Industrial clusters as a mechanism for developing the role of small and medium enterprises and achieving economic take-off in Algeria

Torchi Mohamed
Chlef University (Algeria), m.torchi@univ-chlef.dz
ORCID: https://orcid.org/0009-0004-3368-3247

Sahnoune Djamel
Chlef University (Algeria), dj.sahnoune@univ-chlef.dz
ORCID: https://orcid.org/0000-0002-4840-7446

Ensaad Redouanne
Chlef University (Algeria), r.ensaad@univ-chlef.dz
ORCID: https://orcid.org/0000-0002-9398-7339

Received : 23.09.2025 Accepted: 30.10.2025 Published : 01.01.2026

Abstract: Lately, industrial clusters gained great importance in discussions about achieving economic development. Furthermore, industrial clusters have become engines for developing small and medium entreprises and encouraging innovation in the eyes of governments and economic policies' makers; as small and medium entreprises participating in the cluster can benefit from the scale economies, either in the stage of financing or the one of marketing. Moreover, small and medium entreprises in Algeria face many obstacles, as they work in an unhealthy environment. Wherefore, industrial clusters can represent a key for the success of this type of entreprises, as these clusters would allow them to benefit from the scale economies, either in the stage of financing or in the one of marketing their products. Therefore, they can reach high levels of growth and products' quality through the continuous improvements that occur within the industrial cluster.

Keywords: Small and medium entreprises ; Industrial clusters ; Development ;Governmental support ; Private sector.
JEL Classification Codes : L520; O250; O11

Corresponding author: Torchi mohamed, m.torchi@univ-chlef.dz

1. Introduction

Small and medium entreprises are considered as one of the most important approaches of development, as many advanced and developing countries depended on developing them and creating the investment climate for them in order to promote their contribution to the process of economic development. In addition to that, small and medium entreprises can have a great role in the economic activity because of their effective role in building an integrated industrial fabric and motivating the private sector, then developing the income and creating work opportunities, as they are distinguished by depending on labor intensity in production more than capital intensity.

Today, industrial clusters get a great attention by the economic policies' makers, and they are considered as an effective tool of industrial policythat can have a serious impact on economic growth. Industrial clusters represent the suitable environment for encouraging different types of environments to coalesce, agree, harmonize and unify their efforts in order to develop industry and to encourage innovation. Furthermore, the industrial cluster is an integrated entity that is composed of a set of companies, suppliers and different services' providers, including transportation, shipping, marketing and financing, which are based on forward and backward links. Moreover, the industrial clusters' strategy depends on reinforcing trust between the stakeholders, and it also needs to create a suitable environment based on the public authorities' contribution in different financing and educational fields, as well as in research activities, infrastructure and suitable legal environment.

It is also noticed that industrial clusters today represent a main party of governmental policies on the local and international level. In addition to that, most countries of the world now adopt programs to develop industrial clusters at the level of their public policies in order to raise their economies' level of growth and competitiveness. Therefore, traditional development plans based on developing different industries at once were all abandoned, while the industrial clusters' strategy focuses on targeting specific industries. Hence, this latter focuses all its efforts and resources on eliminating obstacles and providing the suitable environment for the development of a specific sector that have been chosen after an accurate diagnostic study.

While for Algeria, as a state that aims to develop its economy through providing the suitable business environment in order to develop small and medium entreprises by providing many mechanisms of direct and indirect support (financial and technical), the contribution of these entreprises to the economic growth support did not reach the required level because of the lack of a clear strategy. Moreover, collecting entreprises and industrial clusters is considered as one of the solutions that are capable of achieving the aims of public economic policy in Algeria.

Through the previously mentioned points, the following question can be asked:

How can the application of the industrial clusters' strategy contribute to develop the sector of small and medium entreprises in Algeria and what are the steps that must be followed to succeed this strategy?

We treated this problematic through the following axes:

First axis: Industrial clusters, definition and importance

Second axis: The strategy of developing industrial clusters depending on leading international experiences

Third axis: Development of industrial clusters of small and medium entreprises in Algeria

2. Industrial clusters, definition and importance

2.1. Definition of industrial clusters

Today, we focus on industrial clusters after the works of the economist Alfred Marshall who is credited with emerging the characteristics of the activities' centralization in a geographically defined area (industrial districts). In addition to M. Porter who set a definition for the industrial cluster in the year 1990, where he defined it as a geographic cluster of associated entreprises (suppliers, services' suppliers, companies, linked industries, research centers, professional organizations and standardization agencies) in a particular field, and which compete and collaborate with each other (Fromoit, 2015, p. 484).

Industrial clusters can also be defined as geographic clusters (local, regional or international) of a number of companies and entreprises that are linked and associated to each other in a particular field, where they make integration and intertwining relationship horizontally and vertically in all the productive process stages, forming a whole chain of the product's added value (Saudi Industrial Development Fund SIDF, 2007)

Therefore, the industrial cluster represents the gathering of a set of companies belonging to integrated sectors within a centralized geographic area. These companies produce an integrated blend of products, which are outputs for one of them and inputs for other companies. As a result, an industrial development is established in a particular sector and within a particular area.

Furthermore, many characteristics are available in clusters. Most importantly:

- A geographic cluster of a set of companies that are linked by relationships within the added value chain.
- Companies inside the cluster are bounded by common relationships that distinguish them from other entities.
- The cluster depends on entities that represent artistic and technological support, such as research centers and laboratories affiliated with universities, which helps the cluster reinforce its competitive status in local and external markets.

According to Porter, four factors must be present for the cluster to be more effective, which are (David Doloreux, 2007, p. 363):

- The presence of local agents and clients.
- The presence of specialized local suppliers.
- The presence of a link between industries.
- The presence of a level of competition between entreprises.

In addition to that, the geographic localization of the cluster must be unique, where all the fundamental requirements to establish an industrial pole are available, such as fundamental infrastructure, cities, research centers and universities.

2.2. Criteria of the industrial clusters classification:

Marcusen had divided industrial clusters according to their structure to four types as shown in the following table:

Table 01. Types of industrial clusters according to Marcusen

Type of the cluster	Quality of companies	Type of interconnection between companies
Marshall	It is formed of small and medium entreprises depending on advanced technology and high craftsmanship.	A big commercial exchange between companies, as well as astrong institutional and governmental alliance and support.
The axis and the arms	It is controlled by one or several big companies, served by a great number of small and medium entreprises supplying inputs and services, and it may contain many companies that use big companies' products.	Collaboration between big and small entreprises.
The branch plateformes	They are formed of multifactorial international companies' branches.	Commercial exchange and a limited interlocking.
Public centers	The presence of service providers, inputs' suppliers and big public activities' centers in the State, such as universities and governmental offices.	Restricted by the selling/buying relationship between suppliers and public entreprises.

Resource: (Saudi Industrial Development Fund SIDF, 2007, p. 12)

In addition to that, other criteria can be adopted to classify industrial clusters, either according to:

- The scale of the companies forming the industrial cluster (big scale, medium or small).
- The type of the adopted projects as a nucleus for the industrial cluster.

Or according to:

- The type of correlation between companies forming the cluster (vertical or horizontal).
- The product (automotive industry, textile, food industries…).

2.3. Advantages provided by the cluster

The cluster is distinguished by two fundamental features: static features and dynamic features. Both of them lie within the framework of increasing growth rates, competitive capacity and exports, in addition to reducing unemployment rates.

- The presence of industrial clusters helps increasing the specialty opportunities and dividing work, in addition to reducing the exchange expenses during the productive stages, therefore, reducing production costs. (Economic Council of Arab, 2015, p. 4)
- By achieving the specialty principle, which helps mastering the work on a particular product, the scale economies principle can be realized, in addition to reducing the production costs and achieving the scale economies, which affects the production cost and the price reduction, therefore acquiring competitive advantages.
- The cluster represents an environment that encourages innovation, due to the presence of research centers and universities belonging to the cluster, whose role is to search on developing products, production modes and finding solutions to technical problems that face production units. In addition to that, the power of the industrial cluster lies in its capacity to develop innovative projects, which cannot be achieved unless there was harmony and compatibility between the entreprises. (Thomas Froehlicher & Franck Bares, 2014, p. 54)
- Centralization of the industry in a defined geographic area leads to exchange experiences between productive units, which also help attract qualified workforce.

- The cluster represents a suitable environment for business due to the amount of information provided by entities belonging to the cluster, and to the facilities presented by public authorities in order to encourage and expand investments inside the cluster.

2.4. Role of industrial clusters in the achievement of economic growth

Industrial clusters contribute to economic growth through what follows:

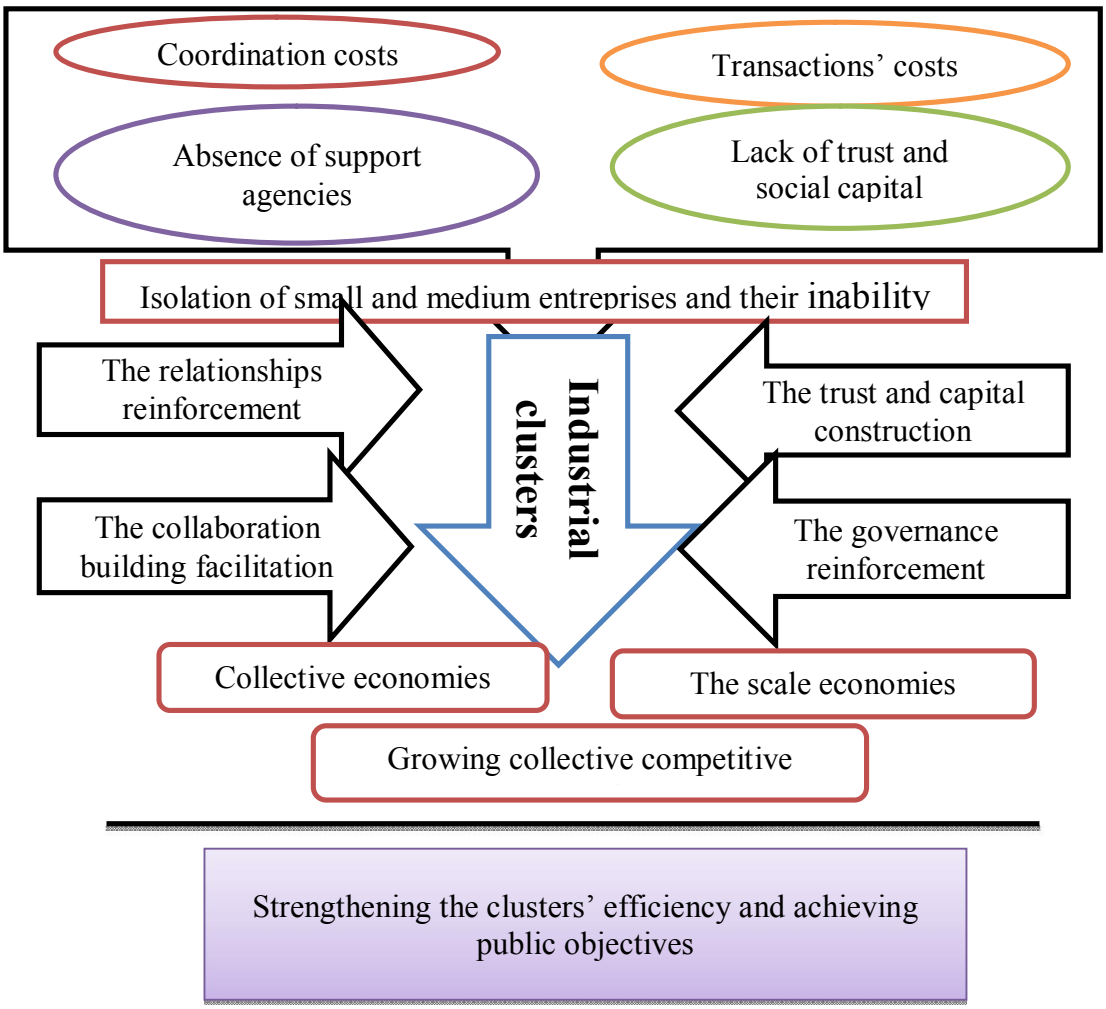
- Industrial clusters contribute to create wealth by finding healthy relationships between central government, local administrations, non-governmental organizations, international bodies and education centers.
- Industrial clusters, which gather entreprises with a small number of employment, can contribute to reduce the unemployment problem. There is almost consensus among economists on the inability of big entreprises to provide sufficient work opportunities in order to eliminate widespread unemployment and to absorb the increasing numbers of workers added every year (Fathi Al-Sayed Abdo & Abu Al-Sayed Ahmed, 2005, p. 65)
- The creation of industrial clusters permits the creation of other works that nourish and support the components of the industrial cluster, which leads to develop the area where the cluster exists.
- Furthermore, the creation of industrial clusters forces public authorities to carry out works in order to develop the infrastructure of the area where the cluster exists, therefore, commercial works thrive through taking advantage of these development works. (Phatak, 2014 , p. 55)
- Companies forming the industrial cluster achieve numerous advantages through their collaborative work, for the benefit of innovation in products, production methods, storage, attached services and administration.
- The cluster contributes to raise the small companies' efficiency by dividing work, which makes them capable of reaching local and external markets in order to discharge their products.
- Increasing the ability to explore new investment opportunities that work on strengthening the clusters' structure as well as enhancing the integration and comprehensiveness principle.
- Raising the production and competition capacities of the cluster parties. (Walid Abd Mawlah, 2022)
- Reinforcing the investment as well as expanding the productive base and enhancing it, and overcoming market failures that limit the private sector ability to make decisions related to long term investments.

3. The strategy of developing industrial clusters depending on leading international experiences

3.1 Steps of building the industrial cluster

The creation and the development of industrial clusters both represent a big challenge for public economic policies' makers. The industrial cluster, then, is not a mere geographic rapprochement between companies and support bodies, but it is considered as a vertical and a horizontal integration. Therefore, governments work on providing the suitable conditions to form and develop the industrial clusters by depending on modern scientific methods. Furthermore, the government's role is to remove obstacles by developing the economic system and the infrastructure, as well as by offering technical tools that help develop the industrial clusters.

Figure 01. Steps of building the industrial cluster



Source: (UNIDO Department of Digitalization, 2020, p. 27)

There is a set of necessary steps that must be followed in order to create an industrial cluster,as the United Nations' Industrial Development organization recommends the necessity to:

3.1.1.Choose the cluster: The cluster must be chosen based on a set of criteria:

- The minimum or the critical mass: number of companies and their distribution, estimation of the transactions' scale, contribution to work and to the income, contribution to exports, importance of the product in the value chain, as well as the trends of local and international demand.
- Location: How logistics services and transportation are available, as well as how suppliers and artistic support companies exist.
- Repetition: the industry scale and number of similar industries in the area, and linking between similar industries in the area.
- Capability: perspectives of the production technology development, commodity or services' dynamics, as well as main markets.

3.1.2.Designation of the body in charge of following the cluster's development: Once the cluster is chosen, a specialized body must be designed in order to follow the work on developing relationships inside the cluster and studying the suitable environment to overcome difficulties facing entreprises.

3.1.3.The diagnostic study: Once the cluster is chosen, a diagnostic study of the product and the entreprises is conducted by collecting data in a participatory method, which includes restrictions faced by the stake holders, untapped latent potential, local connections, as well as available mechanisms to support coordination and to break the isolation of companies working in the cluster, which helps build trust between the stake holders. (Walid Abd Mawlah, 2022)

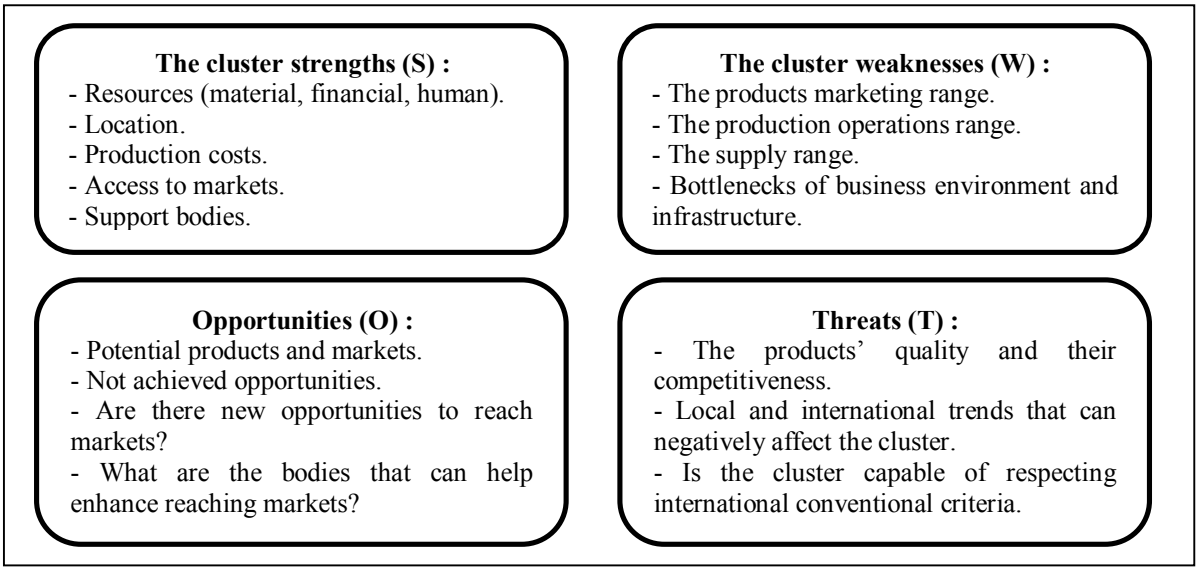
3.1.4.Building the vision and the work plan: Building the vision and the work plan starts with the discussion of the diagnostic study results, as the stake holders formulate a common vision of the cluster's future in a participatory method. This vision can be subject to modification according to surrounding conditions and to data related to the clusters' environment.

Building the vision has a great important due to the following reasons:

- To focus on the aims that the cluster has been created to achieve.
- To clarify the work strategy and to define priorities carefully. That also helps define the adopted steps and methods in the execution.
- Furthermore, building the vision helps coordinate efforts between different parties, and it also leads to set consistency in viewpoints between the stake holders, which enhances collaboration and good execution of the proposed strategy.
- It prompts coordination of efforts and unification of aims between parties involved in the cluster, which leads to define the future of the cluster.

Depending on the SWOT analysis in order to analyze the previous stage results, the strengths and weaknesses can be defined, in addition to the threats and the opportunities available to establishments belonging to the industrial cluster.

Figure 02. SWOT sample to define the vision of the cluster development plan



Source: (UNIDO Department of Digitalization, 2020, p. 24)

After the vision construction features become clear, there comes the second stage of defining the work plan, which is considered as plan for the execution of the points defined in the previous stage.

3.1.5. The execution: All the activities agreed in the work plan were executed, depending on the following elements:

- Disseminating information between the stake holders and informing them of all what had been achieved and of the adopted methods to reinforce trust and concentrate efforts.
- Focusing on engaging the stake holders in the decision making and in presenting possible options.
- Focusing on commercial relationships between companies either horizontally or vertically, and attempting to push companies to benefit from each other's' expertise; in order to realize the scale economies, to raise sales, to reach new markets and to support the cluster's competitiveness.
- Attempting to raise the level of communication between companies and support bodies, such as chambers of commerce and industry, banks as well as universities in order to present technical support and to accompany entreprises to raise their performance level.

3.1.6.The evaluation: Those in charge of the project must collect information constantly, then tabulate this information and analyze them in order to define the strengths and weaknesses, as well as to compare results to the project's typical aims, then to take corrective timely actions in order to ensure the project's continuity.

4. International experiences in the field of industrial clusters development:

4.1. The Italian experience

Amongst the first countries that adopted industrial clusters as a development strategy, in late sixties and early seventies, where they created industrial areas, Italy was economically divided into three areas: The Northern section that has numerous resources (first Italy), the Southern poor section (second Italy), as well as the Northern and Eastern central section (third Italy), which could achieve high rates of economic growth thanks to small and medium entreprises, where many industries came together (shoes, ceramic, clothes, food…), and they were active in the fieldwithin specific areas, which allowed them to acquire a type of integration that enabled them to sweep local and international markets.

In addition to that, with the accumulation of experiences and the development of innovative thoughts as well the labor specialization, industrial clusters were formed, inducing a kind of horizontal and vertical integration between entreprises and companies that are active in different fields. It should also be noted that industrial clusters appeared spontaneously in Italy, then public authorities in that country offered the necessary support, either in the field of providing finance by ensuring loans and exports, or in the field of marketing services represented especially in organizing exhibitions, making advertisement, and facilitating getting the necessary tools related to markets or to new technologies.

4.2. The Turkish experience:

Turkey focused on many fields and created numerous industrial clusters in different domains. One of the most famous industrial clusters we find the textile industry and the ready-made cluster, which contains more than 7500 factories. The resource of the majority of them is small and medium companies that are active in many clusters, where Cukurova is the most famous one, which contains about 500 companies. This area is ranked seventh internationally in the production of cotton with about 450 000 tons annually. It is a very close area to both the airport and the port, whose products are exported to Europe (more than 50% of the production volume is directed to export). Moreover, small and medium entreprises active in this area were capable of developing production methods and innovating new strategies in order to face the strong competition that confronts them locally and internationally. Public authorities intervened by offering supportin different fields in order to make this cluster more efficient.

4.3. The Australian experience

In the year 2004, a study conducted at the University of Victoria in Australia showed that the electronics industry cluster employed in the year 2001 about 35 000 workers, and achieved about 9$billion of sales and 2.5$ billion as an added value.

The industrial clusters' strategy was proposed for the first time in 1992 by some consultants to the South Australian government, among them we state Arthur D little. The proposed strategy focused on the following fields: the wine, automotive, electronics and engineering services' industry, as well as the medical devices, research and development industry, in addition to food industries.

Nine industrial clusters were created, but only five of them succeeded. The Australian government focused on the information technology industry as a strategic field that must be developed and that has become a subject of interest. Furthermore, the government laid the corner stone to develop this cluster by using the American experience in the field of marketing science and technology, where a convention was signed between the University of Texas and the one of Adelaide. The governmental research and development sector set the foundation of the information and communication cluster. As a result, horizontal and vertical links between industries had extended, and more than 1000 researchers exist in three universities, participating in the field of research in the domain of information and communication technology (Innovation lab, 2022, p. 5). Therefore, the cluster contains multinational companies, such as Motorola, Tenix… and other medium and small companies.

5. Development of industrial clusters of small and medium entreprises in Algeria

5.1.Small and medium industries in Algeria

Small and medium entreprises in Algeria were defined as entreprises of goods and/or services' production that employ from 01 to 250 people, that enjoy financial independence, and whose annual business number does not exceed 04 billion DZD or the total of their annual outcome 01 billion DZD.

Table 03. Definition of small and medium entreprises in Algeria

The criterion	Micro entreprise	Small entreprise	Medium entreprise
Number of workers	From 01 to 09 people	From 10 to 49 people	From 50 to 250 people
Business number	Less than 40 million DZD	Does not exceed 400 million DZD	From 400 million to 04 billion DZD
Annual outcome	Does not exceed 20 million DZD	Does not exceed 200 million DZD	From 200 million to 01 billion DZD

Source: (the official journal the official Law N 17-02, 2017, p. 4)

After the issuance of sequential decisions, which aimed to develop the sector of small and medium entreprises through the creation of bodies that are specialized in supporting this kind of entreprises and through the creation of a Ministry dedicated to this sector, the number of small and medium entreprises raised significantly.

5.1.1.Enumeration of small and medium entreprises in Algeria: Under the structural changes that touched the Algerian economy, and after adopting a new strategy in development, based on the market economy mechanisms, by opening the initiative to the private sector and privatizing the public one, a remarkable development of the private sector and a decline of the public one occurred. As a result, the interest in small and medium entreprises' sector represents a principal entrance to achieve economic development.

Table 04. Development of the number of small and medium entreprises in Algeria (2012-2022)

The year	Number of entreprises	Development rate
2012	687 386	-
2013	747 934	8.80
2014	820 738	9.73
2015	896 811	9.26
2016	1 014 075	13.07
2017	1 060 289	4.55
2018	1 093 170	3.10
2020	1 231 073	12.62
2021	1 286 365	4.49
2022	1 359 803	5.70

Source: (ministry of industry, 2023)

Through the table above, we notice that the number of small and medium entreprises in Algeria rose, especially in the last years. However, the rate of development is instable and it differs from one year to another due to movement that exists in the sector.

5.1.2.Classification of small and medium entreprises in Algeria: Through the available data, the majority of small and medium entreprises are classified among micro entreprises that contain less than 10 workers. They are also distinguished by their family character and their specialization in the production of consumption goods at the expense of intermediate goods and equipment.

Table 05. Small and medium entreprises according to the volume and to the development rate in the year 2022

Volume of the entreprise according to the employment criterion	From 01 to 09 workers	From 10 to 49 workers	From 50 to 250 workers
The p.c.	98.47%	1.34%	0.19%

Source: (ministry of industry, 2023)

We notice through the table that more than 98% of the total of small and medium entreprises is micro entreprises that contain less than 10 workers. Moreover, they are entreprises that are active in specific fields, such as transportation and traditional industries. In addition to that, medium industries do not represent but a small rate of the total of entreprises (1%).

5.1.3.Density of small and medium entreprises and regional balance: Small and medium entreprises have a capacity to achieve balance between areas, which helps achieve balance between different populated areas, because they do not need lots of qualifications to create them and they have a capacity to adapt to the needs of the residents of the area where they are active.

Table 06. Density of small and medium entreprises in the North, in high plateaus and in Southern Algeria

	Number of entreprises 2021	Population (Census 2021)	Density of entreprises
North	945 153	28057200	34
High plateaus	300 745	13029800	23
South	113 905	4313000	26
Total	1 359 803	45400000	30

Source: (ministry of industry, 2023)

We notice through the table above that there is a big concentration of small and medium entreprises in the Northern States, where their rate represents more than 69%, then the States of high plateaus in the second rank with a rate of 22%, then the South region in the third rank with a rate of 8%. As for the entreprises' density indicator, there is a disparity between areas as shown in the table above. This rate stabilizes at 30 entreprises for each 1000 people at the national level, and then it decreases to 17 for each 1000 people if only moral persons were counted.

5.1.4.Small and medium industries in Algeria: Small and medium industries have a great economic importance due to their capacity to create jobs and to contribute to economic diversity between different economic sectors. Therefore, they are considered as a criterion of the success of countries' strategy in achieving economic growth and satisfying the needs of communities concerning different types of goods.

Table 07. Repartition of private small and medium entreprises to economic sectors in Algeria for the year 2021

Sector of activity	The number	The p.c. (%)
Agriculture	8 404	0.61
Fuel, Energy and Mines and affiliated services	3 371	0.24
Public works and Housing	204 452	15.06
Manufacturing industries	115 992	8.53
Services (including free professions)	703 499	51.73
Traditional industry	324 085	23.83
Total	1 359 803	100

Source: (ministry of industry, 2023)

In different countries, we find a type of imbalance between economic sectors due to the privacy of each sector. What is noticed is that the sector of services is the one that takes over the biggest rate of active entreprises; because of its lack of investments acquired to launch projects in this sector compared to the rest of sectors. Furthermore, it poses today lots of investment opportunities, and through the table above, we notice that a big rate of small and medium entreprises in Algeria is centered in the sector of services, free professions and traditional industrywith a rate of 75.73%. As for manufacturing industries (small and medium industries), they represent a rate of 8.53% only, where there are only 115 992 entreprises. Moreover, a big number of industries is centered in the food industries' branch (34418 entreprises) with a rate of 31.31%. In the branch of wood and paper industry, there are 22374 entreprises with a rate of 20.35%, while the industry of iron and steel, as well as electric and electronic industries (16880 entreprises), have a rate of 15.35%.

5.2.The adoption of a national strategy to create and develop industrial clusters in Algeria

In Algeria, there are more than 50 industrial areas, distributed across various States. Furthermore, Algeria enjoys lots of human resources with different levels, which qualifies it to be an industrial pole. However, Algeria did not adopt a clear strategy to encourage the industrial sector.

Among the suggested strategies to develop industry in Algeria, we find industrial clusters, which succeeded in many countries as the Algerian economy poses lots of fields that are able to represent a field to develop clusters, such as:

- Petrochemical industries.
- Textile industry.
- Iron and steel.
- Food industries.
- Manufacturing building materials.
- Automotive industry.

In addition to that, and for the success of the industrial clusters' strategy in Algeria, it should be concentrated on what follows:

5.2.1.Choosing industrial clusters: The first step that must be taken is setting the diagnostic study of the industries' reality in Algeria and of industrial clusters; by forming a common cell between the Ministry of Industry, the Ministry of Higher Education and Scientific Research and the Ministry of Commerce, in addition to the Ministry of the Interior and Local Communities, with addition of other parties related to the subject of investment. This study is based on diagnosing the chain of value of different sectors, diagnosing markets and defining the different obstacles that obstruct the development of the sector. Moreover, and based on this diagnostic study's outputs, priority industrial clusters, which include the first nucleus to build a successful industrial cluster, are chosen.

5.2.2.Defining the party concerned with the cluster's follow up and development: After choosing industrial clusters, the party responsible for the follow up and development of the fund is defined, in addition to providing all the necessary capabilities to this party's members.

5.2.3.Working on building participatory trust and vision around every cluster gathering: It is done by defining related entreprises from the public sector and the representatives of the private sector, as well as by defining roles and responsibilities.

5.2.4.Setting an executive plan for each cluster gathering: This step aims to define an artistic and financial aid program for small and medium enterprises working within the industrial cluster. Moreover, public authorities will have a crucial role, where they will be responsible for defining priorities, reinforcing dialogue between public and private sector, providing some services related to studies, such as markets' studies, defining the level of working companies, creating laboratories and coordinating efforts with research centers and universities as well as valorizing its outputs.

5.2.5.Follow up and evaluation: The party in charge of following the development of clusters must set a timetable so that it can follow the achievement of goals and evaluate each stage of the industrial clusters' development stages.

6. Conclusion

The development of industrial clusters in Algeria must be adopted within a national strategy to develop local industry; by depending on successful international experiencesand projecting them on the Algerian economy in a manner that takes into account the specificity of this latter, as the great number of small and medium entreprises that are active in the Algerian economy can achieve a qualitative leap if they were gathered within effective industrial clusters.

In order to succeed this strategy, a national initiative must be launched, which starts with opening national sessions to listen to different actors in the national economy and to accurately define the obstacles facing investment in Algeria. Moreover, a diagnostic study must be carried out in order to define sectors that can be developed by public authorities as they represent a competitive feature in the Algerian economy. In this perspective, the government can represent numerous forms of the cluster development support, especially that Algeria has many entities, which were created to develop the sector of small and medium entreprises, and that these entities can play an effective role in the promotion and development of industrial clusters in Algeria. Furthermore, professional organizations and all the stakeholders must be involved to provide the necessary information and to develop local industry inside industrial clusters far from the parallel sector that became a threat to national economy.

7. Bibliography List

clusters vers des écosystèmes de croissance. *Entreprendre et Innover* , pp. 46-61.

David Doloreux, R. S. (2007, OCTOBER). La création et le développement de clusters maritimes au Canada et en Europe. *Revue D'économie Régionale et Urbaine* , pp. 342-366.

Economic Council of Arab. (2015). *Taking advantage of the idea of industrial clusters in the support and development of small and medium facilities in the Arab countries.* abu dhabi: League of Arab States.

Fathi Al-Sayed Abdo & Abu Al-Sayed Ahmed. (2005). *Small industries and their role in local development.* Alexandria: The University Youth Entreprise.

Fromoit, M. d. (2015). *Le Grand Livre de l'Economie PME.* Gualino.

Phatak, G. G. (2014 , may). Entrepreneurship and Industrial Clusters with Reference to Indian Context. *Asian Journal of Multidisciplinary Studies* , pp. 48-66.

Walid Abd Mawlah. (2022). Development of industrial clusters. *Development bridge series, review 156* , pp. 1-55.

Saudi Industrial Development Fund SIDF, I. C. (2007). *Development Fund SIDF.* Consulté le 6 7, 2022, sur Development Fund SIDF: http://www.sidf.gov.sa/Ar/MediaCenter/ResearchandStudies/DocLib/العناقيد%20الصناعية%20-%20مفهومها%20وآلية%20عملها%20-%20الجزء%20الأول

Industry ministry (2023), *Statistical bulletin* .

Innovation lab. (2022). *Australia as ICT cluster.* austria: Report ELA.

To cite this article according to (APA):

Torchi Mohamed, sahnoune djamel, Ensaad redouane. (2026). Industrial clusters as a mechanism for developing the role of small and medium enterprises and achieving economic take-off in Algeria. *Journal of New Economy*, Vol 17 / (Issue 01-2026).