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**HOW TO STIMULATE LOCAL PRODUCTION AND
ACCELERATE THE DIVERSIFICATION OF ECONOMIES
IN WEST AFRICA?**

LE DÉBAT DE WATHI

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Introductory note

HOW TO STIMULATE LOCAL PRODUCTION AND ACCELERATE THE DIVERSIFICATION OF ECONOMIES IN WEST AFRICA?

1. Why this theme?

- **Because** West African economies will have to create many more jobs than they do today to cope with the acceleration of the number of young people entering the labor market in the coming years and decades. According to the **Population Reference Bureau**, there are more than 100 million young people in the region, which represents one-third of the total population, knowing that this figure will reach 218 million by 2050. There are **between 10 and 12 million** young people entering the labor market each year in Africa. By 2050, there should be 47 million. Jobs will need to be created in both urban and rural areas where economic activities are still poorly diversified, unproductive and unattractive to young people.
- **Because** the fifteen ECOWAS countries as well as Chad, Cameroon and Mauritania, which constitute WATHI's focus area, are almost all characterized by acceptable economic performance but insufficient in the long run to significantly reduce consistently high poverty levels and stimulate the necessary transformations of economic and social structures for the benefit of the population. From Nigeria to Guinea, via Mali, Niger, Côte d'Ivoire or Ghana, the region has major exporters of mineral, oil, and agricultural resources, but these riches have not been used to diversify their economic bases and improve the well-being of the majority of their populations.
- **Because** countries need to create wealth and mobilize many more internal financial resources to address all the major challenges facing countries in the West African region and beyond, whether it is improvement of education and training systems, health systems, social protection policies and the reduction of inequalities, strengthening of security, political stability and the consolidation of democratic institutions. The production of wealth by local economies is crucial both for the welfare of the people directly and for the capacity of states to significantly increase their fiscal resources.

- **Because** economic growth, to be positive for all people, to be sustainable and meaningful for future generations by conserving natural resources and the environment, must involve the broadest possible participation of women and men in the processes of production and exchange of goods and services, and serve to maintain the fundamental balances which ensure political and social stability in each country. Beyond annual GDP growth rates, countries in the region need to examine the real functioning of their economies today: who produces what? How? With what intensity of creation of skilled and unskilled jobs and with what distribution of profits between domestic and foreign actors?
- **Because** fundamental economic issues are both essential and poorly understood by the citizens of the countries of the region, because they are often discussed in circles of experts, academics, stakeholders in the realms of business and finance, even though citizens from all social categories participate in the creation of goods, in the formal or informal sectors. Only citizens who are well informed about the stakes and the functions of the economy will be able to demand measures from their governments to rectify economic policies that widen inequalities and hurt the majority of the population.
- **Because** African countries are integrated in the globalization of trade and in the search for external sources of financing for their economic development. They are also signatories of international free trade agreements in addition to regional and continental integration processes. The dominant position among the populations is that this openness to the international market does not sufficiently promote the emergence of a strong local private sector and a growth dynamic driven by national and regional players. The intra-African trade today represents only 16% of trade in Africa. The African continent also remains a marginal actor in world trade with only a share of 2.2% for exports and 4% for imports.

2. What are the main topics to be explored?

- Key economic sectors of the countries of West Africa
- The sectors that bring growth to the countries of the region in recent decades
- The sectors that create the most jobs in the countries of the region
- The place of the local private sector in strategic sectors of the economies of the region (energy, telecommunications, transport infrastructure)
- The changing role of states in the economies of the region and the relationship with the private sector
- The contribution of Small and Medium Enterprises (SMEs) and that of micro-enterprises to economic growth

- The constraints to the diversification of the economies of West Africa
- Existing policies and frameworks to foster partnerships between local businesses and foreign companies
- The availability of human resources and managerial skills
- Underexploited sectors, particularly in the informal economy, and deposits of non-valorized jobs in the countries of the region
- Youth entrepreneurship, start-ups, and public funding methods
- The development of intra-African trade
- Presence and contribution foreign-owned businesses in the economies of the region
- Exploitation of oil and mining resources in the region and contracts with multinational companies
- The role of women in the informal sector and valuing their contribution to wealth growth and income distribution
- The digital economy between myths, realities, and perspectives
- The economic policies oriented towards the development of the domestic private sector
- Funding for regional economies: the role of banks and other private, public, regional and international financial institutions
- Mobilizing national savings and diasporas to finance economies
- The monetary and exchange rate policies in the region and the stimulation of local production, including the question of the CFA franc finance in the zone of the West African Economic and Monetary Union
- The dynamics of regional integration through structural infrastructure and intra-regional investment, including the role of Nigeria in the regional economic space.

3. How to participate in the debate?

- Contributions by experts in the issues discussed are welcome. So are observations, accounts, opinions, and recommendations from all citizens.
- We particularly welcome articles that refer to one or more specific countries, are based on concrete examples and include recommendations for action and reform.

- You can submit short articles (500–1000 words) or longer ones (1500–2000 words). Although the maximum length of a contribution is 2000 words, short articles are more likely to be selected and published by WATHI. All articles must be accessible to the general public, well written and structured.
- Without having to write a structured article, you can send your comments, observations, and recommendations to infowathi@wathi.org. The most relevant contributions will be published on the website.
- You can also submit a short audio or video recording to share your experiences and concrete reform proposals.
- We invite you to send your article with a 50–word biography and preferably a good picture of yourself.

CONTACTS

www.wathi.org

Please send your articles and contributions at: infowathi@wathi.org

The debate is also taking place on WATHI's Facebook and Twitter accounts:

Link to Facebook : <http://on.fb.me/1L2kOSk>

Link to Twitter : https://twitter.com/WATHI_Africa