

Algerian development strategy and out-migration*

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Résumé

Cet article, qui relève du domaine de la sociologie du développement, essaie d'adresser des problèmes multiples, notamment les questions socio-économiques qui représentent un blocage au développement des sociétés dites en voie de développement. Le modèle Algérien de développement, objet de cette étude, a été retenu comme cas du fait de sa singularité d'exception lorsqu'il est fait état du phénomène migratoire, vers le métropole, et de l'importance sociale, politique et économique de l'émigration tant pour le pays d'accueil que pour le pays d'origine. En effet, l'émigration Algérienne en Europe a fourni des cadres techniques à l'industrialisation naissante du pays qui a été jalonnée par les courageuses décisions de nationalisations de secteurs industriels stratégiques, notamment le secteur des mines et hydrocarbures. Cette reprise en main de l'économie nationale et son développement au profit de la promotion des catégories sociales les plus défavorisées ont été effectivement les caractéristiques éminentes du projet de développement socio-économique national planifié. Pour ce qui est encore une fois de l'émigration, l'article essaie de mettre en valeur quels ont été les différentes considérations notamment matérielles qui ont fait que cette émigration n'a pu participer d'une manière plus importante à l'effort de développement national et à s'inscrire effectivement dans la stratégie Algérienne de développement.

ملخص

يتمحور هذا المقال حول علم الاجتماع التنمى، ويتطرق بشكل خاص إلى المشاكل التي تعترض البلدان النامية أثناء قيامها بتطبيق سياساتها الاجتماعية والاقتصادية في حقل تنمية مجتمعاتها المتخلفة. وقد اختيرت الجزائر كنموذج لهذه الدراسة لاعتبارات شتى، من أهمها الوضع الجيوسياسي الذي تتميز به، ثرواتها الطبيعية المعتبرة، التركيبة الإستعمارية التي حلت بها لمدة طويلة من الزمن، ثم خصوصية استراتيجية التنمية لمرحلة ما بعد الإستقلال وتأثيراتها المختلفة على المهاجرين الجزائريين العاملين بفرنسا.

ويشير المقال إلى أنه بالرغم من محاسن هذه الاستراتيجية التي أدت إلى خلق الآلاف من مناصب الشغل، لكن كانت هناك أيضا نقائص كثيرة كان لها انعكاس سلبي على مستوى الإنتاج والمردودية.

وكانت النتيجة هي أن استراتيجية التنمية المتبعة قد أصبحت كلها محل شك وتساؤل كبيرين. وتبين من خلال هذا التحليل أن استراتيجية التنمية في الجزائر كانت منذ البداية تهدف بالدرجة الأولى لخدمة الجانب الإيديولوجي وقد استعملت التنمية الاقتصادية والاجتماعية باستثماراتها الضخمة كوسيلة لترسيخ هذا الهدف.

أما فيما يخص عودة العمال المهاجرين بفرنسا، وخاصة المؤهلين منهم، فقد حدث العكس تماما عما كان متوقعا من إستراتيجية التنمية المطبقة.

1. Introduction

It is obvious that the notion of "development" has become central in the politics of the newly-formed nation states. Its usage has become particularly marked since the early 1960's-the period when most of the former colonies achieved their independence. Indeed, many of the third world leaders emphasise "development" in their speeches to indicate their commitment to alleviate the gravity of social and economic problems that their countries suffer. Not all leaders are genuine in their professed commitment, however - that their countries are beset by problems, of course, is hardly doubtful. Their affliction is "underdevelopment": a state characterised by, *inter alia*, the low levels of development of the productive forces, low productivity, domination of archaic system of production, regional and other inequalities, illiteracy, diseases, and malnutrition.

"Underdevelopment", however, is not a natural stage in the history of mankind, but a consequence of a system of structured asymmetrical relations between the colonial powers on the one hand, and, on the other, the (formerly) colonised territories. Here we must emphasise the role played by colonial intrusion in the transformation of the production processes in the colonies from being viable and self-sustaining processes orientated to the satisfaction of the needs of the agents involved in it, into one directed to the satisfaction of the requirements of the manufacturing industries of the colonial countries. In effect, with colonialism and capitalist penetration, the colonies became sources of cheap labour, raw materials and foodstuffs. In cases like Algeria, south and east Africa, colonial settlers came to appropriate land as well. In short, at independence, the newly-formed states were faced by the gloomy facts of the colonial heritage with its thorough economic and social dislocations. Development, planning to redress the situation has consequently become a major issue in national politics in underdeveloped countries.

Given the ambiguity of the term "development", however, different interpretations were advanced. Some scholars, such as Rostow for example, argue that: "Development is a unidirectional process, and that underdeveloped countries could follow in the path of industrialised world". [1]

Likewise, U.N. experts have also argued that for underdeveloped countries to achieve high standards of living, they "Must attempt to replicate the recent economic history of the already industrialised nations". [2]

Development has thus been equated with capitalism and "westernisation". In opposition to the conventional wisdom in development sociology and economics, scholars such as Frank, Samir Amin and Leys have contributed substantially to the process of understanding the essence of underdevelopment as an aspect of the global twin-process of development and underdevelopment and discussed the way in which the world capitalist system progressively inhibits underdeveloped countries from achieving industrialisation, in so far as these countries continue to be dominated by a primary export sector. The experience of "growth without development" in many underdeveloped countries, gives further credibility to the argument of these scholars.

The central point in the debate over the precise nature of underdevelopment and whether it is a natural stage in human history or not is not only an intellectual exercise in historiography. The significance of the contributions of Samir Amin, Frank et al is that "development", however defined in ideological terms, is not only a matter of "economic growth", but also of the equitable distribution of the rewards of growth.

The way in which different countries may achieve economic growth, is of course a function of local conditions concerning the type of resource, the comparative advantage in utilizing it, etc. Similarly, the "peculiarities" of individual countries may relate to the size of the population. In sparsely populated countries, capital-intensive production techniques could be adopted; but such a technique would only result in marginalising poor communities in

densely populated countries. Part and parcel of the issue of "growth with development" is to ensure that the masses are employed and are fairly rewarded for their labour.

"Within the nations of the third world the struggle for development has to take many different forms. We all start from different power and economic bases, and there is no universally applicable policy blueprint which we can use. But by the different routes appropriate to our starting point and our cultural heritage, we each have to create conditions". [3]

In Algeria, as in all underdeveloped countries, the adverse effects of colonialism on the socio-economic structures were numerous. At independence, thus, Algeria was faced by a "colonial heritage" that not only precluded economic growth during the colonial period, but also resulted in serious cleavages and inequalities among the various sectors of the population. The development strategy adopted thus, aimed towards a whole transformation of the socio-economic structures rather than mere rise in per capita income.

French colonialism played a key rôle in exacerbating the differences between Algerian Berbers and Arabs. In this respect, Dr. Bopichon, author of two books on Algeria in the mid 1940's, wrote: "Little does it matter that France in her political conduct goes beyond the limits of common morality at times; the essential thing is that she establishes a lasting colony and that as a consequence she will bring European civilisation to these barbaric countries; when a project which is to the advantage of all humanity is to be carried out, the shortest path is the best. Now it is certain the shortest path is terror....without violating the laws of morality, or international jurisprudence, we can fight our African enemies with powder and fire, joined by famine and internal divisions, war between Arabs and Kabyles, between the tribes of the Tell and those of the Sahara, by brandy, corruption and disorganisation. That is the easiest thing in the world to do". [4]

Indeed, the French colonial behaviour was indescribable in that it set on fire many forests which was accompanied by massive killings of livestock - the essential source of income to people in the countryside, together with the fertile land which was distributed to the European settlers.

In such a situation, Algerian countrymen had been faced with two major alternatives. One was a mass emigration to France or, to towns (at very small scale) in search for jobs. The other - especially during the war period - was recruitment under the leadership of the National Liberation Front (FLN). The aim from emigration was not only to support their families who were left behind in the Algerian mountains or camps, but also to finance the liberation movement through secret channels.

The peculiarity of Algerian independence has far reaching effects on the kind of development strategy adopted by the national governments. Unlike all North African or Middle Eastern countries, Algeria entered into armed struggle, a liberation war, to achieve her freedom from French colonialism. As most countries in the region had a smooth "transfer of power" from colonial to national governments, the population of these countries was trivially policised and, therefore, tended to accept whatever the national policy makers thought appropriate for the achievement of "development". In almost all Arab countries, the basic colonial structure was left intact by the first national regimes; it was later coups in Egypt, Syria and Iraq that seemed to have questioned the colonial legacy and tended to break away from neo-colonialism, though with varying degrees of success.

The involvement of the Algerian masses in the national liberation war, however, resulted in their rejection, not only of French colonialism, but also the capitalist system underlying it. The adoption of a "socialist alternative" as the basic tenet of Algerian strategy was thus a reflection of the progressive character of the leadership as it was in response to the aspiration of the newly policised masses.

2. Nationalisation

As stated, the pre-independence economic structure was shaped in such a way that served the needs of European settlers. For example, in 1955, the agricultural population in Algeria (including Europeans) represented 60% of active population, in which the Europeans represented only 3.4% of this sector, but they still received 60% of the output [5]. As for industry, in 1957, there were only 7.8% of the Algerian active population who were engaged in industry; but in the same year in France, there were 27.5% of the French active population employed in this sector.

On the whole, the ratio that represents those who actually work in both sectors, represent only 41% of the Algerian active population in 1961. One of the other characteristics that the question of imbalance between different provinces in Algeria; the standard of living is likely to be better in the regions where European settlers are to be found.

What paralysed the Algerian economy was the departure of the Europeans immediately after independence. They had held the key jobs in management and production in all sectors. The following example will stress this point: in the petrochemical industry which was and still is, the main source of government revenue; in 1961, the total investment in this sector was 4,640 N.Fr, whereas in 1963, a year after independence the total investment was only 840 N.Fr [6]. As a result, Algerian economy was characterised by a degree of stagnation, which paved the way for the successful coup d'état of 1965. The newly formed "revolutionary government" began to introduce radical reforms.

Algeria, unlike other French colonies (notably in North Africa), contains numerous sorts of natural resources, especially hydrocarbon. The new revolutionary government was convinced that in order to get rid of the existent crippled economy, and consequently achieve a better standard of efficiency and progress, it was vital to adopt a policy that favoured overall development. That required large-scale investment in which the private sector was unlikely to participate. The option was therefore to nationalise all key economic sectors, as part and parcel of the overall development strategy.

Nationalisation enabled two main objectives to be realised; the recuperation of national wealth, and thereafter, imposing control over production and management-state monopoly in a manner which served the national interests. The nationalisation option during the period between 1966 and 1971 applied to four major economic activities: banking, industry, mining and petrochemicals. Straight after the successful coup of June 1965, the government began to take various measures in rationalising the economy. Thus, in May 1966, it announced the nationalisation of mining and foreign insurance companies, followed by the nationalisation of banks, and in May and June 1968, it reinforced its monopoly on the distribution and stockage of petrochemical products. Thus, in June of the same year, about fifty French companies were nationalised. These companies were mainly engaged in building and construction, foods, etc.

In June 1970, the nationalisation policy had extended to the hydrocarbon industry, where upon a number of transnational companies became nationalised. These included companies that originated from Italy (AMIF), Germany (SOFSAPEF), and USA (Philips Petroleum and Drilling Company). By 24 February 1971, Algeria took a courageous action in relation to its nationalisation policy in the petrochemical sector. As a result, Algeria became a shareholder of 51% of French petrochemical companies operating in Algeria, and 100% of the Algerian natural gas. This action clearly indicated how the Algerian government was determined to recoup national wealth.

By achieving this great victory in the nationalisation policy, Algeria had guaranteed its domination over the national economy in the form of national companies. In the meantime, one cannot underestimate the severe damage that was caused by the 1971 nationalisation. In this context, there were hundreds of French qualified engineers who left their occupations,

not only because of their dissatisfaction with the new situation, but also because of the strong pressure from the French government which had bitterly opposed the nationalisation; and had consequently refused to buy Algerian gas and oil for some time. In addition, the exchange of harsh words between the two countries was so great that a lot of Algerians expected a French military attack.

Perhaps those most affected by this incident were the Algerian immigrants in France. There were daily killings, especially in large French industrial cities like Paris, Lyon, and Marseilles where a large Algerian community lived. The hatred that had built up between the Algerians and the French during the war seemed to be gradually subsiding, but the new developments of February gave rise to a new characteristic of Franco-Algerian attitude towards migration and other socio-economic issues.

Until the late 1960's France was still the major customer of Algerian oil, gas and other raw materials. Likewise, France was also the major supplier of manufacturing goods, medicine, foodstuffs, etc., to the Algerian market. The economic relations between the two countries, however, gradually started to weaken. The Algerian government was thus determined to free itself from its economic dependence on France. Increasing co-operation was initiated between Algeria and socialist countries, through the former retained relations with other capitalist Western countries.

There were doubts about whether Algeria could succeed in its determination to be economically independent from France, as one of the problems was the question of Algerian immigrants, who would be the most affected because of the socio-cultural and historical links. The Algerian industrialisation policy, however, was thought to be a solution to this problem.

3. Industrialisation

Before focusing on the Algerian post-independence economy, it is useful to review briefly the pre-independence economy, notably in the last few years of the war.

In 1958 the average income per capita in Algeria was equivalent to 90 Pound Sterling at current prices, but in real terms, it was even less. For instance, in 1954, the average income per head for the European population in Algeria was 365 Pound Sterling. By contrast the average income for the native population was only 29.50 Pound Sterling [7]. This big gap in income differentiation was just one example of inequality which corresponded to the other socio-economic aspects. The consequences of the war were much more acute. It resulted in houses, forests, and crops being burned, livestock killed, bridges, roads and railway lines destroyed.

Despite such inheritance, the Algerian authorities were determined to build a new infrastructure which would meet the social and economic needs of the majority. Another aim was to create a modern and strong industrial sector. The driving force behind such an ambition was the availability of industrial raw materials; seams of iron constitute a base for steel industry, seams of zinc, lead, mercury, manganese etc., permitted the development of manufacturing industry; phosphates permitted fertilizer production; and finally considerable reserves of oil and gas provided through its revenues an important amount of foreign exchange.

The direction of post-independence development strategy actually originated in the pre-independence period. The Tripoli Programme clearly indicated the significance of combining agriculture with industry, partly due to relations of exchange between the two on one hand, and also the necessity of closing the gap between the standard of living of Algerian rural and urban society. The Algiers Charter which was introduced in April 1964, gave another impetus to the principles of the Tripoli Programme. The contents of the Algiers Charter were mainly related to identifying Algerian state ideology, and economic develop-

ment strategy. The major concern in this respect was a determination to reject the capitalist form of development, on the grounds that it would enlarge the gap between the poor and the rich, and hence deprive the majority from enjoying the benefits of independence being represented in non-exploitation of one man by another, and equality in distributing the national wealth. The new Algerian development strategy then, stemmed from socialist principles.

The predominant role of the government in the course of applying such a strategy was apparent. One should acknowledge here that it is state capitalism that is usually associated with centralism and bureaucracy, but in the case of Algeria, these were perhaps most appropriate in implementing the development objectives. We will find out later that Algeria which had pursued a policy of centralisation was inclining to decentralisation. In 1972, the state companies were controlling 90% of the industrial sector and employed 70% of the industrial work force [8]. Hydrocarbon industries had been central to Algeria's development strategy. Industrial investment had been given priority over agricultural investment. In 1974, hydrocarbons accounted for 41.5% of GNP, and oil exports were 92.5% of total exports. [9]

The idea of establishing a strong industrial base was, according to Stohr and Taylor, advocated by the French adviser G. Destane de Bernis, who believed that: "Reasonable living standards could not be provided from the limited agricultural resources and so industrial employment must be created." [10]

Industry in this connection is to be considered the central axis, which in turn supplied fertilizers and machinery for agriculture. Much of the industrial base; that is iron, steel, cement and generating electricity had been achieved by the late 1970's. Since then, according to Stohr and Taylor, the focus has shifted towards producing consumer goods.

This heavy-based industrial development strategy has been a subject of criticism for some time. One criticism is that it will lead to the bulk of the population being left marginal to the economy. This criticism is perhaps justified, and although the industrial sector is still taking the lion's share of investment and will be for some time to come, the agricultural sector has been attracting much attention in recent years. Nonetheless, industry seems likely to remain the foundation of Algerian policy. Thus, after having absorbed 48.4% of the funds of the four year plan (1970-1973), industry remained central in the second plan (1974-1977), accounting for 43.5% of its funds. [11]

Algeria's industrial capacity has exceeded its likely domestic consumption, especially with regard to steel and petrochemicals, therefore exportation was needed. Unfortunately, the pre-existing international marketing system made it difficult for Algeria -as for most developing countries- to enter the international market, particularly in the steel industry. For this reason, Algeria was one of those countries calling for the establishment of a New International Economic Order, and active in advocating a discrimination in the economic gap between North and South.

The concentration on big industrial projects (like that of the steel complex in El-Hadjar) were not successful in creating adequate jobs which could meet the industrial demand in a country which represented one of the highest birth rates in the world, and in which a high proportion of the population were young [12] (62% under the age of 25). Thus, the first four year plan fell short of its objective of 170,000 new industrial jobs. The second experienced a similar failure by falling short of a new target by 85,000 jobs in industry, and 138,000 in building and public works. Up until the 1980's, industry had created a limited number of jobs in comparison with its large share of investment funds.

The launching of an Algerian development policy based on heavy industry was characterised by a shortage of skilled labour. A number of attempted solutions have been introduced, such as the setting up of professional training centres, sending a considerable number of students to be trained abroad, great attention in this context was paid to Algerian immigrants in France, from where Algerian authorities hoped to fill industrial vacancies that

require both skill and experience. Consequently, a campaign for attracting return migrants, had been initiated, and reached its heights in the early 1970's - the time when the nationalisation of French assets had led to constant quarrels between France and Algeria.

In stressing this point, President Boumedienne on one occasion stated: "L'industrialisation comporte des avantages tels que le relèvement de revenu national et du niveau technique de la force de travail et des marchés extérieurs, etc...C'est à dire qu'en plus de leurs effets sur le "know how", la qualification du travail et l'emploi, les investissements industriels elevent le revenu national qui est un element important de la dimension du marché et permettent de replacer l'exportation de la force du travail qui s'explique par la colonisation française par l'exportation produits manufactures contenant de la valeur ajoutés en Algérie; de plus l'état qui se débat dans le sous- développement est condamné à la dépendance." [13]

The Algerian government's tendency towards encouraging skilled migrant labour to return home was much stronger in the early seventies than in the following years. This was due to a combination of various factors:

- 1- A growing number of new jobs.
- 2- The Algerian government, by nationalising French companies operating in the country, felt in a way responsible for the rising racial attacks on the Algerian community in France.
- 3- Algerian training centres had not yet been able to provide industry and other services with adequate expertise.
- 4- This period coincided with the benefits derived from the big revenues resulting from the high rise in oil prices imposed by the OPEC countries, of which Algeria is a member.

Following the establishment of a heavy industrial strategy, production and marketing ran into a difficult stage, due to the central bureaucratic system. Important reforms were then introduced. The aim was to tackle the problems rising from bureaucracy, through allowing local authorities to have more control in the course of the development taking place in their regions. The adoption of decentralisation was actually first introduced much earlier in the agricultural sector, under what is known as self-management estate.

Since achieving independence, there were marked regions where most of the investment fund used to go, notably the capital (Algiers) and the North-west regions. This was different for the Eastern part of the country- a poor, overpopulated and mountainous region. Such inequality of locating the capital was indeed a central concern for Algerian authorities. As a result, they have begun since the late 1960's, to apply the so-called "policy of regional equilibrium" in a form of "special programmes", which benefited a number of regions.

Therefore, the so-called "regional equilibrium policy", was put into practice in the late sixties when Tizi Ouzou, the capital city of Kabylia region was one of the first cities to be given grants for huge development projects. The reason why this region had been given priority was not just because of the region's needs- it being a poor and mountainous region. It was also because this region has been for a long time, a traditional area of supplying labour emigration to France. Such a position in many cases, helps to create ill-feeling from immigrants abroad, who very often accuse the government of not treating the various regions on equal terms, particularly in a region like Kabylia, in which the population are of Berber origin and where some extremists go as far as claiming political autonomy. The effects of such special development programmes then could serve a dual function - economic and political. This, of course, is of vital importance for Algerian authorities whose ambition is to create unity rather than divisions within Algerian society. This being perhaps the ideal way of maintaining a higher degree of stability in the country.

Notes

- * This discussion is specifically devoted to Algerian immigrants in France during the independent war, and throughout the post-independence period until late 1970's and early 1980's.
- (1)- Stohr and Taylor, Development from Above or Below ? Chichester, Wiley, 1981, P.76.
 - (2)- Ibid., P.75.
 - (3)- Nyerere, J., in J. Connell, Development Strategies in the Eighties, Sydney, Development Studies Colloquium, 1980, P.59.
 - (4)- Quandt, W., Revolution and Political Leadership: Algeria, 1954-1968, Cambr. (Mass.), M.I.T. Press, 1969. P.6.
 - (5)- Durand, M., Le rôle du pétrole dans le développement de l'Algérie, Paris, Université de Paris, 1971, PP.14-15.
 - (6)- Ibid.
 - (7)- Stohr and Taylor, op.cit., P.352.
 - (8)- Ibid., P.353.
 - (9)- Ibid.
 - (10)- Ibid., P.354
 - (11)- Ibid., PP.355-357.
 - (12)- The capital intensive nature of industrialisation, however, contributed to the emergence of an employment problem.
 - (13)- Boumedienne, H., Discours, Alger, S.N.D., 14 Février 1973.

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