6 indiquent que les IDE retardés constituent un déterminant primordial des IDE courants au cours de la période d'étude. Avec des impacts positifs et statistiquement significatifs aux seuils des 1% et 5%. On peut entendre par là, l'effet d'entraînement exercé par les IDE déjà en place sur les IDE à venir. De même, la croissance économique exerce un effet positif et statistiquement non significatif sur les IDE (modèles 6 et 9). Ce résultat peut être dû à l'ambiguïté de la relation entre les investissements directs étrangers et la croissance économique dans la littérature théorique et empirique. La recherche des effets positifs de la croissance économique sur les IDE doit s'effectuer à partir d'un certain niveau de richesse par tête. L'existence des effets de seuil associés aux équilibres multiples permet d'expliquer pourquoi dans certains cas la croissance économique apparaît neutre vis-à-vis des IDE alors que dans d'autres, il exerce une influence positive.

Par contre, *l'ouverture commerciale* exerce un effet négatif et statistiquement significatif sur l'attractivité des IDE. Ce résultat conforte ceux d'Asiedu (2002). *Le niveau de l'éducation* est négativement significatif lorsqu'on l'associe avec toutes les autres variables. Ce signe indique que le faible niveau de formation décourage l'entrée des investisseurs étrangers en ASS. Cette variable joue, non seulement un rôle important dans la séduction des investisseurs étrangers, mais aussi dans la stabilité sociopolitique d'un pays.

ii. Conclusion et recommandations

Quels sont les effets des facteurs institutionnels sur l'attractivité des IDE en ASS? La réponse à cette question a constitué l'objet de ce papier. Pour répondre à cette interrogation, cinq (05) indicateurs de la qualité des institutions sont utilisés. C'est ainsi qu'on a l'indicateur de liberté économique de l'héritage fondation et 04 autres indicateurs de la Banque mondiale (les indicateurs d'évaluation de la solidité des institutions et de la qualité des politiques des pays, de stabilité politique, de la qualité de la régulation et de la règle de droit). Pour y parvenir, un modèle dynamique en données de panels est spécifié et la Méthode de Moment Généralisé en Système est employé pour réaliser les estimations. L'étude couvre 33 pays d'Afrique subsaharienne et est réalisée sur une période allant de 2007 à 2017. Les résultats ainsi obtenus sont particulièrement intéressants. En effet, tous les indicateurs choisis de la qualité des institutions (sauf l'indicateur de la solidité des institutions et de la qualité des politiques des pays) présentent des signes négatifs et statistiquement significatifs dans certains cas, ce qui montre que la faible qualité de la régulation et de la règle de droit ainsi que l'incertitude liée à la stabilité

politique de certains pays d'ASS entrave l'entrée des IDE dans la région. Les autres variables mises à contribution dans ces résultats sont la croissance économique, le capital humain et l'ouverture commerciale.

Dans l'ensemble, ces résultats fournissent un certain nombre d'implications en termes de politiques économiques.

Premièrement, ils indiquent que l'importance des variables institutionnelles ne doit pas être minimisée si les pays d'ASS veulent attirer les IDE et relever le niveau de revenu de la population. La présente étude fournit une preuve empirique en faveur du développement institutionnel. Promouvoir un cadre juridique et réglementaire, alléger les contraintes aux investissements, promouvoir la démocratie et rétablir la stabilité politique sont les défis auxquels devront faire face les pays d'ASS.

Deuxièmement, l'analyse contribue au débat sur la séquence du processus de la libéralisation. Les

résultats obtenus ici suggèrent que les pays d'ASS devraient d'abord réformer leur système institutionnel avant de s'engager complètement dans les réformes de leur système économique. Sans un capital institutionnel suffisant et de qualité, les pays d'ASS peineront à relever le défi du développement économique.

Troisièmement, Ces recommandations nous conduisent à considérer que le rôle des Etats est primordial dans le développement quantitatif et qualitatif du système économique. Il ne s'agit pas pour les Etats d'intervenir directement dans le système productif comme par le passé, mais de mettre en place des institutions développées et compatibles avec les besoins de développement de la sphère économique. La mise en place de telles institutions est un processus long et même délicat. Les Etats doivent apprendre à adapter les structures institutionnelles au rythme de l'ouverture aux flux financiers internationaux afin d'en tirer le plus d'avantage.

ANNEXES

Tableau 4: Estimations par la méthode GMM en différence première

VARIABLES	(1) GMMDIFF1	(2) GMMDIFF2	(3) GMMDIFF3	(4) GMMDIFF4	(5) GMMDIFF5
L.ide	0.279*** (0.0691)	0.300*** (0.0721)	0.322*** (0.0739)	0.318*** (0.0737)	0.308*** (0.0727)
Cipa	-2.600 (2.625)	12.56 (15.91)	9.125 (17.83)	12.50 (17.35)	-3.493 (2.755)
cipa2		-2.639 (2.712)	-2.173 (2.976)	-2.677 (2.915)	
Libeco	-0.0824 (0.180)	0.553 (0.653)	0.589 (0.803)	-0.0472 (0.188)	-0.0279 (0.186)
libeco2		-0.00645 (0.00663)	-0.00633 (0.00791)		
Pibh	-0.00915 (0.0656)	-0.0746 (0.0804)	0.0811 (0.178)	0.118 (0.170)	0.0275 (0.164)
pibh2		-0.00417 (0.00320)	-0.00551 (0.00476)	-0.00593 (0.00469)	
Ouv	0.0430 (0.0299)	0.0817 (0.107)	0.0963 (0.108)	0.0585* (0.0307)	0.0528* (0.0305)
ouv2		-0.000157 (0.000550)	-0.000189 (0.000556)		
Educ	-0.259** (0.102)	-0.236** (0.106)	-0.234** (0.106)	-0.239** (0.105)	-0.256** (0.102)
Stabpolitiq	-0.963 (1.304)	-0.807 (1.327)	-0.0531 (1.406)	-0.0132 (1.399)	-0.0677 (1.396)
Regquality	-3.643 (3.489)	-3.177 (3.534)	-2.828 (3.551)	-2.894 (3.544)	-3.041 (3.512)
Ruleoflaw	9.427*** (3.245)	8.207** (3.353)	7.030** (3.478)	7.388** (3.429)	8.320** (3.358)
Pibphstab			-0.234 (0.148)	-0.235 (0.148)	-0.274* (0.142)
Pibphregq			-0.356 (0.272)	-0.289 (0.254)	-0.326 (0.240)
Pibphrulelaw			0.618* (0.272)	0.608* (0.254)	0.524* (0.240)

Constant	27.91* (14.29)	-16.00 (30.26)	(0.325) -9.524 (31.07)	(0.324) 2.641 (28.95)	(0.314) 26.55* (14.38)
Observations	297	297	297	297	297
Number of i	33	33	33	33	33

Source: auteurs.

Tableau 5: Résultats des estimations en appliquant la méthode GMM en système

VARIABLES	(1) GMMSYS1	(2) GMMSYS2	(3) GMMSYS3	(4) GMMSYS4	(5) GMMSYS5
L.ide	0.507*** (0.0577)	0.516*** (0.0592)	0.529*** (0.0602)	0.528*** (0.0599)	0.531*** (0.0597)
Cipa	1.045 (2.606)	24.60 (15.56)	21.78 (17.42)	22.12 (16.52)	-0.0891 (2.733)
cipa2		-4.089 (2.662)	-3.716 (2.922)	-3.763 (2.780)	
Libeco	0.0188 (0.183)	0.222 (0.687)	0.216 (0.839)	0.0742 (0.191)	0.0921 (0.190)
libeco2		-0.00183 (0.00688)	-0.00132 (0.00816)		
Pibh	-0.0193 (0.0693)	-0.0974 (0.0825)	0.0917 (0.189)	0.0925 (0.181)	-0.00427 (0.174)
pibh2		-0.00451 (0.00336)	-0.00544 (0.00502)	-0.00541 (0.00494)	
Ouv	0.0363 (0.0287)	0.00558 (0.104)	0.0275 (0.105)	0.0423 (0.0288)	0.0432 (0.0289)
ouv2		0.000169 (0.000546)	7.97e-05 (0.000552)		
Educ	-0.243*** (0.0724)	-0.226*** (0.0811)	-0.235*** (0.0814)	-0.232*** (0.0743)	-0.254*** (0.0726)
Stabpolitiq	0.430 (1.302)	0.331 (1.356)	1.094 (1.427)	1.079 (1.404)	1.388 (1.385)
Regquality	-5.908* (3.472)	-5.127 (3.537)	-4.766 (3.546)	-4.740 (3.503)	-5.207 (3.491)
Ruleoflaw	7.957** (3.327)	7.726** (3.388)	6.442* (3.489)	6.465* (3.453)	6.908** (3.430)
Pibphstab			-0.264* (0.159)	-0.269* (0.157)	-0.311** (0.151)
Pibphregq			-0.332 (0.288)	-0.326 (0.267)	-0.402 (0.256)
Pibphrulelaw			0.645* (0.345)	0.648* (0.342)	0.593* (0.336)
Constant	8.184 (14.54)	-33.06 (28.90)	-27.02 (29.53)	-24.50 (27.58)	7.546 (14.63)
Observations	330	330	330	330	330
Number of i	33	33	33	33	33

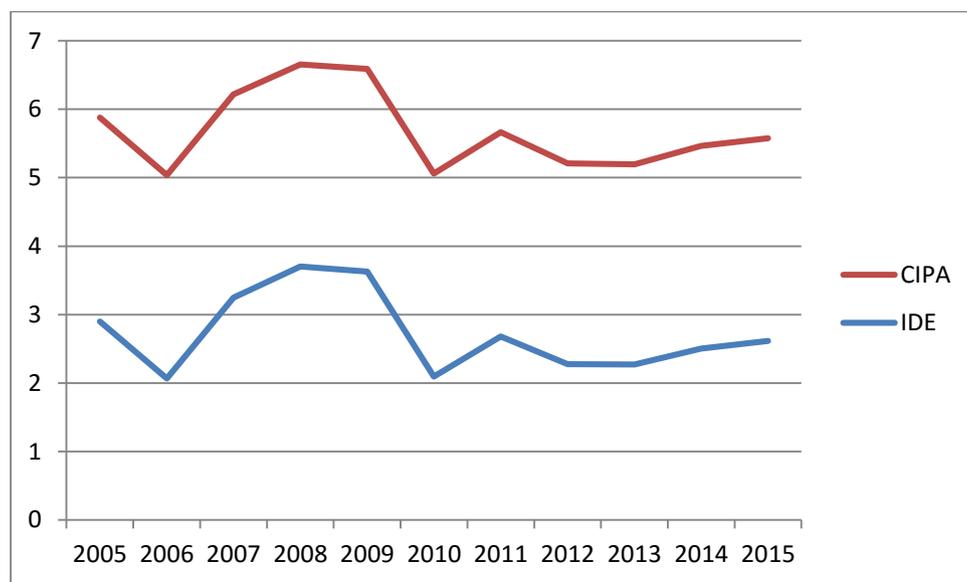
Source: auteurs.



Tableau 7: Evolution des IDE dans le mode

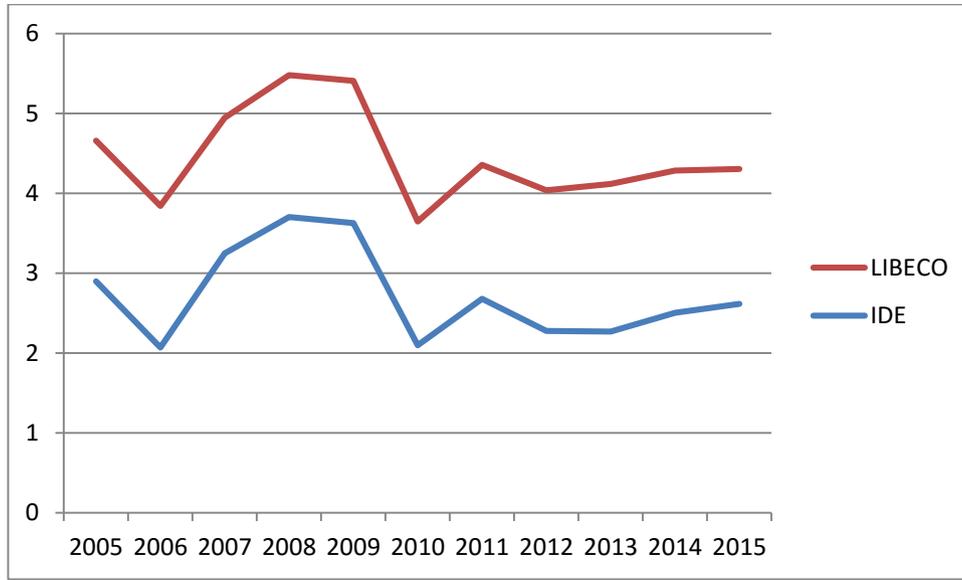
	1985-2000	2001-2002	2003-2007	2008	2009-2011	2012	Moyennes
Economie en développement	26,35	26,91	32,56	36,8	44,45	52,03	36,517
Economies en transition	0,67	1,47	3,95	6,69	5,71	6,47	4,160
Economies développées	72,99	71,62	63,49	56,51	49,84	41,51	59,327
Afrique	2	2,36	2,71	3,24	3,44	3,7	2,908
Afrique Sub-Saharienne	1,21	1,73	1,56	1,97	2,4	2,85	1,953
	1985-2000	2001-2002	2003-2007	2008	2009-2011	2012	Moyennes
Afrique Sub-Saharienne	1,21	1,73	1,56	1,97	2,4	2,85	1,953
Afrique orientale	0,17	0,23	0,28	0,34	0,52	0,98	0,420
Afrique centrale	0,24	0,53	0,42	0,36	0,47	0,22	0,373
Afrique orientale	0,14	0,61	0,31	0,58	0,37	0,41	0,403
Afrique occidentale	0,65	0,36	0,54	0,69	1,04	1,24	0,753

Source: CNUCED (2013)



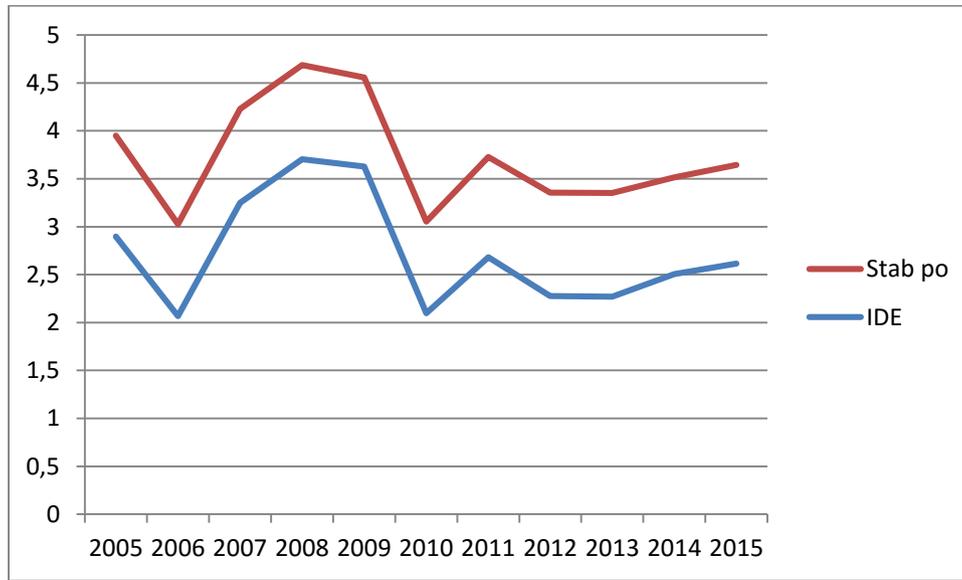
Source: Auteur, à partir de données du WDI

Graphique 1: Evolution des indicateurs de la solidité des institutions et de la qualité des politiques des pays et des IDE en ASS.



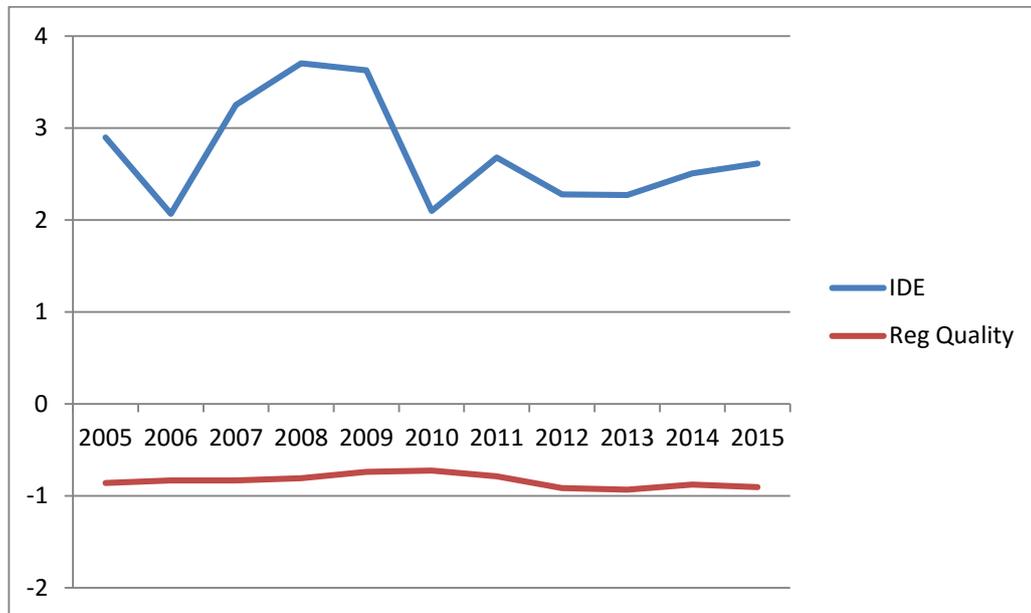
Source: Auteurs, à partir des données d'Héritage Fondation

Graphique 2: Evolution des indicateurs de la liberté économique et des IDE en ASS.



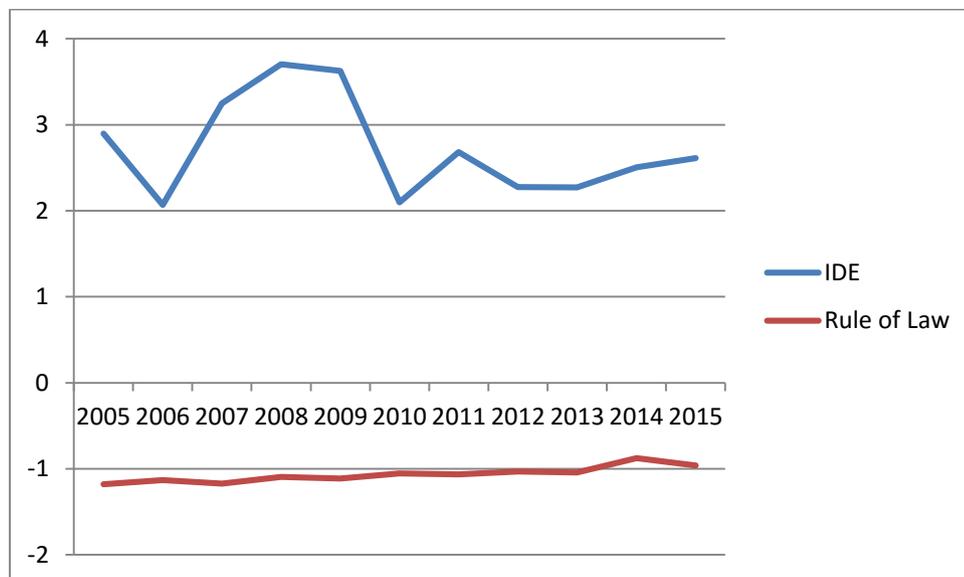
Source: Auteurs, à partir des données du WGI

Graphique 3: Evolution des indicateurs de la stabilité politique et des IDE en ASS.



Source: Auteur, à partir des données du WGI

Graphique 4: Evolution des indicateurs de la qualité de la régulation et des IDE en ASS.



Source: Auteur, à partir des données du WGI

Graphique 5: Evolution des indicateurs de la règle de droit et des IDE en ASS.

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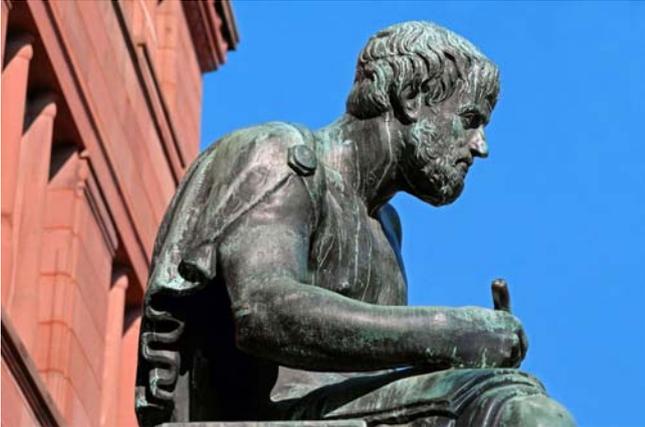
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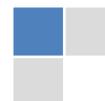
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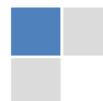
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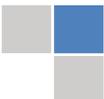
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One should start brainstorming lists of potential keywords before even beginning searching. Think about the most important concepts related to research work. Ask, "What words would a source have to include to be truly valuable in a research paper?" Then consider synonyms for the important words.

It may take the discovery of only one important paper to steer in the right keyword direction because, in most databases, the keywords under which a research paper is abstracted are listed with the paper.

Numerical Methods

Numerical methods used should be transparent and, where appropriate, supported by references.

Abbreviations

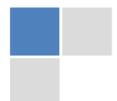
Authors must list all the abbreviations used in the paper at the end of the paper or in a separate table before using them.

Formulas and equations

Authors are advised to submit any mathematical equation using either MathJax, KaTeX, or LaTeX, or in a very high-quality image.

Tables, Figures, and Figure Legends

Tables: Tables should be cautiously designed, uncrowned, and include only essential data. Each must have an Arabic number, e.g., Table 4, a self-explanatory caption, and be on a separate sheet. Authors must submit tables in an editable format and not as images. References to these tables (if any) must be mentioned accurately.



Figures

Figures are supposed to be submitted as separate files. Always include a citation in the text for each figure using Arabic numbers, e.g., Fig. 4. Artwork must be submitted online in vector electronic form or by emailing it.

PREPARATION OF ELECTRONIC FIGURES FOR PUBLICATION

Although low-quality images are sufficient for review purposes, print publication requires high-quality images to prevent the final product being blurred or fuzzy. Submit (possibly by e-mail) EPS (line art) or TIFF (halftone/ photographs) files only. MS PowerPoint and Word Graphics are unsuitable for printed pictures. Avoid using pixel-oriented software. Scans (TIFF only) should have a resolution of at least 350 dpi (halftone) or 700 to 1100 dpi (line drawings). Please give the data for figures in black and white or submit a Color Work Agreement form. EPS files must be saved with fonts embedded (and with a TIFF preview, if possible).

For scanned images, the scanning resolution at final image size ought to be as follows to ensure good reproduction: line art: >650 dpi; halftones (including gel photographs): >350 dpi; figures containing both halftone and line images: >650 dpi.

Color charges: Authors are advised to pay the full cost for the reproduction of their color artwork. Hence, please note that if there is color artwork in your manuscript when it is accepted for publication, we would require you to complete and return a Color Work Agreement form before your paper can be published. Also, you can email your editor to remove the color fee after acceptance of the paper.

TIPS FOR WRITING A GOOD QUALITY SOCIAL SCIENCE RESEARCH PAPER

Techniques for writing a good quality human social science research paper:

1. Choosing the topic: In most cases, the topic is selected by the interests of the author, but it can also be suggested by the guides. You can have several topics, and then judge which you are most comfortable with. This may be done by asking several questions of yourself, like "Will I be able to carry out a search in this area? Will I find all necessary resources to accomplish the search? Will I be able to find all information in this field area?" If the answer to this type of question is "yes," then you ought to choose that topic. In most cases, you may have to conduct surveys and visit several places. Also, you might have to do a lot of work to find all the rises and falls of the various data on that subject. Sometimes, detailed information plays a vital role, instead of short information. Evaluators are human: The first thing to remember is that evaluators are also human beings. They are not only meant for rejecting a paper. They are here to evaluate your paper. So present your best aspect.

2. Think like evaluators: If you are in confusion or getting demotivated because your paper may not be accepted by the evaluators, then think, and try to evaluate your paper like an evaluator. Try to understand what an evaluator wants in your research paper, and you will automatically have your answer. Make blueprints of paper: The outline is the plan or framework that will help you to arrange your thoughts. It will make your paper logical. But remember that all points of your outline must be related to the topic you have chosen.

3. Ask your guides: If you are having any difficulty with your research, then do not hesitate to share your difficulty with your guide (if you have one). They will surely help you out and resolve your doubts. If you can't clarify what exactly you require for your work, then ask your supervisor to help you with an alternative. He or she might also provide you with a list of essential readings.

4. Use of computer is recommended: As you are doing research in the field of human social science then this point is quite obvious. Use right software: Always use good quality software packages. If you are not capable of judging good software, then you can lose the quality of your paper unknowingly. There are various programs available to help you which you can get through the internet.

5. Use the internet for help: An excellent start for your paper is using Google. It is a wondrous search engine, where you can have your doubts resolved. You may also read some answers for the frequent question of how to write your research paper or find a model research paper. You can download books from the internet. If you have all the required books, place importance on reading, selecting, and analyzing the specified information. Then sketch out your research paper. Use big pictures: You may use encyclopedias like Wikipedia to get pictures with the best resolution. At Global Journals, you should strictly follow [here](#).



6. Bookmarks are useful: When you read any book or magazine, you generally use bookmarks, right? It is a good habit which helps to not lose your continuity. You should always use bookmarks while searching on the internet also, which will make your search easier.

7. Revise what you wrote: When you write anything, always read it, summarize it, and then finalize it.

8. Make every effort: Make every effort to mention what you are going to write in your paper. That means always have a good start. Try to mention everything in the introduction—what is the need for a particular research paper. Polish your work with good writing skills and always give an evaluator what he wants. Make backups: When you are going to do any important thing like making a research paper, you should always have backup copies of it either on your computer or on paper. This protects you from losing any portion of your important data.

9. Produce good diagrams of your own: Always try to include good charts or diagrams in your paper to improve quality. Using several unnecessary diagrams will degrade the quality of your paper by creating a hodgepodge. So always try to include diagrams which were made by you to improve the readability of your paper. Use of direct quotes: When you do research relevant to literature, history, or current affairs, then use of quotes becomes essential, but if the study is relevant to science, use of quotes is not preferable.

10. Use proper verb tense: Use proper verb tenses in your paper. Use past tense to present those events that have happened. Use present tense to indicate events that are going on. Use future tense to indicate events that will happen in the future. Use of wrong tenses will confuse the evaluator. Avoid sentences that are incomplete.

11. Pick a good study spot: Always try to pick a spot for your research which is quiet. Not every spot is good for studying.

12. Know what you know: Always try to know what you know by making objectives, otherwise you will be confused and unable to achieve your target.

13. Use good grammar: Always use good grammar and words that will have a positive impact on the evaluator; use of good vocabulary does not mean using tough words which the evaluator has to find in a dictionary. Do not fragment sentences. Eliminate one-word sentences. Do not ever use a big word when a smaller one would suffice.

Verbs have to be in agreement with their subjects. In a research paper, do not start sentences with conjunctions or finish them with prepositions. When writing formally, it is advisable to never split an infinitive because someone will (wrongly) complain. Avoid clichés like a disease. Always shun irritating alliteration. Use language which is simple and straightforward. Put together a neat summary.

14. Arrangement of information: Each section of the main body should start with an opening sentence, and there should be a changeover at the end of the section. Give only valid and powerful arguments for your topic. You may also maintain your arguments with records.

15. Never start at the last minute: Always allow enough time for research work. Leaving everything to the last minute will degrade your paper and spoil your work.

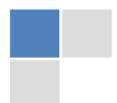
16. Multitasking in research is not good: Doing several things at the same time is a bad habit in the case of research activity. Research is an area where everything has a particular time slot. Divide your research work into parts, and do a particular part in a particular time slot.

17. Never copy others' work: Never copy others' work and give it your name because if the evaluator has seen it anywhere, you will be in trouble. Take proper rest and food: No matter how many hours you spend on your research activity, if you are not taking care of your health, then all your efforts will have been in vain. For quality research, take proper rest and food.

18. Go to seminars: Attend seminars if the topic is relevant to your research area. Utilize all your resources.

Refresh your mind after intervals: Try to give your mind a rest by listening to soft music or sleeping in intervals. This will also improve your memory. Acquire colleagues: Always try to acquire colleagues. No matter how sharp you are, if you acquire colleagues, they can give you ideas which will be helpful to your research.

19. Think technically: Always think technically. If anything happens, search for its reasons, benefits, and demerits. Think and then print: When you go to print your paper, check that tables are not split, headings are not detached from their descriptions, and page sequence is maintained.



20. Adding unnecessary information: Do not add unnecessary information like "I have used MS Excel to draw graphs." Irrelevant and inappropriate material is superfluous. Foreign terminology and phrases are not apropos. One should never take a broad view. Analogy is like feathers on a snake. Use words properly, regardless of how others use them. Remove quotations. Puns are for kids, not grunt readers. Never oversimplify: When adding material to your research paper, never go for oversimplification; this will definitely irritate the evaluator. Be specific. Never use rhythmic redundancies. Contractions shouldn't be used in a research paper. Comparisons are as terrible as clichés. Give up ampersands, abbreviations, and so on. Remove commas that are not necessary. Parenthetical words should be between brackets or commas. Understatement is always the best way to put forward earth-shaking thoughts. Give a detailed literary review.

21. Report concluded results: Use concluded results. From raw data, filter the results, and then conclude your studies based on measurements and observations taken. An appropriate number of decimal places should be used. Parenthetical remarks are prohibited here. Proofread carefully at the final stage. At the end, give an outline to your arguments. Spot perspectives of further study of the subject. Justify your conclusion at the bottom sufficiently, which will probably include examples.

22. Upon conclusion: Once you have concluded your research, the next most important step is to present your findings. Presentation is extremely important as it is the definite medium through which your research is going to be in print for the rest of the crowd. Care should be taken to categorize your thoughts well and present them in a logical and neat manner. A good quality research paper format is essential because it serves to highlight your research paper and bring to light all necessary aspects of your research.

INFORMAL GUIDELINES OF RESEARCH PAPER WRITING

Key points to remember:

- Submit all work in its final form.
- Write your paper in the form which is presented in the guidelines using the template.
- Please note the criteria peer reviewers will use for grading the final paper.

Final points:

One purpose of organizing a research paper is to let people interpret your efforts selectively. The journal requires the following sections, submitted in the order listed, with each section starting on a new page:

The introduction: This will be compiled from reference matter and reflect the design processes or outline of basis that directed you to make a study. As you carry out the process of study, the method and process section will be constructed like that. The results segment will show related statistics in nearly sequential order and direct reviewers to similar intellectual paths throughout the data that you gathered to carry out your study.

The discussion section:

This will provide understanding of the data and projections as to the implications of the results. The use of good quality references throughout the paper will give the effort trustworthiness by representing an alertness to prior workings.

Writing a research paper is not an easy job, no matter how trouble-free the actual research or concept. Practice, excellent preparation, and controlled record-keeping are the only means to make straightforward progression.

General style:

Specific editorial column necessities for compliance of a manuscript will always take over from directions in these general guidelines.

To make a paper clear: Adhere to recommended page limits.



Mistakes to avoid:

- Insertion of a title at the foot of a page with subsequent text on the next page.
- Separating a table, chart, or figure—confine each to a single page.
- Submitting a manuscript with pages out of sequence.
- In every section of your document, use standard writing style, including articles ("a" and "the").
- Keep paying attention to the topic of the paper.
- Use paragraphs to split each significant point (excluding the abstract).
- Align the primary line of each section.
- Present your points in sound order.
- Use present tense to report well-accepted matters.
- Use past tense to describe specific results.
- Do not use familiar wording; don't address the reviewer directly. Don't use slang or superlatives.
- Avoid use of extra pictures—include only those figures essential to presenting results.

Title page:

Choose a revealing title. It should be short and include the name(s) and address(es) of all authors. It should not have acronyms or abbreviations or exceed two printed lines.

Abstract: This summary should be two hundred words or less. It should clearly and briefly explain the key findings reported in the manuscript and must have precise statistics. It should not have acronyms or abbreviations. It should be logical in itself. Do not cite references at this point.

An abstract is a brief, distinct paragraph summary of finished work or work in development. In a minute or less, a reviewer can be taught the foundation behind the study, common approaches to the problem, relevant results, and significant conclusions or new questions.

Write your summary when your paper is completed because how can you write the summary of anything which is not yet written? Wealth of terminology is very essential in abstract. Use comprehensive sentences, and do not sacrifice readability for brevity; you can maintain it succinctly by phrasing sentences so that they provide more than a lone rationale. The author can at this moment go straight to shortening the outcome. Sum up the study with the subsequent elements in any summary. Try to limit the initial two items to no more than one line each.

Reason for writing the article—theory, overall issue, purpose.

- Fundamental goal.
- To-the-point depiction of the research.
- Consequences, including definite statistics—if the consequences are quantitative in nature, account for this; results of any numerical analysis should be reported. Significant conclusions or questions that emerge from the research.

Approach:

- Single section and succinct.
- An outline of the job done is always written in past tense.
- Concentrate on shortening results—limit background information to a verdict or two.
- Exact spelling, clarity of sentences and phrases, and appropriate reporting of quantities (proper units, important statistics) are just as significant in an abstract as they are anywhere else.

Introduction:

The introduction should "introduce" the manuscript. The reviewer should be presented with sufficient background information to be capable of comprehending and calculating the purpose of your study without having to refer to other works. The basis for the study should be offered. Give the most important references, but avoid making a comprehensive appraisal of the topic. Describe the problem visibly. If the problem is not acknowledged in a logical, reasonable way, the reviewer will give no attention to your results. Speak in common terms about techniques used to explain the problem, if needed, but do not present any particulars about the protocols here.



The following approach can create a valuable beginning:

- Explain the value (significance) of the study.
- Defend the model—why did you employ this particular system or method? What is its compensation? Remark upon its appropriateness from an abstract point of view as well as pointing out sensible reasons for using it.
- Present a justification. State your particular theory(-ies) or aim(s), and describe the logic that led you to choose them.
- Briefly explain the study's tentative purpose and how it meets the declared objectives.

Approach:

Use past tense except for when referring to recognized facts. After all, the manuscript will be submitted after the entire job is done. Sort out your thoughts; manufacture one key point for every section. If you make the four points listed above, you will need at least four paragraphs. Present surrounding information only when it is necessary to support a situation. The reviewer does not desire to read everything you know about a topic. Shape the theory specifically—do not take a broad view.

As always, give awareness to spelling, simplicity, and correctness of sentences and phrases.

Procedures (methods and materials):

This part is supposed to be the easiest to carve if you have good skills. A soundly written procedures segment allows a capable scientist to replicate your results. Present precise information about your supplies. The suppliers and clarity of reagents can be helpful bits of information. Present methods in sequential order, but linked methodologies can be grouped as a segment. Be concise when relating the protocols. Attempt to give the least amount of information that would permit another capable scientist to replicate your outcome, but be cautious that vital information is integrated. The use of subheadings is suggested and ought to be synchronized with the results section.

When a technique is used that has been well-described in another section, mention the specific item describing the way, but draw the basic principle while stating the situation. The purpose is to show all particular resources and broad procedures so that another person may use some or all of the methods in one more study or referee the scientific value of your work. It is not to be a step-by-step report of the whole thing you did, nor is a methods section a set of orders.

Materials:

Materials may be reported in part of a section or else they may be recognized along with your measures.

Methods:

- Report the method and not the particulars of each process that engaged the same methodology.
- Describe the method entirely.
- To be succinct, present methods under headings dedicated to specific dealings or groups of measures.
- Simplify—detail how procedures were completed, not how they were performed on a particular day.
- If well-known procedures were used, account for the procedure by name, possibly with a reference, and that's all.

Approach:

It is embarrassing to use vigorous voice when documenting methods without using first person, which would focus the reviewer's interest on the researcher rather than the job. As a result, when writing up the methods, most authors use third person passive voice.

Use standard style in this and every other part of the paper—avoid familiar lists, and use full sentences.

What to keep away from:

- Resources and methods are not a set of information.
- Skip all descriptive information and surroundings—save it for the argument.
- Leave out information that is immaterial to a third party.



Results:

The principle of a results segment is to present and demonstrate your conclusion. Create this part as entirely objective details of the outcome, and save all understanding for the discussion.

The page length of this segment is set by the sum and types of data to be reported. Use statistics and tables, if suitable, to present consequences most efficiently.

You must clearly differentiate material which would usually be incorporated in a study editorial from any unprocessed data or additional appendix matter that would not be available. In fact, such matters should not be submitted at all except if requested by the instructor.

Content:

- Sum up your conclusions in text and demonstrate them, if suitable, with figures and tables.
- In the manuscript, explain each of your consequences, and point the reader to remarks that are most appropriate.
- Present a background, such as by describing the question that was addressed by creation of an exacting study.
- Explain results of control experiments and give remarks that are not accessible in a prescribed figure or table, if appropriate.
- Examine your data, then prepare the analyzed (transformed) data in the form of a figure (graph), table, or manuscript.

What to stay away from:

- Do not discuss or infer your outcome, report surrounding information, or try to explain anything.
- Do not include raw data or intermediate calculations in a research manuscript.
- Do not present similar data more than once.
- A manuscript should complement any figures or tables, not duplicate information.
- Never confuse figures with tables—there is a difference.

Approach:

As always, use past tense when you submit your results, and put the whole thing in a reasonable order.

Put figures and tables, appropriately numbered, in order at the end of the report.

If you desire, you may place your figures and tables properly within the text of your results section.

Figures and tables:

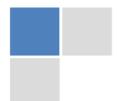
If you put figures and tables at the end of some details, make certain that they are visibly distinguished from any attached appendix materials, such as raw facts. Whatever the position, each table must be titled, numbered one after the other, and include a heading. All figures and tables must be divided from the text.

Discussion:

The discussion is expected to be the trickiest segment to write. A lot of papers submitted to the journal are discarded based on problems with the discussion. There is no rule for how long an argument should be.

Position your understanding of the outcome visibly to lead the reviewer through your conclusions, and then finish the paper with a summing up of the implications of the study. The purpose here is to offer an understanding of your results and support all of your conclusions, using facts from your research and generally accepted information, if suitable. The implication of results should be fully described.

Infer your data in the conversation in suitable depth. This means that when you clarify an observable fact, you must explain mechanisms that may account for the observation. If your results vary from your prospect, make clear why that may have happened. If your results agree, then explain the theory that the proof supported. It is never suitable to just state that the data approved the prospect, and let it drop at that. Make a decision as to whether each premise is supported or discarded or if you cannot make a conclusion with assurance. Do not just dismiss a study or part of a study as "uncertain."



Research papers are not acknowledged if the work is imperfect. Draw what conclusions you can based upon the results that you have, and take care of the study as a finished work.

- You may propose future guidelines, such as how an experiment might be personalized to accomplish a new idea.
- Give details of all of your remarks as much as possible, focusing on mechanisms.
- Make a decision as to whether the tentative design sufficiently addressed the theory and whether or not it was correctly restricted. Try to present substitute explanations if they are sensible alternatives.
- One piece of research will not counter an overall question, so maintain the large picture in mind. Where do you go next? The best studies unlock new avenues of study. What questions remain?
- Recommendations for detailed papers will offer supplementary suggestions.

Approach:

When you refer to information, differentiate data generated by your own studies from other available information. Present work done by specific persons (including you) in past tense.

Describe generally acknowledged facts and main beliefs in present tense.

THE ADMINISTRATION RULES

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CRITERION FOR GRADING A RESEARCH PAPER (COMPILATION)
BY GLOBAL JOURNALS

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Topics	Grades		
	A-B	C-D	E-F
<i>Abstract</i>	Clear and concise with appropriate content, Correct format. 200 words or below	Unclear summary and no specific data, Incorrect form Above 200 words	No specific data with ambiguous information Above 250 words
<i>Introduction</i>	Containing all background details with clear goal and appropriate details, flow specification, no grammar and spelling mistake, well organized sentence and paragraph, reference cited	Unclear and confusing data, appropriate format, grammar and spelling errors with unorganized matter	Out of place depth and content, hazy format
<i>Methods and Procedures</i>	Clear and to the point with well arranged paragraph, precision and accuracy of facts and figures, well organized subheads	Difficult to comprehend with embarrassed text, too much explanation but completed	Incorrect and unorganized structure with hazy meaning
<i>Result</i>	Well organized, Clear and specific, Correct units with precision, correct data, well structuring of paragraph, no grammar and spelling mistake	Complete and embarrassed text, difficult to comprehend	Irregular format with wrong facts and figures
<i>Discussion</i>	Well organized, meaningful specification, sound conclusion, logical and concise explanation, highly structured paragraph reference cited	Wordy, unclear conclusion, spurious	Conclusion is not cited, unorganized, difficult to comprehend
<i>References</i>	Complete and correct format, well organized	Beside the point, Incomplete	Wrong format and structuring



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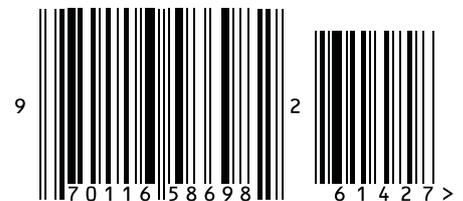


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