

THE IMPACT OF COVID-19 ON FINANCIAL CONDITIONS IN ALGERIA

تأثير كوفيد -19 على الأوضاع المالية في الجزائر

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Abstract: The health crisis situation has forces to take strong financial measures to cushion the shock of the shutdown imposed the Algerian economic activity. An alarming moment for the country's economy in the face of the dizzying impact of the coronavirus pandemic.

Meanwhile, Algeria needs to limit the impact of economic activity slowdown. It may soon undergo high crisis costs related to health care and financial support measures. More importantly, the government should think how to balance short-term needs with policies that lead to a long-term sustainable recovery.

Keywords: COVID19 ; pandemic ;Algeria ; monetary ; fiscal.

Résumé : La situation de crise sanitaire conduit à prendre des mesures financières fortes pour amortir le choc de la fermeture imposée à l'activité économique algérienne. Un moment alarmant pour l'économie du pays face à l'impact vertigineux de la pandémie de coronavirus.

Pendant ce temps, l'Algérie doit limiter l'impact du ralentissement de l'activité économique. Elle pourrait bientôt subir des coûts de crise élevés liés aux soins de santé et aux mesures de soutien financier. Plus important encore, le gouvernement devrait réfléchir à la manière d'équilibrer les besoins à court terme et les politiques qui conduisent à une reprise durable à long terme.

Mots-clés : COVID19 ; pandémie ; Algérie ; monétaire ; financier.

ملخص: تسببت الأزمة الصحية في الجزائر وأجبرتها على اتخاذ تدابير مالية قوية لتخفيف صدمة الإغلاق المفروض على نشاطها الاقتصادي. لحظة مقلقة لاقتصاد البلاد في مواجهة التأثير المذهل لوباء الفيروس التاجي.

لقد لاحظنا اعتماد تدابير التحفيز المالي والنقدي بهدف تحفيز القطاع الاقتصادي. في غضون ذلك، تحتاج الجزائر للحد من تأثير تباطؤ النشاط الاقتصادي. فقد تخضع قريباً لتكاليف عالية جراء الأزمة تتعلق بالرعاية الصحية وتدابير الدعم المالي. والأهم من ذلك، ينبغي أن تفكر الحكومة في كيفية الموازنة بين الاحتياجات قصيرة الأجل والسياسات التي تؤدي إلى الانتعاش المستدام على المدى الطويل.

الكلمات المفتاح : كوفيد 19 ؛ الوباء ؛ الجزائر ؛ نقدية ؛ موازنتية.

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I- Introduction :

By the beginning of June 2020, the Covid-19 epidemic had left more than 410,000 dead and more than 7 million people had been diagnosed in 193 countries and territories since the start of the epidemic, according to Johns Hopkins University, and the figures might be higher than that.

The COVID-19 pandemic is therefore having a serious effect on economic sector. We are now experiencing the deepest recession the world has ever seen. The International Monetary Fund (IMF) predicts the world economy will contract by 3% in 2020, which is a complete reversal of its previous estimate of 3% of global growth (Gita Gopinath, 2020). The World Bank announces that the world economy is expected to contract by 5.2% in 2020, following the coronavirus pandemic World Bank (2020).

The current health crisis has shown the vulnerability of Algeria to unpredictable external shocks. The country has been strongly impacted by this crisis. Algeria's economy is still based on energy revenues, through its hydrocarbon rent, which provides 95% of its revenues.

Following the collapse of oil prices, coupled with the coronavirus health crisis, Algeria is suffering from disastrous repercussions on its national economy. A serious economic and financial crisis threatens the country. Algeria has fallen deeper in a situation of great economic chaos.

In reaction to the pandemic fallout, Algerian government has acted quickly to put in place economic measures to support economy. Consequently, monetary and fiscal measures have been engaged.

In fact, the entire macroeconomic framework of the initial finance law has been revised. A review has been brought about by the double crisis of the Covid-19 pandemic and the collapse in oil prices through the complementary finance law 2020.

On another front, national authorities should offer effective, and constructive policy measures. The banking sector should play a pivotal role in containing the unprecedented economic turndown due to unprecedented virus.

In an effort to stem the pandemic, authorities have resolved to confine their populations, to shut down non-essential businesses, to cut air traffic down, paralyzing whole swathes of the economy. As a result, national trade has been collapsing.

We diagnose the economic fallout of the new pandemic in Algeria and provide some recommendations for the future.

Therefore, the main question is ***What diagnosis for the financial situation in Algeria with the outbreak of the covid 19 pandemic?***

In this study we will attempt to address the following points:

In order to understand the most important elements of the study.

The remaining of this paper is organized as follows:

1. The affected global economy by the pandemic of COVID 19,
2. Algerian economy and the COVID 19 pandemic,
3. Policy Mix,
4. Proposals for financial solutions to public authorities.

I- The affected global economy by the pandemic of COVID 19:

I.1- Pandemic effects on global economy :

In the last crisis occurred in 2008, central banks adopted many unconventional monetary instruments, such as negative interest rates, large-scale financial asset purchases, and forward guidance. These monetary engagements are widely acknowledged to have avoided a deeper downturn (IMF, 2018).

There is evidence that the current pandemic outbreak sparks stock market collapse and the rise in its volatility over the first months of the crisis (Baker, et al, 2020).

The response has started and central banks are playing their part in flooding the market with liquidity. Unlike the 2008 crisis, the latter were particularly quick and coordinated. As of March 3, the Fed cut rates by 50 basis points, followed by the Bank of England on March 11 and 19. On March 15, Fed rates drop to zero. At the same time, unconventional interventions are deployed using the instruments developed since 2008. On March 18, the ECB announced a program to acquire securities for a total envelope of 750 billion euros.

The coordination of central banks, under the leadership of the FED, contrasts with the rambling response of the White House. On March 15, the Fed extended its swaps to nine new countries facing an evaporation of the dollar before opening a repo facility for central banks wishing to swap their US Treasury bonds for dollars.

But this will only indirectly affect developing economies like Algeria that do not have a central bank capable of fulfilling this role. On the other hand, it is possible to use a mechanism that has already proven its effectiveness in the global financial crisis: the IMF's Special Drawing Rights. There is nothing to prevent them from being reactivated.

As a result of the pandemic, international trade has collapsed brutally, the IMF expects an 11% drop in the volume of trade in goods and services in 2020 (Gita Gopinath, 2020).

So far, the bond market and oil-exporting countries have been hit hard by the collapse in oil prices. But other countries have also been affected and 30 to 40 credit rating downgrades have already been recorded. From the financial crisis of 2008 to around 2013, we had seen many country rating upgrades. However, this trend came to an abrupt end at the start of the oil crisis of 2014. The trend is sharply deteriorating after the current pandemic crisis.

On the other hand, the economic fallout of the current pandemic has been hurting relatively every production and leaving millions of people jobless. People Infections reduced labor supply and unemployment reduces reimbursement loans and raises the payment default cases. The need of liquidity push more demand on borrowing and loans are less available.

Due to layoffs, revenues decreased with the continuous spread of contagion among population which make people feel afraid, they spend less, leading to demand depression and triggering job losses. In the short term, losses are inevitable. In the United States, the number of unemployed individuals increased by 24 million in April (Department of labor, 2020). In France, INSEE estimate of the economic situation revealed that a month of confinement should cost 3 points of GDP (INSEE,2020).

For commodity prices, during the first quarter, base metal prices decreased approximately by 15 %, they started falling from August 2019 and reaching 5.5 %. A positive trend ended in January. The second declined was brutal in March 2020 where an additional fall of 9.1 % was reached (IMF, 2020). Likewise, natural gas prices fell by 40 %, as well as crude oil prices declined by about 60 % (a decline of \$40 a barrel). The worldwide engine circulation ban would keep the demand level of oil weak for the whole year.

The risk sentiment has triggered interest rate cuts, liquidity backing actions, and, huge asset purchase programs by the central banks in development countries: for instance, in US, England, Canada, Europe, Japan, etc.

The shock to demand obviously has several cumulative causes. The income of a part of the population which is fading, the consumption deemed non-essential which is postponed, that which is made impossible by confinement, and, since "my expenses are your income" the demand weakens further. This is the well-known cycle of recession.

I.2- Coordination and solidarity :

The have seen a lack of coordination in response to COVID 19 around the globe. While what made the success of the 2009 recovery was the large coordination between especially the developed countries. As early as January 2008, the IMF announced in Davos the need for a global fiscal stimulus. It will take shape at the 2009 G20 in London and has saved millions of the predictable unemployed (Strauss Khan, 2020).

In the future, the loss of tax revenues, rising health expenses and the cost of sustaining economy will require large increases in government debt. Meanwhile, a sudden slowdown in growth could produce long-term financial losses, particularly if no treatment for the pandemic is put in place.

Given the fact that interest rates actually are still very low in developed countries and unlikely to return to their pre-global financial crisis levels for a prolonged period, policymakers will need to rely more than before on these new monetary policy tools to counter future downturns, since we live in a complete uncertainty regarding the global economic forecast. Indeed, the future will depend on factors difficult to predict, the spread of the virus and the global market conditions.

Actions to reduce the spread of the pandemic would be kept, in the short-term, weighing on economic activity. The tight financial conditions all over the world are likely to be retained during

the next quarter. In the second semester, economic situation is expected to ease gradually. Global growth is expected to rebound to 5.8 percent in 2021, well above trend, reflecting the normalization of economic activity from very low levels (IMF,2020).

Certainly, if a remedy or a vaccine is invented, the economic recovery will be quicker than expected. And, temporary and targeted policies, such as tax relief and wage subsidies, have an important role to play in achieving this goal.

II- Algerian economy and the COVID 19 pandemic :

II.1- Algerian economic conditions :

The World Bank forecasts in its latest report for 2020 showed a -6.4% decline in Algeria economic growth for 2020, and a positive growth rate of 1.9 for 2021 (World Bank,2020), while the government estimate is just - 2.63% in accordance with the complementary finance law 2020. This is a major difference, nearly 150 percent.

In addition, according to the Doing Business report 2020, Algeria ranks 157th out of 190 countries, far below its performance about business environment compared with its neighbors. Morocco and Tunisia are ranked 53th and 78th respectively.

The CFL 2020 forecasts budget revenues to decrease in 2020 to 5395.5 billion DA against 6289.7 billion DA in the initial Financial Law, of which 1394.7 billion DA from oil taxation and 4001.1 billion from ordinary taxation. The budget deficit should reach -1976.9 billion dinars, or - 10.4% of gross domestic product (GDP) (against -1533.4 billion dinars, or -7.2% of GDP in the preliminary financial law).

In this regard, this CFL lowers the benchmark price of oil to \$ 30, but ordinary revenues are, in fact, calculated on an overly optimistic basis.

II.2-Pandemic effect on Algerian economy:

Algeria faces a health crisis, severe external demand fallout, and a decline in hydrocarbon prices, which are already having a heavy impact on economic activity. From mid-January to end-March, natural gas prices declined by 38 percent, and crude oil prices dropped by about 65 percent (a fall of about \$40 a barrel) (Gita Gopinath, 2020).

It exists the lack of coordination and coherence among certain OPEC members. A sharp drop in commodity prices like oil and gaz, the disagreement between the OPEC members has weighed heavily on many commodity prices.

The pandemic continues to hit the world economy, especially with the shutdown of factories in China, which disrupted business supply and demand for Algerian companies. The shutdown of Chinese factories in February and, later, in Europe and in the United States, has weighed heavily on the demand for industrial products.

We can hardly avoid the consequences of the supply shock. With part of the labor force confined for an indefinite period, it is inevitable that production will fall. Some Algerian companies will downsize, others will close. Jobs are lost, probably for quite a long time. This is what happens in the event of a natural disaster, but it usually affects only part of the economy. Some of these companies may be saved by the government and can be saved, but not all of them.

In Algeria, resources to achieve objectives are more constrained, both by more limited health system capacities and limited borrowing, as the intensity of the economic impact has conducted to the deteriorate of tax revenues. Algeria is facing today a health and economic crisis. The simultaneity of supply and demand shocks makes the present situation so exceptional and dangerous (Strauss-Kahn, 2020).

For Algeria, the pandemic is catastrophic, as she is entering the crisis with an insufficient level of foreign exchange reserves. The price of a barrel plunged below \$ 20 in last April.

Revenues are expected to reach \$ 20 billion to \$ 30 billion by 2020, down from \$ 36 billion in 2019. As a result, foreign exchange reserves, which are highly dependent on oil rent, could fall to \$ 51 billion by the end of this year, and which could also run out in the very short term. In addition, the fall in oil prices should reduce Algeria's exports by 7.5% in 2020.

Basically, a policy of deeply negative interest rates in developed economies might be extremely beneficial for developing economies, like Algeria, which suffer from falling commodity prices, capital flight, high debt, and low exchange rates, not to mention the arrival of the pandemic.

II.3-The measures taken by Algeria:

Budgetary measures have been followed to benefit the economy. Their implementation has been fast and considerable in many advanced economies. Likewise, Algeria has also provided fiscal support.

The state does not have enough money to offset the losses (health costs and fiscal stimulus), and even less, when the economy is at a standstill as well as value added tax (VAT) and taxes are no longer in the coffers. On the other hand, to combat the anxiety of consumers who can only push them to hoard what is the opposite of what is desirable by government.

Maintaining the same social policy in an economy almost at a standstill, ensuring wages in the public sector, despite the crisis, and this, for three months, is not nothing for our government.

Algeria has review her public spending in the framework of crisis containment. She increased expenses on medical resources, employment guarantees, payment deferrals, etc. In this context, certain heavy taxes have been deferred in order to rise the payment position. The payment of utility bills as well as the loan servicing also have been deferred. In addition, guarantees liquidity and provisions were provided to sustain the private sector.

In reality, the budgetary policy may further hit the economy and lead to more downturn, or might stimulate the economy easily as what Algerian authorities expected behind these measures, once the disease would disappear.

We have experienced how important it is impossible to avoid firm losses due to lack of production, in the short term, but also how the damage, on the other hand, can be limited by an appropriate policy on demand.

II.4- Challenges for Algerian economy:

The economic outcomes in the world are still unknown. Much severe uncertainty weighs on forecasts, as the situation is likely to worsen, given the persistent low oil prices which reduce investments and budgets. The current economic crisis comes from an external shock affecting the real economy. To reach an economic takeoff in Algeria, the public sector should be primarily focused on capital investments which are five: human capital, infrastructure, natural capital, public institutional capital, and parts of knowledge capital (Sachs, 2005,3).

The government may claim that he lacks financial resources to fund public goods and infrastructure like primary health care, roads, power grids, ports. For example, Algeria does not have the capacity to attract foreign investment due to the bureaucracy of its administration, the sclerotic financial system, corruption and patronage.

In the last decades, our country has not invested in industry, in technology, or in human resources.

Weak investments in human capital today lead, of course to low standards of living in the future Stiglitz Joseph E. (2019,39). Algerian rate of investment was even weak.

The budget deficit could increase sharply due, firstly, to the drop in ordinary revenues after the decline in economic and oil activity following the fall in oil prices on the world market, while spending is expected to increase to face the current situation. Unprecedented pandemic crisis on the scale of the century requires massive public intervention in the present and in the future.

This economic setback is likely to plunge thousands of people from the emerging middle class back into poverty. However, more poverty is also more deaths. Algerian population is younger, but also more fragile and with the higher rates of malnutrition could make the coronavirus even more lethal.

Poverty is as a source of economic slowdown. The deep concern is that poverty itself can be a trap. When poverty is prevailing, the poor does not have the ability—by himself—to win the mess. (Sachs, 2005,72).

It seems that the worst economic effects of Covid-19 will be felt in the second quarter of 2020. It is hoped that these effects will lowered in same cases in the second half, with the progressive reopening of activities. But if lockdown steps continue in the second half, other productions will stagnate. In this scenario, the economy could experience a double shock, or W-shaped recession. In an L-shaped scenario, the economy would recover after a sharp decline, but activity would return to a lower level (IMF,2020).

The global forecast expect that all the globe undergoes disruptions to economic activity. However, Algerian policymakers should ensure the minimum economic activity and maintain economically vital societies in order to avoid a second blow besides the medical one.

Meanwhile, the economic fallout of the COVID 19's infectious is related to specific blows in specified sectors, therefore the government should set up targeted monetary and fiscal policies. Moreover, the affected people will need sustained support.

Hopefully, at the national level, certain professions can function - at least in part -, but for others at home, it is much more difficult, if not impossible.

III- Policy Mix

Monetary action has its limits and as it is the case with any natural disaster, budgetary support must be mobilized as well. These policies are partly among the effective support mechanisms. Any government should not base its strategy only on financing the supply side of economy. This had been arguably the greatest weakness of Trump's original support plan which was in particular to support firms, without householders. Since then, the check for \$ 1,500 for all American households has improved the situation.

III.1- Fiscal policy :

The fiscal policy should act to curb the economic impact on the most-affected households and businesses, and to protect economic interaction between stakeholders, for instance, to avoid business closures. We have observed the adoption of rules-based fiscal stimulus measures in the aim of stimulating economic sector. Fiscal stimulus is especially powerful when the economy has slack and monetary policy is accommodative which will push circumstances that characterize a demand-driven will likely be relevant after the pandemic disappear (IMF, 2020).

Basically, the priority is to reach as early as possible the eradication of the pandemic. In the middle of the crisis, it is so important to keep providing the essential tools for health care which is observed as an important drive for economic and human health. This central measure is a pivotal interaction between the long term economic recovery and the current chock therapy.

Fiscal actions in responding to an adverse shock will be partly a function of their ability to increase spending or lower taxes related to a preexisting baseline without endangering their fiscal space (IMF. 2018). For example, Romer and Romer (2019) find that fiscal policymakers in advanced economies are more reluctant to stimulate after an adverse shock when initial public debt-to-GDP ratios are higher. This case is not applied for Algerian situation where the country has paid all its previous credits.

Regarding tax measures, Algeria has already introduced targeted procedures of fiscal policy. For instance, almost 5 million citizens, employees and retirees are concerned by the measure of the exemption from income tax. In fact, the workers whose salary is under 30 000 DA are totally exempted from the tax. Moreover, deferrals of declarations or payments of taxes have been decided to relieve taxpayers (individuals and businesses) in these hard moments of the pandemic.

When Algeria has pleaded with the developed economy, it has been sent to the IMF. The main IMF prescription has been fiscal and monetary belt tightening. IMF austerity policy has been proven to be ineffective as countries have to relinquish certain level of solvency autonomy (Li et al, 2015). This time Algeria is reluctant to recourse to external debts.

The public spending has been reduced by 50%. Therefore, the cut of public demand is extraordinary and would affect GDP.

However, issued in June, the complementary finance law does not include substantial measures, either for businesses, large or small, or for workers who have lost their jobs or part of their income. Furthermore, we deplore also the fact that no provisional budgetary measure oriented to aid businesses was inserted in the law.

Meanwhile, the rise of oil prices introduced by the complementary finance law will lead to increase tax revenues but reduce, on the contrary, the purchase power of Algerian households.

III.2- Monetary policy:

The response to the pandemic chock has been started and central banks are playing their part of flooding market with liquidity, but without any constraint and above all without setting up a guarantee fund.

The Bank of Algeria reacted in April by taking strong measures through the instruction No. 05-2020 to avoid a collapse of the national economy following the coronavirus pandemic, in short, mitigating its consequences on the national economy. They essentially consist of a deferral of the repayment of credits and a rescheduling of debts for companies impacted by the cessation of activity or a fall in demand.

Companies affected by this crisis will not pay the March and April maturities if the installments are monthly, and the March installments if the maturities are quarterly. That is, businesses will only pay interest, the payment of capital is deferred.

In addition, the Bank of Algeria lightened certain prudential provisions, applicable to banks and financial institutions, allowing them to increase the financing capacities for the benefit of businesses. It recommends reducing the liquidity coefficient threshold so as to increase the level of available funding. As part of these measures, banks and financial institutions are exempt from the obligation to establish a financial safety cushion. These latest decisions are made to increase liquidity or the funds available to finance the economy.

These are the reduction in compulsory reserves brought down to 4% of resources, down from 12 and 8% previously, and the removal of the obligation to establish provisions. This rate is now lowered to allow banks to have more money to finance the economy. This decision compensates for the drop in bank resources due to the deferral of loan repayments or the rescheduling of debts of companies affected by this coronavirus crisis. The second prudential measure aims to exempt banks from allocating part of their resources to provision for debts owed following the effects of the coronavirus.

III.3- Digitalisation of financial system:

Even if Algeria is not an inventor of technology, she can be a beneficiary of it. The disappearance of the paper money would have several desirable effects, including the reduction of tax evasion of companies brewing a large volume of unaccounted for cash and unreported wages. Cash or liquid, above all are the fuel of the underground economy. They are used by mafias, traffickers but also by tax evaders.

The reality of the Algerian digital delay is tumbling into the background. For instance, Ouedkniss.com has been hampered for many years in its development by the lack of online payment service and has contented itself with being an advertising platform.

With taxis, short-term rental property, online commerce, we are at the very beginning with digitalisation in Algeria. Solvent demand for online transactions is not the only obstacle to the development of the Algerian digital economy. The big data internet can be distributed over the network. In fact, it is the Algeria Telecom's monopoly on fixed telephony that accentuates anachronism.

IV-Proposals for financial solutions to public authorities:

Algeria would be able to diminish economic fallout by relying on exchange rate flexibility. In fact, exchange rate flexibility would reduce the impact of foreign financial shocks (Obstfeld et al, 2019).

Despite the fact that many local currencies have depreciated sharply - thereby presenting a potential for long-term revaluation - the current uncertainty may limit this rise in the short term. In this context, hard currency debt is attractive because yields are currently more attractive than on the local currency market. Today, many central banks have reduced their interest rates.

On the other hand, the Algerian central bank can support banks and nonbank finance companies with more liquidity to fund SME which are more vulnerable to economic shock. The country can provide temporary or targeted loan guarantees and direct credits for the near-term liquidity needs of the affected businesses in order to avoid budgetary shocks.

It is convenient to rely, in addition to monetary instruments, on fiscal policy, as the latter can represent a suitable complementary for economy regulation. Taxes in principle are popular savings for a specific purpose which is the maintenance of the state and the functions of a state in the interest of people.

Nothing will ever be the same again. Faced with this dire situation, the government has no choice but to take urgent action to confront the current crisis. The best solutions, deemed effective, involve widening the tax base, resorting to domestic public debt, adopting performance and transparency rules for public finances and promoting foreign investment.

More importantly, we have to think today about how the government can balance short-term needs with policies that lead to a long-term sustainable recovery. In the short term, the country must continue to implement emergency fiscal measures to support their economy during the coronavirus crisis (COVID-19). The granting of tax incentives to the households and businesses most affected until the end of the emergency is welcome. The country should moreover consider tax relief measures because the health problem created a major economic shock. Taxes that require regular payments such as income taxes will have an impact on the liquidity of businesses and households.

Therefore, the government should consider budget relief as a way to minimize the economic impact of the health crisis. It should comply with the following principles:

- ❖ Tax relief should be generalized. It should be consistent with effective long-term policy. Because the distortion of the markets today will jeopardize the long-term recovery.

- ❖ Decision makers should also take this opportunity to correct fiscal policies that have distorting effects that could hamper recovery efforts.
- ❖ Algeria must reduce advance payments of income and corporate taxes, postpone tax payments, authorize payment of taxes by installments, reduce or alleviate late payments and suspend tax audits.
- ❖ For companies that have to reduce their working hours, work subsidies should be granted.

For the post-epidemic period, the government has no choice but to broaden the tax base, resort to public debt, and negotiate loans. The remaining foreign exchange reserves will soon be exhausted. This should allow it to last until 2021.

In the long term, in fact, you have to think about the post-oil phase where there would be no more oil taxation. Tax reform should consist of broad, long-term improvements to the tax code that would help businesses and individuals invest and create jobs. Ordinary taxation must be restored to its former glory by reducing the scourge of corruption and bureaucracy and eradicating tax evasion.

Basically, this crisis has shown two essential points: the ineffectiveness of liberalism and the increased need for digitalization. After the crisis we believe that liberalism around the world will be curtailed and digitalization will be reinforced, like teleworking. To this end, Algeria should prepare and not miss another appointment again.

Finally, it is required to put an end to the bad practices very common during a period of financial abundance, such as waste and the spirit of overconsumption.

V-Conclusion:

Externally, the pandemic has resulted in a sharp increase in global risk aversion and a sharp reduction in the flow of foreign capital. Based on previous data, these types of global financial shocks can have a significant impact on the macroeconomic situation in emerging countries, including those with flexible exchange rates.

As in the precedent economic crises, political decision-makers try to stimulate economic activity as quickly as possible by stimulating demand, but this time, the crisis, is to a large extent, the consequence of the necessary containment measures.

The world has changed dramatically in last months. Policymakers will need to consider long-term measures, and sustained fiscal and monetary policies to ensure economic recovery. In some countries around the world, containment measures are eased as countries try to revive their economies. But, we should be pleased by the rapid action of central banks for national economies.

Algeria should implement an economic safeguard plan including a government guarantee for the granting of operating credits to companies affected by the pandemic, the postponement of the

payment of social contributions, taxes during the crisis period, the institution of social subsidies for unemployed people.

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