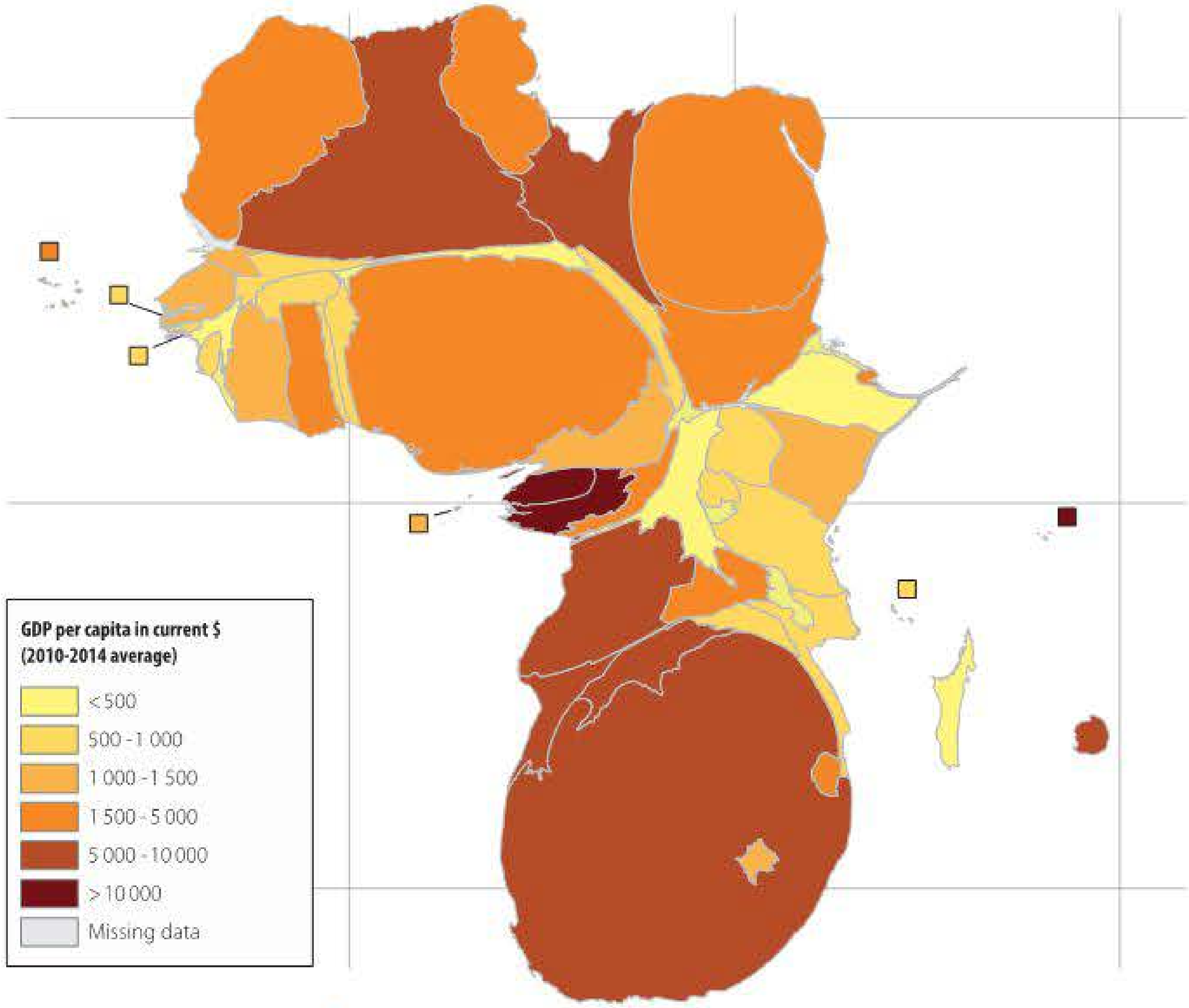
M11. GDP by country (2010-2014)

Representation proportional to the total value of GDP, average 2010-2014

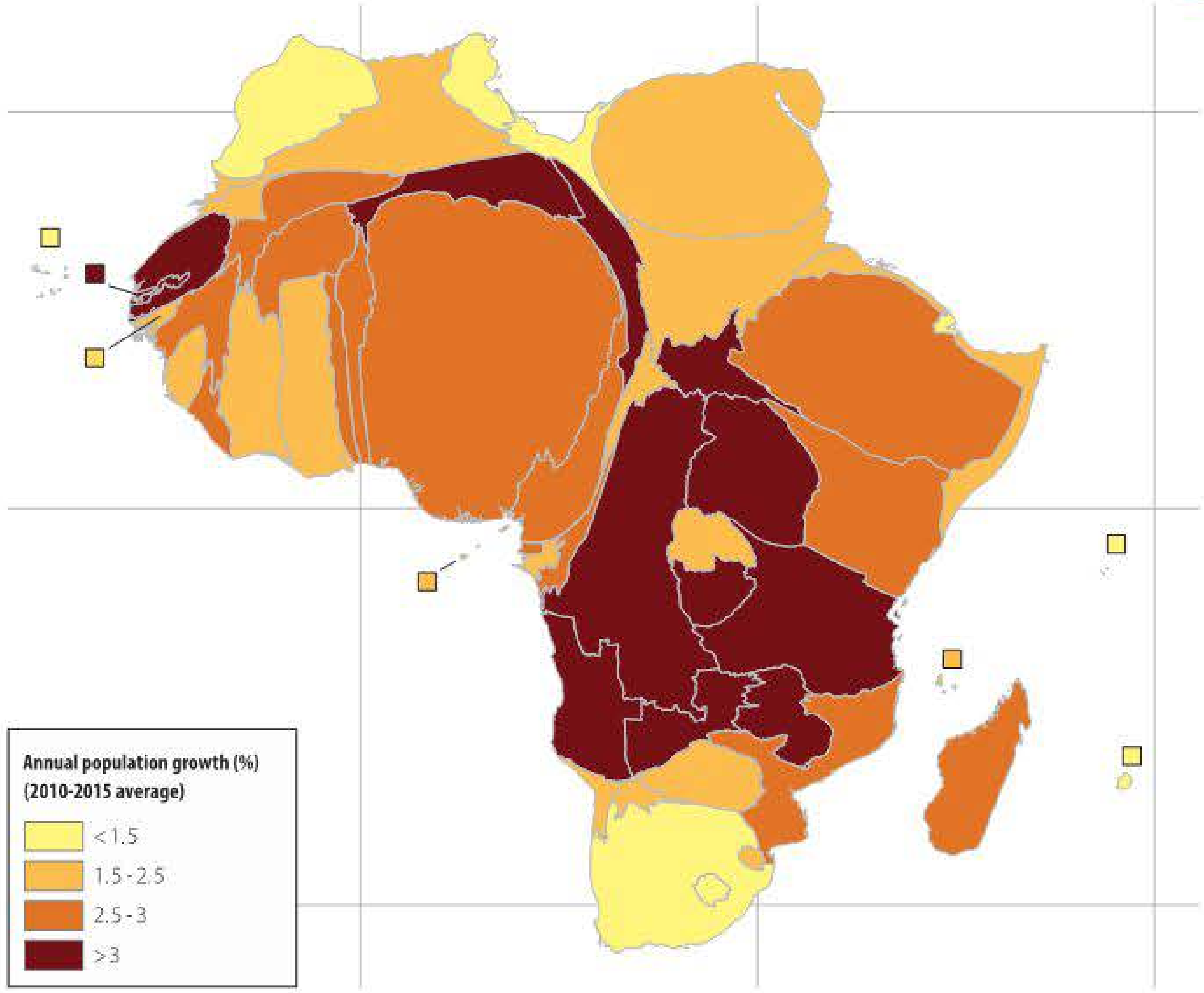
Source WDI (see note page 69)

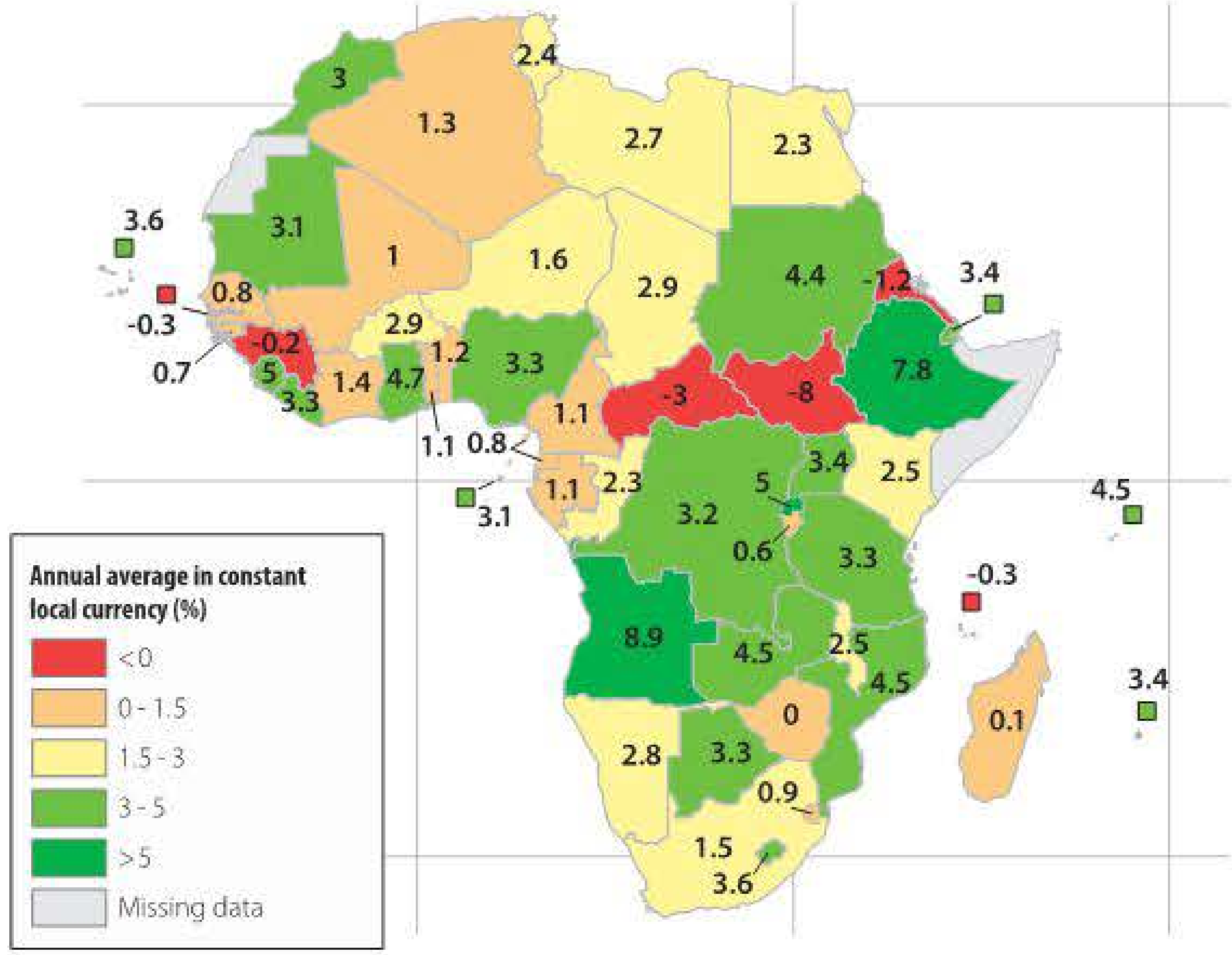


M12. Population by country in 2015

Representation proportional to population size in 2015

Source WPP 2015 (see note page 69)





M13. Average growth of GDP per capita (2005-2014)

Source WDI

OPTIONS FOR ECONOMIC TRANSITION: FROM SECTORAL APPROACHES TO THE TERRITORIAL MODEL

Despite recent yet fragile economic growth, structural change in Africa has been slow and the continent is faced with the need for more inclusive and sustainable growth. This challenge implies rethinking development strategies and adopting multi-sectoral and place-based approaches.

• Africa's diversity

Since the beginning of the century, Africa has been marked by high economic growth that was not affected by the financial crisis of 2008-2009, which impacted the other parts of the world. This growth was driven by the expansion of domestic demand linked to slow improvements in the standard of living and to population growth, but also by the export boom and the rise in prices of the continent's abundant commodities. This trend is however changing because of the slowdown in growth in Asia and in global demand for mining and oil products.

This observation nevertheless masks a variety of regional and national situations. Over and above the political crises that have affected or are still affecting several countries, with major impacts on their domestic growth, different trajectories of structural change are observed in Africa. First, it is important to distinguish the two extremities of the continent – the five North African countries and South Africa –, which have annual per capita income of between USD 3 000 and 7 000, diversified economies, high levels of urbanisation and low population growth (between 1.5 and 2.5% per year). Next, "middle Africa" – sub-Saharan Africa minus South Africa – has 38 countries out of 48 where annual per capita income is less than USD 1 500, where economies are predominantly based on agricultural and mining activities (which exceed 40% of GDP in 25 countries, whereas the manufacturing sector only exceeds 15% in seven countries), and finally where the population is still largely rural with a population growth rate of more than 2.5% year (and more than 3% in 12 countries).

Thus, although sub-Saharan Africa accounts for 75% of the African population, it corresponds to only 45% of the continent's GDP. This very specific situation is the result of the sub-continent's late integration into the global economy, of a restrictive colonial rule causing territorial fragmentation that was enhanced after independence, and of recent, rentier urbanisation relying on administration and raw materials. Sub-Saharan Africa is marked by urbanisation without industrialisation, an exceptional situation in the economic history of the world. Despite these common characteristics, some countries that have no mining activities (especially in East Africa) have succeeded in initiating their economic diversification with an increase in exports of higher value-added products.

• Options for more inclusive and sustainable growth

More than ever, the challenge now is to build momentum for growth that will provide decent jobs for the 440 million young people who will enter the job market over the next 15 years, while taking into account adaptation to climate change and the need for natural resource management.

Several sectoral options are being discussed in order to identify the best potential for growth. Industrial development, which has traditionally been a major source of jobs in other parts of the world, remains the reference. New possibilities exist, especially with light industrialisation in some segments of global value chains and rising labour costs in Asia. But there are still many structural obstacles (infrastructure, skills, services) to meeting this challenge in the medium term.

Agriculture remains a priority sector since it still employs the majority of workers. Its development provides well-known leverage which, through the steady increase in agricultural income, enables growth in rural demand and the gradual diversification of activities. The agricultural development model adopted is crucial here, at the risk of favouring capitalistic options based on large, highly mechanised farms, to the detriment of more labour-intensive approaches based on family farming. Increasing agricultural income remains a key issue that requires proactive public policies.

The shift towards a service economy, "leap-frogging" industrialisation, is under discussion. But this option will struggle to meet demand for jobs in sectors that are themselves subject to international competition. Green growth, based on low-carbon technologies, using more labour and developing environmental services, could be another alternative, but the specifics have yet to be defined.

• Mobilising territorial resources

More than ever, the scale of the challenge implies reinvesting in effective development strategies that take into account the sectoral and geographic distribution of activities and people, and that build on existing development potential at the local, national and regional levels. It is unlikely that the option of export-based development, to which the Asian model owes its success, would be replicable in the new international context.

This change of perspective implies moving away from the excessive segmentation of public policies, with their fragmented sectoral objectives, in order to unlock the potential for territorial development: better understanding the assets and identifying and removing obstacles based on concerted analyses resulting in strategies for action.

In particular, this approach implies reducing the territorial asymmetries inherited from the past, with urban structure imbalances in favour of capitals, where small and medium-sized towns are unable to act as a real driving force due to a lack of infrastructure and services. Investment in public goods at this level of the urban structure could potentially unlock local dynamics, strengthen the linkages between urban and rural areas required for diversification, and develop the very specific resources to each territory.

Bruno Losch