

Media Economics in Algeria: Review and Analysis

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Abstract:

Media economics is considered the cornerstone of preparing the needed and necessary environment for a successful economic movement in society. Inasmuch as it provides data and information for individuals, organizations and experts, whether for investment projects or for the different economics subjects. The economic media system in Algeria suffers from a set of difficulties and problems, among which are the problems facing macroeconomic analysis as, a major source of economic information, the Problems facing the National Office of Statistics, as well as the problems related to politics ... These difficulties can be overcome through a number of Sources of economic information, reducing bureaucracy and promoting an economic media culture.

Keywords: Statistical Methods, Information, Macroeconomic Data, National Accounts, Media Economics.

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1. INTRODUCTION

The scientific and technological development of the twentieth century has contributed to the progress of media and press, and in the middle of this information revolution, the specialty of media economics has emerged. It is considered one of the most important branches of media, as it is concerned with the transfer, analysis and interpretation of the economic changes that occur in society, including individuals, places and issues related to the economy. It also includes coverage of corporate activities.

Media economics is therefore based on the collection, exchange and dissemination of information using research methods, quantitative analysis

and advanced technology, in order to disclose accurate information that benefits both the reader and the viewer.

In this research, we will address the media economics in Algeria in terms of review and analysis and will try to answer the following question: what is the current situation of media economics system in Algeria? To this end, the research was divided into four chapters as follows:

In the first chapter, the general concepts regarding information and the determination of media functions were addressed.

The second chapter was devoted to the different sources of media and media economics in Algeria.

As for the third chapter, it includes the most important accounts of media economics system in Algeria.

Finally, the last chapter is an overview of media economics system in Algeria.

2. General Concepts Regarding Information and Defining the Functions of Media:

2.1 Information and data :

In our lives, the word information is used often, and can, for example, be as a computational information, military geography, economic policy, etc. Since the word data is used continuously, some concepts can be highlighted:

Data is a form of characters, phrases, or special numbers that represent facts or goals.

On the other hand, information is the result of organizing, aggregating and scheduling this data by a certain system into groups that are organized, aggregated and proportionate in a particular way, thus that the user can easily benefit there from.

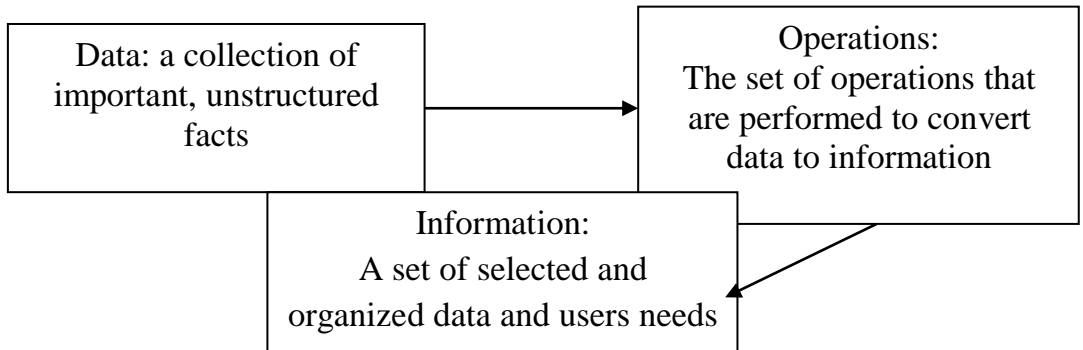
Through these concepts, information can be defined as: "Information is purposeful and valuable data either in current or expected use or in decisions to be taken"¹ (Mohamed Elhadi, 1993, p. 62).

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It was also defined as: “Collecting, storing, analyzing and giving form to a collection of data whether political, social or economic, that is appropriate for the granting of knowledge”. (Salim, 1996, p. 25)

From these definitions, we conclude that information represent an output or input to a particular system, the latter represents important facts in the sense that the system's function is to convert internal data that can be used, as shown in this figure:

Transforming data into information



Source: Farouk Mustapha, Data Analysis and Systems Design. Dar-Elratib, 2000, page 62.

2.2 Characteristics of information :

There are many properties and features related to the concept of information, including the following:

- **Timing:** timeliness means that the information is time-appropriate for users to use during the processing cycle. This characteristic is related to the time it takes for the processing cycle. In order to reach the proper timing of an information, it is necessary to reduce the time required for the processing cycle;
- **Accuracy:** it means that the information is free from the mistakes of collection, recording, data processing or implicit errors about information that is not timeliness;
- **Coverage:** the extent to which the information is complete and surrounded, that is, it measures the appropriateness of information;

- **Flexibility:** this is where the system can be modified to meet the requirements of insiders and beneficiaries, as well as the possibility of using this information in many applications;
- **Objectivity:** The term objective is to move away from personal analysis since objectivity is a force of proof by means of the fact that for each particular process the proof must be strictly objective, as adopting objectivity in the information used leads to ensuring that precise decisions are taken away from any subjective direction.

2.3 The Information System :

Business areas have expanded and become more complex to the point where it became impossible to control them without using an information system, as the latter essentially converts data into meaningful decision-making information. Consequently, several definitions of the information system have been developed, which differ from one source to another but are in essence similar. Said Mohammed defined it as follows: “The set of human elements and mechanisms dedicated for collecting and running data according to specific rules and procedures for the purpose of converting these data into useful information” (Rafaat, 1997, p. 9).

Thereupon Shawqi Salim said it is “The set of procedures, processes, methods and technical means that were unified in a certain form to achieve certain objectives”. (Salim, 1996, p. 38)

We conclude from the previous two definitions that the information system is a collection of actions that collect, retrieve and distribute information to support the decision-making and regulatory control.

2.4 Media Functions

Media perform various functions according to the social system in which they operate and the media doctrine applied, and researchers agree that it has a great importance in society, but they do not always agree on how to define the social functions that these means perform, as well as their differences in evaluating the same functions.

News function: The news function is to research, process, transmit and deliver new information on different events, happenings and ideas by the

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media to inform the public of changes and events in society in various socio-economic, artistic and other fields.

This function meets a deep need for members of society, enabling them to follow what matters to them, or to inform them about what would develop their knowledge of their surroundings and the whole world. The most important thing about news is announcing changes.

Consultative function (expression of opinion)

There is no much of a difference between media news and opinion, but it can be clarified by saying that the news can be assessed on the basis of reality and events in order to verify its validity. As for the opinion, it is an expression of a subjective viewpoint compared to other viewpoints.

Educational function (Elkhayat, p. 4)

Mass media can help greatly in all types of education and training, having proved to be effective in many different circumstances, both within and outside schools, and having demonstrated its ability to ensure a great deal of the task of education and school work. It has demonstrated its capacity for adult education and reading trainings, and has also helped in industrial trainings, technical services and teacher trainings.

Development function

The summary of this function is that the essence of economic development is industrial production, but the use of modern means associated with the industrialized society requires a modern mind that accommodates new technologies as well as fighting a rigid mentality. This is done by disseminating information and distributing it widely, so that everyone is aware of the need for change and there must be a media that encourages social attitudes, patterns and productive habits, thereby the media is one of the main keys for development.

Furthermore, media have other functions, such as exploring and following modern patterns of behavior and political participation, taking into consideration the general issues raised in society and contributing to national development. (Fenni, 1997, p. 13)

3. Different Media and Media Economics Sources in Algeria

3.1 Media sources

This source includes the various means of communication that have direct contact with citizens and can provide them with the information they need, which is divided into:

3.1.1 Written media sources

The legal framework of the state provided on the basis of: documents, official newspapers, laws, newspapers, magazines with different specializations, books, field researches, dissertations, etc.

3.1.2 Audio-visual media sources

It includes television, radio, and in the light of the changes that the world is experiencing, especially in the field of information and the important developments that it has reached, we cannot ignore the important role played by the Internet as an essential mean of media and communication.

3.1.3 The importance of Internet as a means for media

The problem in the past has been the scarcity of information or under-information. Now, the situation has turned to its extreme, as the problem now is over-information, a problem that is as difficult as the previous one if not more severe and exciting. The information is being multiplied by a geometrical rate, with humanity currently producing more information and knowledge in few years than it did in centuries. Some figures are being stated on the publishing statistics in the American society in 2013, according to a report prepared by UNESCO on the ranking of the most countries that issue books: the number of books published in the United States of America in 1996 was 45,000 annually, producing 304,912 books a year; a sign of the information explosion.

The fact that information is received through Internet is far from negative, an interactive process that needs training, practice and also follow-up. It is noteworthy that the vast amount of research on technical, educational and psychological aspects seeks to highlight the triad of information reception, that is: research skills, ability to understand, and knowledge employment. (Ali, 2000, p. 65)

3.2 Media Economics Sources in Algeria

3.2.1 Definition of economic information (magazine, the book industry in the world, p. 82)

Media economics is a branch of media that is concerned with the transfer, analysis and interpretation of news, variables and economic issues that occur in society, and also covers the performance and activities of companies. The media itself has become an integrated industry in our time such as other industries, and in return media economics has become the largest and most effective part of this industry.

3.2.2 The importance of media economics (albarran, 2006, p. 176)

- Covering economic events, and broaden the circle of knowledge thereof;
- Providing information to specialists and to public regarding economic conditions locally and globally;
- Introducing investment and trading opportunities in economy;
- Assessing and resolving economic errors and problems;
- Safeguarding citizens' economic rights with regards to government agencies or companies;
- Transferring economic news;
- Analyzing economic phenomena (growth, unemployment, inflation, etc.);
- Discussing economic problems (housing, development, foreign employment, etc.);
- Following up on news and updates on financial and corporate markets.

In addition to the above-mentioned sources, the two main sources of the Algerian media are: **Ministries**, It includes the Ministry of Industry and Restructuring, Ministry of Finance, Ministry of Agriculture, etc. The information documents issued by these institutions are as follows:

- Statistics provided by the Ministry of Agriculture and Fisheries;
- Statistics provided by the Ministry of Transportation;
- Statistics provided by the Ministry of Industry and Restructuring;
- Statistics provided by the Ministry of Finance;
- In addition to statistics from other ministries.

Governmental organizations, It includes the National Statistical Agency, the National Institute of Statistics, the General Customs Administration, the National Office of Press. The documents issued by these organizations are:

- 1- The various investigations carried out by the National Office of Statistics (ONS). ^{2#}
 - Investigations on unemployment, poverty, inflate, etc.
- 2- Various sources of information are available at the National Office of Statistics, directly linked to institutions and sectors;
- 3- Statistical data provided by the General Customs Administration;
- 4- Accounting budget and estimated balance of postal and telecommunications;
- 5- Data provided by holding companies, and by the companies that manage contributions;
- 6- Reports of sectoral activities of SONATRACH and production and exploitation accounts by the sectors of activities and the justice sector.

4. The Main Constituent Accounts of Algeria's Economic Information System

4.1 Macroeconomic accounts (les comptes économiques, 2021)

4.1.1 According to the Algerian economic accounting system

One of the important documents issued by the National Statistical Agency is economic accounts, which are provided based on three ways: Final accounts; Semi-final accounts; Anticipated accounts.

These accounts are provided on the basis of the Economic Accounts System in Algeria (SCEA) and are at the current prices, these accounts are: The national production according to economic activities and the justice sector;

[#]

- Annual industry investigations;
- Annual investigations on trade, services and transport sector;
- Annual investigations on the construction and public works sector;
- Annual investigations on consumer spending;
- Quarterly investigations on the industrial production sector;
- Quarterly investigations on industrial production prices;
- Quarterly investigations of consumption prices;

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The national budget for resources and operation of goods and services; Gross Domestic Product GDP and its exploitation; National disposable income and its distribution; The disposable monetary income and its distribution; Basic aggregate accounts of the state; Accounts of operations carried out by the state with the rest of the statistical associations. (les comptes économiques, 2021)

4.1.2 According to the United Nations national accounting system (Mohamed, 2004)

For some international comparisons, three additional accounts were made on the basis of the United Nations accounting system and, at the same time, they are used in macroeconomic studies, these accounts are:

- Gross Domestic Product GDP accounts

It is defined as the sum of the value of final goods and services valued at market prices and produced in a given economy (i.e. within the geographical area) during a given period of time, setting aside the nationality of the owner of production elements.

It is also defined as the value of finished goods and services produced within the geographical area with production elements found within the limits of this area.

- Gross National Product GNP accounts

It is defined as the market value of the total goods and services produced by the elements of production owned by residents only, whether within or outside geographical boundaries (i.e. the activity of non-residents must be excluded and the activity of expatriates must be added).

It is also defined as the total market values of the various branches of the national economy throughout the world for a certain period of time without calculating what is produced by the non-nationals who are residents in the country.

- The National Income accounts

It is defined as the sum of the goods that the society produces during a certain period of time excluding from it what is dedicated to compensate for the capital consumed in order to preserve the productive capacity.

It is also defined as the monetary expression of the total net goods and services produced by the national economy during a certain period of time,

and it is raw before the elimination of the consumed capital indemnity and net after the elimination of compensation.

- **The importance of examining The Gross National Product**
(Sakhri, 2000, p. 28)

The examination of the Gross National Product is of great importance, as it is the country's standard of goods and services as mentioned earlier, and it is also one of the most important general indicators of the evolution of the economic situation and the success of the state's economic policy. The importance of its examination is presented as follows:

Determination of the success of the state's economic policy

The Government's economic policy is to make decisions and actions in order to create the right atmosphere and direction for productive activity, as the Government may take certain measures such as reducing taxes or increasing the supply of money or increasing investments by borrowing from abroad or other measures in order to determine the results of such economic policy.

Study of some important aspects of the economic structure:

Data on Gross National Product do not only show the total of this product through different years but also its components, which means the contribution of each sector to the composition of the Gross National Product.

Studying the revenue distribution in the factors of production:

Economists are very interested in the employment distribution statistics of income, i.e. the share of factors of production due to their contribution to the Gross National Product, which is the revenues they receive from salaries, benefits, and profits.

The standard of well-being for individuals: When assessing the economic and social development process taking place in a country during a certain period of time, not only the national income growth rate index is taken into account, but also the rate of growth of real per capita income, which is the national income divided by the population. The latter shows the most accurate picture of changes in the standard of living.

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We conclude that these four objectives of the examination of the Gross National Product are only a mean of information regarding the economic situation of the state.

4.2 Functions and importance of national accounting as a means of economic information system

The attention paid to the national accounting is due to the functions that it can serve as a tool for economic description, statistics and prediction. (nouredine, 1999, p. 50)

4.2.1 National accounting as a tool for description

National accounting is provided through the provision of information covering economic activities, various economic sectors and the processes (flows) that take place between them over a certain period of time, which helps to monitor the behavior of economic variables and key aggregates such as household consumption or government consumption, capital formation, exports, imports, wages, profits, taxes, borrowing, etc.

In general, through this function of national accounting, imbalances can be extracted and identified through this analysis on the causes of these imbalances.

4.2.2 National accounting as a tool of economic analysis

Identifying the strengths and weaknesses of the overall economic trajectory is done only by diagnosing and recording all the required data, which are used in the analysis process, by investigating the mechanisms that operate within the economy. This is in the form of functions relating between different economic variables by applying econometric methods to time series of data collected within the national accounting framework. The system aims to meet the requirements of the various macroeconomic theories or models used to carry out such surveys, which vary according to the economic ideology orientations of the surveyor and the purposes of the analysis. Ultimately, these analyzes determine the role of different economic variables in the formation of imbalances, which helps to shape economic and reforming policy on the basis of sound, practical short- and medium-term processes.

4.3 National accounting as a tool of prediction

The predictive function is the most recent and most advanced of national accounting functions. It is reflected in the so-called discretionary economic balance and financial flow tables. The national economic budget is a tool for predicting in a coherent manner with the movement of macroeconomic variables in the national economy over a short period, often one year, and thus constitutes an important tool for exploring the image of economic positions and the potential path of the national economy over the next year. This is through the expected behavior of major groupings such as consumption (public and private) saving, investment, etc., and its impact on the fundamental balances in the national economy such as: the state budget deficit, the balance-of-payments deficit: the size of the inflationary gap, etc. As for the medium and long term, the economic policy should be formulated in the context of a broad economic strategy that might need to be defined in the form of a plan, and most of the elements constituting this plan consist of flows within national accounts. Economic policies and decisions are also drawn at all levels of government and large public and private companies under the consideration of their macroeconomic models that are commensurate with the requirements of the plan and for which we need national account data.

5. Overview of the Algerian Economic Information System

5.1 Difficulties and problems facing macroeconomic analysis

In the previous chapter, we stated that macroeconomic calculations are one of the constituent accounts of the economic information system, and some of the problems faced by macroeconomic analysis are:

5.1.1 Grouping problem

It is wrong to treat economic elements when gathering information as homogenous while they are not: for example, an increase in national consumption does not necessarily mean an increase in the consumption of each member of the society working in the national economy, of whom these macro variables are constituted.

5.1.2 Arithmetic mean problem

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Some macroeconomic variables, for example, the aggregate national consumption, can be easily estimated by collecting the consumption of each individual, but what will we do with other economic variables such as the interest rate, where there are different rates of interest? Usually we take the prevailing average interest rates. Since the characteristics of the mathematical arithmetic mean are to be influenced by large values, it does not accurately represent the average interest rates, and the same is said about payment and other economic variables.

5.1.3 Fallacy of composition

It is known that the rise in the price of a single commodity has economic consequences that are very different from those caused by the rise in the prices of all commodities, and that the rise in the income of one person has economic effects that are very different from those resulting from the rise in the wages of each member of society. Likewise, a person's decision to increase his or her savings also has economic implications that are very different from the effects of increasing the saving of all individuals.

It is concluded from this that what is true and valid for the part is not necessarily valid and true for the whole. (Sakhri, 2000, p. 10)

5.2 Other difficulties facing the economic information system in Algeria

5.2.1 Problems facing the National Office of Statistics

One of the most important of these problems is that the administrations do not respond to the investigations carried out by the National Office of Statistics, which of course is the result of the difficulty and length of settling the transactions in our country, and this inevitably leads to the delay in the emergence and submission of economic statistics. The lack of material means is also a problem. Those working in this interest need the means of transportation for investigations that take place in more than one place. The main center of the National Office of Statistics, located in rue Mohamed Belkacemi Oued Kniss, Ruisseau, Algiers, is not enough for all workers, and the library at this center has consequently been converted into workers' offices.

5.2.2 Media and politics

By taking a careful look at how the media operate in today's world, it turns out that media remains vulnerable to manipulation either through political power, driven by self-interest, or through the economic forces of companies that limit media resources, diversity, and credibility.

We should recognize that the power and development of the information media do not exist in vain, but reflect the state of economic, technological, social and cultural development of every society and every country. Thus, it is not a surprise that media in some countries is becoming a servant of political power, direction, and priorities.

Indeed, the impact of successive developments in the field of information in the developing world and in our country in particular is in two contradictory directions. On one hand, it gives our mass media an unprecedented margin of freedom and democracy, which does not reflect a new awareness. On the other hand, it deepens cruelly its media dependence, and the domination of the one pole that seeks to impose its views and values on peoples of the whole world. (Alaskari, 2000, p. 13)

It is therefore concluded that public information and economic information are closely linked to politics, namely, the control of the media by the authority, which considers it to be an instrument in its hand to achieve its objectives and to mobilize the public against these objectives. Among the problems at hand are the conflicting figures on the performance and health of the national economy.

One point that cannot be ignored is that national public opinion does not have an adequate economic culture and often questions statistics with or without a reason.

As for the credibility of the data and statistics presented in the national media economics, it cannot be said that they are 100% true, since Algeria has experienced difficult security and economic conditions in the previous ten years, and what we have noticed is the media operation that was carried out at that time, whether about security conditions, social conditions and economic conditions. Now the situation has improved from what it was in the past, owing to the transitional situation we are in, and we can say that the credibility of media economics in Algeria is now of 70 percent,

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according to Mr. Abdellawi Abdelkader, a member of the National Office of Statistics.

6. CONCLUSION

To conclude all what have been said and addressed in the four axes of the importance of media functions as well as its sources, from which we mention: written or audiovisual media. In addition to media economics in Algeria, whose sources are in the ministries of the state and the government organizations, and this was also by examining the most important investigations and statistics issued by each source. After that, we have addressed the most important accounts composing media economics system in Algeria.

To this end, we suggest some solutions, as follows:

- In the area of economic statistics, it is desirable that there be multiple sources of information, as this will inevitably reduce the amount of errors;
- Try to get rid of or at least reduce the bureaucracy that is rampant in the country;
- Promote an economic information culture in community;
- The provision of modern technological means in ministries and government organizations, especially those dealing with statistics and collection of information.

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