

# Planning for Community Development in the Socialist Approach: A Sociological Analysis of Algeria's Experience (1967-1989)

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## Abstract

This study aims to analyze Algeria's experience in development and planning, which relied on the socialist approach after independence, drawing on revolutionary legitimacy and anti-colonial experiences. The developmental policy focused on public ownership of the means of production to meet the basic needs of society, with an emphasis on developing the agricultural sector to achieve food security and establishing an industrial base to create job opportunities amidst population growth. The goal of the study is to evaluate the effectiveness of this developmental approach by reviewing the structural and infrastructure developments in the country and analyzing the economic and social outcomes achieved. The results show that despite Algeria's significant investment in development, it has not achieved the required comprehensiveness. The adopted model focused on economic growth without enhancing self-reliance or developing local capacities, leading to continued dependence on foreign expertise, which has impacted the overall effectiveness of the developmental model.

**Key words:** Comprehensive development - Rural development - The socialist development model - The rural community - Global planning.

## Planification du développement communautaire dans l'approche socialiste : Analyse sociologique de l'expérience algérienne (1967-1989)

### Résumé

Cette étude vise à analyser l'expérience de l'Algérie en matière de développement et de planification, qui s'est appuyée sur l'approche socialiste après l'indépendance, en s'inspirant de la légitimité révolutionnaire et des expériences anti-coloniales. La politique de développement était axée sur la propriété publique des moyens de production pour répondre aux besoins fondamentaux de la société, avec un accent sur le développement du secteur agricole pour atteindre la sécurité alimentaire et l'établissement d'une base industrielle pour créer des opportunités d'emploi face à la croissance démographique. L'objectif de l'étude est d'évaluer l'efficacité de cette approche de développement en examinant les évolutions structurelles et infrastructurelles du pays et en analysant les résultats économiques et sociaux obtenus. Les résultats montrent qu'en dépit de l'investissement significatif de l'Algérie dans le développement, elle n'a pas atteint la globalité requise. Le modèle adopté s'est concentré sur la croissance économique sans améliorer l'autonomie ou développer les capacités locales, ce qui a conduit à une dépendance continue à l'expertise étrangère, impactant ainsi l'efficacité globale du modèle de développement.

**Mots-clés :** Économétrie, Méthodes statistiques, Prévisions économiques, Variables économiques, Modèles statistiques

## Introduction

The situation of Algerian society was generally extremely difficult, as the community suffered from marginalization and exclusion from all aspects of life in favor of a foreign European minority that controlled and dominated all material and moral resources and values. Algerian society experienced dependency, poverty, and lack of access to education, healthcare, future prospects, and social programs ensuring mental and physical well-being. Therefore, the government, following independence, relied on immediate planning defined by the November 1st Declaration and the Tripoli Conference. For decades, Algerian society faced backwardness, dependency, and fragmentation, all meticulously orchestrated by colonial powers. The personal views of national leaders played a significant role in choosing the developmental model, along with the geopolitical position of the newly independent Algerian state, which provided international support for the National Liberation Front by offering moral and material support to the Algerian revolution. Most countries that supported Algeria's independence were aligned with the socialist bloc, as the capitalist bloc had caused much suffering in the world through terrorism and ruthless military control over the resources of oppressed nations, as well as its efforts to create sociological fragmentation through divisive approaches to control and remain in power to exploit resources and achieve economic and financial accumulation by making Third World countries a space for providing raw materials and turning them into markets for its products. Consequently, “the Algerian government adopted a development approach focused on income distribution between different social classes and regions of the state and meeting basic material needs such as food, clothing, and shelter”( G.M. Meier, 1995). However, comprehensive development, which means the overall advancement of society as a whole, was not fully achieved

After considerable hardship and the immense sacrifices made by Algerian society to achieve freedom and independence, and to ensure a wise start towards winning the battles of construction and development, various theoretical and practical directions emerged regarding the developmental model adopted and the characteristics of the forthcoming construction measures. This was evident in the significant conflicts, both public and hidden, involving competing elites vying for leadership. Ultimately, the leadership settled on the socialist approach for several reasons deemed by the ruling elite as essential for achieving internal stability, securing a foothold in international conflicts, and honoring the sacrifices of other socialist nations that supported Algeria's independence.

Therefore, this article aims to explore the characteristics of the Algerian experience in planning and development, its objectives, and how it was formulated and implemented. Additionally, it seeks to provide a diagnostic and evaluative assessment of the results and achievements realized over two decades.

## **1. Methods**

The methodology used to obtain the results in this analysis involves a detailed historical and thematic review of Algeria's post-independence development, focusing on the socialist planning phase from 1967 to 1989. The approach begins with a historical contextualization of the social and economic challenges Algeria faced after gaining independence. These challenges, including poverty, a lack of infrastructure, and the lingering effects of exclusionary colonial policies, form the foundation for understanding the development policies that followed.

The document then analyzes the development trajectory by dividing it into distinct phases, starting with the pre-planning and self-management period (1963-1965). During this phase, efforts focused on rebuilding national institutions, transitioning the economy, and consolidating political power. The planned management phase (1967-1989) follows, with each five-year plan examined in terms of its objectives, political ideologies, and economic/social goals.

A critical aspect of the methodology is the emphasis on the ideological framework, particularly the adoption of a socialist development model by the national leadership. The socialist approach, which focused on industrialization, land reform, and the nationalization of key resources, including hydrocarbons, is thoroughly assessed.

The methodology also includes an evaluation of the achievements and challenges of each development plan. Factors such as Algeria's external dependency on oil revenues, reliance on foreign expertise, and inefficiencies in centralized planning are identified as significant constraints on the country's development.

Empirical evidence and theoretical insights are integrated into the analysis to evaluate the performance of specific development projects and the broader application of socialist economics. The methodology combines a top-down approach with a critical examination of grassroots participation, highlighting a disconnect between government-led planning and the actual needs of the population.

In conclusion, the methodology assesses the long-term impact of the socialist planning phase on Algeria's economic and social development. While recognizing the infrastructural gains made, it also underscores the limitations of the model, such as over-reliance on external resources, centralized decision-making, and the insufficient integration of social and economic needs. This comprehensive methodology provides a deep understanding of Algeria's development trajectory through a mix of historical analysis, policy evaluation, and empirical data.

## 2. Results

### 2.1 Pre-Planning Phase (1963-1965)

#### 2.1.1 Self-Management Phase

This phase was marked by difficulty as it represented a turning point between the challenges faced by Algerian society and its aspirations within the framework of national independence. The society inherited a disgraceful state, a collapsed economy, and a colonial system concentrated in the northern part of the country (Salah, S., 1986, p. 15). This situation led the society to attempt to rectify the conditions through a self-management process with honest Algerian efforts, as outlined in the Tripoli Conference, and with energies previously working under colonial rule. Consequently, the political leadership at the time formed committees to oversee the transitional phase until the situation stabilized, the vision became clear, and the organizational apparatus was established. The situation was as follows:

- **Near total absence of basic industries:** With some mention of craft-based manufacturing industries concentrated around the main ports in Algiers, where about 80% of industrial activities were in the hands of colonizers.
- **Modern agricultural sector:** Owned by Europeans, covering an area of about 3 million hectares and including Algeria's fertile lands, and a **traditional agricultural sector:** belonging to native Algerians, covering the less fertile lands.
- **Infrastructure:** Key factors aiding in speeding up the production cycle and improving its performance. France left behind approximately 10,000 km of paved roads, 4,300 km of railways, 20 airports, an electricity network with 600 km of power lines, and other facilities like the Port of Algiers. "All of these were concentrated in the northern part of the country where the French community, commercial distribution networks, and banking institutions were located" (S. Salah, 1986).

- **Departure of approximately one million European technical experts:** Before the declaration of independence, which left a significant void in skilled workers and professionals, including about 50,000 high-level experts, 35,000 mid-level experts, and 100,000 workers and employees( A. Henni, 1991, p. 26), which completely disrupted the economy and administration.
- **Near total abandonment of modern agricultural operations and industrial and commercial institutions** by their European owners.
- **Presence of a banking sector composed only of branches of foreign banks:** Mainly concentrated in the northern part of the country, especially at major ports.
- **Transfer of savings and capital:** When colonizers left, they took their savings and capital with them. In just one month of 1962, bank transfers recorded approximately 750 million francs, leading to a lack of credit, resulting in fewer loans and thus less investment.

### 2.1.2 Outlined Objectives

After the departure of European settlers who were managing the system in Algeria and the resulting vacuum they left behind, committed Algerian nationalists aimed to address the situation and fill the void by organizing themselves according to their expertise, experience, and roles in various institutions. The immediate objectives were to fill the void left by colonialism in various Algerian institutions, maintain daily operations to ensure the continuity of life, and demonstrate the capability of the national leadership and elite in effectively managing the country.

## 2.2 Dimensions of Algeria's Transition (1963-1965): Social, Economic, and Political Analysis

**Social Content:** This phase was characterized by efforts to restore Algerian society to its rightful place and condition, as properties, lands, and institutions that had been forcefully taken by colonizers were reclaimed.

**Economic Content:** Until recently, the Algerian economy was primarily focused on the production of raw materials within the framework of international division of labor and the specialization imposed by global imperialism. Algerian society aimed to reclaim its economic standing by transitioning to a national economy that produces goods and services. “A significant outcome of this experience was the shift of Algerian workers from being mere employees to active participants in production and management, which enhanced their sense of responsibility

and allowed them to benefit from the material and moral returns of the managed institutions”( M. Al-Suwaidi, 1986, p. 14).

**Political Content:** One of the goals of the national elite was to re-establish a political system within political institutions responsible for leadership and coordination among Algerian provinces, and to create a centralized system with legitimacy for enacting laws and organizing the state and society.

**Rural Community Situation During the Self-Management Period:** Life in the rural areas was somewhat different from the cities. Colonizers had avoided developing rural areas and sought to dismantle the strong social structure in Algerian countryside due to its complete rejection of colonialism and fierce resistance, as rural areas were seen as the stronghold of Algerian values, customs, traditions, and identity. Additionally, the role of the traditional zaouias and religious scholars in rural areas was crucial in resisting French colonial attempts to penetrate and corrupt the rural and urban populations. During the independence period, the situation in rural areas remained challenging due to the colonial system's control over the most fertile agricultural lands.

## **2.3 Planned Management Phase**

### **2.3.1 The First Development Plan (1967-1969)**

**Context of the Plan:** This plan is noted as the first development plan in Algeria and was considered crucial as it aimed to achieve both material and moral results across all areas of social, economic, political, and cultural life. It focused on industrial development as a primary means to establish factories and large institutions, transitioning from a dependent capitalist economy to a national economy capable of generating production. “This sector was allocated 51% of the total investments”( M. Ashwi, 1992, p. 232). The plan, initiated in 1967, marked a new beginning in very challenging circumstances, with a young and inexperienced government lacking the necessary resources and expertise to ensure the plan's success and sustainability. Despite these challenges, the determination and commitment of the leadership to continue and achieve the plan's goals led to the first phase of development.

Algeria's rejection of the capitalist system was established early, as noted in the 1954 statement. This rejection was not arbitrary; the capitalist system was seen as synonymous with colonialism, which the Algerian people had fought hard to overcome. The enemy Algeria fought against was not only French colonialism but also the NATO countries supporting it, which were all part of the capitalist economic system.

In response to this rejection, Algeria chose the socialist system, which was not an arbitrary choice either. Support from socialist countries, their sympathy towards armed liberation movements, and the Algerian people's psychological inclination towards socialism—due to its emphasis on labor, social justice, and solidarity—were significant factors in this decision. Economically, the choice was based on two main reasons:

- The national private sector's financial and technical capacities were weak and unable to foster development.
- There was a fear of foreign exploitation of the market if the economy was left to market forces, which could lead to the emergence of a parasitic class exploiting the general population.

**Political Content of the Plan:** The political goal of this development plan was to address issues of legitimacy and to establish and expand a central government across the country's cities, villages, and rural areas. It aimed to spread political institutions, achieve integration among institutions, and build relationships between the state and society based on challenge, construction, and development.

**Social Content of the Plan:** The plan aimed to rehabilitate Algerian society by addressing its basic needs, which had been neglected and exploited. The high expectations of the society created pressure on the government, though international cooperation from friendly and brotherly countries helped alleviate some of these pressures.

**Economic Content of the Plan:** The focus was on planning for industrialization and creating commodity accumulation through the production of tangible goods, including food and consumer products. Large sums were allocated to establish numerous factories, ensuring regional distribution and balance across provinces.

**Table I. Investments and Programs of the Three-Year Plan (1967-1969)**

	Sectors	Financial envelope	Actual investments in billions
content Economic For the development plan	Agriculture	1.26	1.39
	Fishing	0.01	-
	Irrigation	0.35	0.49
	Agriculture and Irrigation	1.62	1.88
	Hydrocarbons	2.27	2.52
	Base industries	2.18	1.58
	Manufacturing industries	0.49	0.37
	Energy and mines	0.46	0.44
	Total industries	5.40	4.91
	Tourism	0.34	0.18
	Transportation	-	0.07
	Telecommunications	0.12	0.11
Social content and cultural of the plan	Social sector	0.46	0.36
	Transportation	0.34	0.28
	Housing	0.34	0.24
	Education and training	0.81	0.84
	Other investments	0.09	0.65
	Base structures	1.58	2.01
	All investments	9.06	9.16

### 2.3.2 Second Development Plan (1970-1973)

**Context of the Plan:** The second development plan was highly ambitious, marking the second scientific phase of planning. It focused on applying planning techniques as a method for comprehensive development. With the support of international cooperation from friendly countries, the plan aimed to drive development through a series of key projects. These included advancing industrialization by entering the realm of processing activities, creating new products, and addressing unemployment that was affecting Algerian society. The plan emphasized establishing heavy industries, focusing on the hydrocarbons sector, and implementing deep financial reforms. Public institutions were required to maintain separate accounts for operational expenses and investments to prevent financial overlap.

**Ideological Content of the Plan:** The Algerian government reaffirmed its commitment to socialism as the path for building the Algerian state. This approach, as stated by President Houari Boumediene, was deemed sacred and irreversible. The plan was characterized by Algeria's reliance on Soviet and Yugoslav expertise in socialist development literature.

**Political Content:** Following a military coup led by Houari Boumediene, Algeria entered a period of uncertainty. The coup, which undermined the first free elections, led to a political crisis regarding legitimacy. To address this, the political system turned to a barter system of manufacturing, development, social services, and strong diplomacy to compensate



for the lack of democracy. “The most notable decision of this period was the complete nationalization of the hydrocarbons sector”( A. Ibrahim, 1996, p. 158).further advancing economic independence.

**Social Content:**“The plan focused on social strata and vulnerable groups within Algerian society by creating job opportunities through the establishment of factories and workshops. It promoted agricultural reform and expansion of social services, even if it meant compromising on productivity and economic efficiency”( Y. Benabdallah, 2006, p. 65).

**Economic Content:** Economically, the plan involved agreements with Eastern Bloc countries to create economic dynamism based on industrialization. It emphasized processing industries, extractive industries, and some consumer food industries. The plan directed significant state resources towards the agricultural sector and agricultural reform, supported by revenues from manufacturing and oil. Investments were distributed as follows(Belkacem, H.B., 1999a, p. 98):

**Table II.** Comparison of Planned and Actual Investments by Sector (1970-1973 Development Plan)

<b>Development Plan 1970-1973</b>	<b>Planned investment volume</b>	<b>Actual investment</b>
<b>Industry</b>	12400	100%
<b>Agriculture and irrigation</b>	12.40	4.35
<b>Social services</b>	1.87	35
<b>Education and Culture</b>	8.54	7.92
<b>Infrastructure</b>	8.54	7.92
<b>Total</b>	27.75	36.31

Source: Ministry of Planning, Annual Report of the National Plan

The table highlights the government's commitment to advancing industrialization, with the largest financial allocation of 12,400 billion Algerian dinars designated for this sector. Agriculture and irrigation received the second-largest allocation, amounting to 12.40 billion dinars, aimed at funding investments in these areas. Education and culture were allocated 8.54 billion dinars for the development of schools, educational institutions, and cultural departments across the provinces. Additionally, 8.54 billion dinars were allocated to support basic and infrastructural facilities. The detailed distribution of these funds is outlined in the following table:

**Table III. Investments and Programs of the First Four-Year Plan 1970-1973**

	Sectors	Financial envelope	Actual investments in billions
	Agriculture	2.92	2.94
	Fisheries	0.12	0.07
	Irrigation	1.90	1.34
Content	Agriculture and irrigation	4.94	4.35
Economic	Hydrocarbons	4.57	9.78
And industrial	Base industries	5.21	7.52
	Manufacturing industries	1.19	1.32
	Energy and mines	1.43	2.18
	Total industries	12.40	20.80
	Public works		
	Tourism	0.70	0.78
	Transportation	0.80	1.13
	Telecommunications	0.37	0.40
Content	Social sector	1.87	2.60
Social	Transportation	1.14	1.13
and cultural	Housing	1.52	1.54
	Education and training	3.31	3.04
	Other investments	2.57	2.21
	Base structures	8.54	7.92
	All investments	27.75	36.31

Source: (Belkacem, H.B., 1999a)

### 2.3.3 The Fourth Development Plan (1974-1977)

The fourth phase of development planning, spanning from 1974 to 1977, was the third medium-term plan following the triennial and quadriennial plans. This plan was introduced to support growth and construction initiatives (H. B. Belkacem, 1999a, p. 257). The Revolutionary Council and the government allocated approximately 110 billion dinars for this plan, with clear objectives: to enhance social structures and their evolution, develop the material base of society, restore decentralization to achieve regional balance, and promote international cooperation, especially with Third World countries.

Ideologically, the plan continued to promote socialism, aligning with the political framework of the time. It was characterized by extreme centralization and strict control by a powerful apparatus that included the revolutionary leadership and the single-party system, the National Liberation Front. The party's dominance over state structures was total, with reliance on a unified and controlled media.

Politically, the Revolutionary Council and the government focused on expanding distribution and addressing social aspects by emphasizing large-scale projects to gain popular

support and overcome political legitimacy crises. This included focusing on remote regions and reorienting planning according to a decentralized logic and local development projects.

Economically, the plan emphasized a combined approach to agricultural and industrial production. Approximately 65.5 billion dinars were allocated to industry, representing about 50% of the total budget of 1265 billion dinars for the plan( A. Ben Badaida, 1999, p. 356). The funds were distributed as follows: 50.73 billion dinars for public works, 10.5 billion dinars for transportation, storage, and distribution, 3.79 billion dinars for infrastructure investments, and 28.48 billion dinars for social infrastructure.

Socially, the plan allocated 75.1 billion dinars to various social programs, with initiatives such as the creation of new cities with all necessary facilities, the establishment of socialist villages in rural areas, and the development of new industrial centers and industrial localization projects in rural Algeria.

Culturally, the plan supported Arabization in state and educational institutions, guaranteed free education, and extended education to villages and hamlets. Programs were implemented to create educational institutions, vocational training centers, and to promote the socialist model through awareness and publicity campaigns.

During this period, the development plan for rural and desert communities in Algeria focused heavily on agriculture, allocating 16.72 billion dinars to the sector. Of this, 14.12 billion dinars were directed towards new projects aimed at enhancing agricultural production methods. This investment was distributed as follows( H. B. Belkacem, 1999a): 12.00 billion dinars for plant and animal farming, 4.6 billion dinars for marine fishing, and 0.12 billion dinars for irrigation works. Additionally, the plan supported agricultural reform policies, which had been underway since 1971.

**Table IV.** Development Plan 1974/1977: Allocation and Impact on Rural Community Structures

Development Plan 1974/1977				The agricultural revolution in the plan	
<b>Economic Structure of the Rural Community</b>	Activities and Procedures	12.00 billion DZD	Percentage of amount	Land reclamation	2.4 billion DZD
	Plant and Animal Agriculture	4.6 billion DZD	72%	farms and cooperatives	2.49 billion DZD
	Marine Fishing	0.12 billion DZD	27%	Land Studies and Engineering	2.3 billion DZD
	Irrigation Works and Activities	10.104 billion DZD	13%	Livestock production	1.56 billion DZD
<b>Social Structure of the Rural Community</b>	Housing and Health	3.310 billion DZD	59%	Forestry, Allies and Rural Structure Socialist villages	1.7 billion DZD
	Employment	9.949 billion DZD	41%		
<b>Cultural Structure of the Rural Community</b>	Education	1.399 billion DZD	60 %	Schools and institutions	2.2 billion DZD
	Basic Infrastructure	12.00 billion DZD	40 %		

Source: Annual Report on the National Plan

**The Complementary Period of the Plan (1978-1979):** During this phase, the central planning body in the state faced challenges in advancing new plans due to a 40% shortfall in achieving the set objectives, attributed to fluctuations in international market prices and their volatility. As a result, the government decided to continue with the second four-year plan and complete pending projects before initiating the first round of state reforms. This decision was influenced by changes in the political system and a transition to a new phase following shifts in the Algerian state's leadership. Despite "facing management issues and objective factors such as unexpected demographic growth and the lack of a competitive market capable of delivering economic returns to support projects", the development projects during this period were distributed as follows (Ahmed, B., 1998, p. 62):

**Economic Structure:** The distribution of investment projects for the year 1978 across various economic sectors was as follows: 4.15 billion Algerian dinars were allocated to agriculture, while industry received 32.50 billion dinars, and public works were allocated 1.09 billion dinars. In 1979, investments were distributed as follows: 3.71 billion dinars were dedicated to agriculture and irrigation, 34.10 billion dinars to industry, 2.67 billion dinars to public works and services, and 12.48 billion dinars to infrastructure (Belkacem, H.B., 1999a). The overall achievement rate for 1979 was 85.5%. The government undertook fundamental changes in organizing production methods across different sectors of the national economy (Kindleberger, C.P., 1995, p. 3).

**Social Structure:** The social structure received a substantial portion of investment to support the job market, housing, and healthcare in cities, villages, and rural areas. A total of 10.63 billion Algerian dinars was allocated for this purpose. Special programs were outlined for housing, with 14.18 billion dinars allocated in 1978 to cover housing projects in both urban and rural areas. In 1979, housing projects received 4.93 billion dinars to complete ongoing projects (Development, M.o.P.a.U., 1980, p. 80). Additionally, significant funds were dedicated to health, including the extension of water supply networks, sewage systems, public lighting, and electricity lines in rural and desert regions.

**Cultural and Educational Structure:** The government prioritized education and training programs, allocating 8.14 billion Algerian dinars in 1978 and 2.96 billion dinars in 1979 to complete the construction of schools, middle schools, secondary schools, and vocational training centers across the country (Development, M.o.P.a.U., 1980). These years witnessed a significant surge in the establishment of schools, particularly in rural and desert areas. Cooperation with friendly countries was also sought to improve the quality of education, training, and overall educational development.

**Political Structure:** During this period, the political structure experienced significant changes, including shifts in the ruling figures and alterations within the Central Committee of the National Liberation Front (FLN). The leadership and members of the Revolutionary Council were determined to implement profound reforms across political, planning, and management domains. These reforms aimed to establish a new era that critically assessed previous phases, seeking to regain popular support and bolster media and mobilization efforts for the new leadership. The intention was to conclude the tenure of the former ruling figures associated with developmental failures and ineffective policies, despite the substantial achievements in state and society. The expansion of the state's material base, the proliferation of projects, and the establishment of the political and administrative apparatus across the country and its regions were notable outcomes of this transition.

**2.3.4 Five-Year Plan (1980-1984):** This plan adopted a democratic approach, involving extensive consultations on its main outlines and broadening the base of technical and advisory participation through party structures and elected councils. The project was presented at an extraordinary party congress in June 1980 for approval (Belkacem, H.B., 1999a, p. 9). The collaboration between the state and the party was evident, with both rallying around the ambitious plan by employing regional planning methods for the implementation of new development programs and projects. This was the first five-year plan, marking a shift from the previously short-term planning cycles of three or four years to a more extended planning period.

Algeria leveraged its nascent experience in planning from previous periods, the expanded economic base, particularly advancements in manufacturing and agriculture, the adoption of new production techniques, and the broader political and administrative organization across all Algerian provinces. The plan was characterized by the features outlined in the table below:

**Table V.** Overview of the Five-Year Plan (1980-1984)

<b>Five-Year Plan 1980-1984</b>			
<b>New Approach in the Plan</b>		<b>Grassroots Participation in Plan Preparation</b>	
<b>Time Period</b>	Five years	Major Goals	Promotion of the Social, Economic, and Cultural Infrastructure Sector
<b>Total Cost</b>	560.5 billion DZD	New Technology	Regional Development

Source : (Belkacem, H.B., 1999a, pp. 9-11)

**Ideological Content of the First Five-Year Plan:** The central government and party structures pursued the continuation of the socialist approach but with new reforms inspired by practices in socialist countries. The new approach aimed to enhance effectiveness and overcome stagnation by introducing new concepts into the socialist model, such as diversification in industrial methods and transitioning to vital and scientific fields like chemicals and textile industries, alongside adopting research and study methods.

**Economic Content of the First Five-Year Plan:** The plan's ambitions expanded due to improved financing conditions, the availability of appropriate methods, and the experience gained by state agencies. Agricultural allocations increased to 59.4 billion DZD, representing 20% of the total costs and financial allocations for production sectors. New methods were implemented to develop and enhance the agricultural sector, including decentralization in management to support and encourage self-initiatives, improving agricultural production methods, and introducing mechanization. The expansion of the agricultural sector and the focus on it were supported by ongoing projects, the increasing demand for agricultural and animal products from families with rising incomes due to state investments, and the growing employment opportunities associated with the socialist approach that encourages abundant consumption.

**Table VI .** Agricultural Plan Indicators

<b>Agricultural Plan Indicators in Numbers</b>		
Investment areas	Financial allocations	Percentage
Irrigation and watering systems	30 billion DZD	<b>50.5%</b>
Plant and animal agriculture	23.9 billion DZD	<b>40.4%</b>
forestry	4 billion DZD	<b>2.6%</b>
Seafishing	1.5 billion DZD	<b>6.7%</b>
Total	59.4 billion DZD	<b>100%</b>

Source: (Belkacem, H.B., 1999b, pp. 10-21)

**Social Content of the Plan:** The social infrastructure was significantly strengthened in this plan, receiving the largest share of financial allocations, amounting to 186.39 billion DZD for various programs and projects related to housing, communal facilities, and health. Health alone received 28.19 billion DZD (Belkacem, H.B., 1999a, pp. 64-65), representing 15% of the total, aimed at establishing a healthcare system for the population and combating diseases, especially in remote areas suffering from a lack of services and essential resources. The objective of the first five-year plan was to bridge gaps and eliminate disparities between regions and states, achieving regional balance by promoting housing in high plateaus and southern areas, and developing all parts of the country while extending state institutions throughout.

**Political Content of the Plan:** The political ambition of this plan was notably high, aimed at satisfying the public's demand for development and various state services. It carried a strong social dimension, with the government and the Revolutionary Council implementing ambitious social programs that resonated well with the Algerian community. The plan also included mobilization and advocacy efforts, with a focus on leveraging the media to promote achievements and communicate public satisfaction across all states. Additionally, the political authority paid special attention to veterans by establishing 11 regional museums and creating memorials to engage and honor this group.

**Cultural Content:** The plan was rich with educational and training programs, focusing on the creation of schools and educational institutions while improving the quality of education through international cooperation. Additionally, it included the construction of two major mosques in Algiers and Oran, as well as over 30 other mosques across various districts and municipalities.

**Rural Community's Share of Development in the 1980-1984 Five-Year Plan:**

The state, through agricultural cooperatives and agricultural work committees, emphasized the need for training in agricultural production. Specialists were deployed across rural areas to provide scientific insights into agricultural techniques and production methods, offering specialized information. Additionally, the plan focused on irrigation and rural water networks by constructing natural dams to cultivate approximately 200,000 hectares of arable land, with around 20 dams planned at an estimated cost of 9 billion dinars. This effort was complemented by authorizations and interventions from agricultural authorities to drill wells and store water using traditional methods, such as water barriers in valleys and rural areas.

In forestry, “the plan addressed the expansion of the green belt to combat desertification, setting a target to reforest 600,666 hectares”( H .B. Belkacem, 1999a, p. 23).

Coastal rural areas received support for marine fishing programs, with a production goal of 80,000 tons of fish. The state also focused on housing in socialist villages and improving essential services to stabilize rural populations and counter rural-to-urban migration, allocating 92.5 billion dinars for various housing schemes.

### **2.3.5. The Five-Year Plan (1985-1989)**

During the Five-Year Plan from 1985 to 1989, Algeria's planning experience saw significant evolution and advancement as planning, implementation, monitoring, and evaluation bodies gained valuable field experience. This progress was particularly evident in the renewal of the planning system and the adoption of new working techniques. The plan incorporated annual sub-plans that enabled real-time and simultaneous monitoring and evaluation of various development processes impacting Algerian society, including rural communities. “The planning process embraced principles such as Annual Provincial Plans, which focused on provincial project execution; Institutional Annual Plans, which set objectives within institutions; and Annual Program Contracts, which defined and ensured the execution of specific programs according to the annual plans”( H. B. Belkacem, 1999b, p. 233).

**Ideological Content of the Plan:** In this Five-Year Plan, as with the first plan, Algeria adopted a socialist approach but with a more systematic scientific focus. The plan aimed to address the fundamental needs of society, reduce regional disparities, and concentrate on the social structure by enhancing consumption and striving for well-being, a noble goal for all socialist communities. The plan's primary objectives were twofold: first, to focus on irrigation and agriculture, recognizing agricultural development as both a productive sector and a strategic priority for meeting the growing food needs of Algerian families, driven by demographic growth and the economic stimulation from development plans. Second, the plan aimed to achieve regional balance and close the gap between rural and urban areas due to rural-urban migration seeking better living conditions and escaping the dire situations prevalent in rural and desert communities.

**Economic Content:** The Five-Year Plan had two economic dimensions. The first focused on internal strengthening by improving management methods and increasing efficiency in management and production. The second dimension involved adapting to external markets and controlling import-export dynamics to stabilize the Algerian economy and avoid shocks from international sources, particularly due to fluctuations in currency markets and the dollar. A total of 828.38 billion Algerian dinars was allocated, distributed as follows:



**Table VII.** Plan Quinquennal 1984-1989 : Investissements Stratégiques et Priorités Sectorielles

Five-Year Plan 1984-1989					
Investment areas	367.2 billion DZD	Agriculture and irrigation	115.42 billion DZD	Agriculture	54.70 billion DZD
Irrigation and wateringsystems	33.2 billion DZD	Housing and construction	8.5 billion DZD	Irrigation	60.72 billion DZD
Plant and animal agriculture	60.53 billion DZD	Public works	2.5 billion DZD	Housing	124.92 billion DZD
forestry	362.13	Industry and energy	8.8 billion DZD.	Education, Training and Health	23.96 billion DZD

Source:( H. Bencharif, 1988)

From the table, we can deduce the state's commitment to expanding the economic and social infrastructure, particularly in agriculture and irrigation. The plan aimed to extend the network of dams, especially in agricultural areas, by constructing more than 33 dams, with 16 currently under construction, capable of holding over 800 billion cubic meters of water (Ministry of Planning, a.U.D., p. 124) . This expansion is intended to irrigate more than 240,000 hectares of land. Additionally, there are ambitious projects aimed at achieving self-sufficiency in animal and plant products and other daily consumption goods resulting from the agriculture sector. The state also focused on developing institutions, aiming to increase their number from approximately 100 to 250 production and service institutions.

In the Five-Year Plan, social infrastructure allocations amounted to approximately 299.17 billion DZD, representing nearly 36% of total investments. These financial allocations were distributed as follows:

**Housing and Urban Development:** Investments aimed at integrating modern elements into new facilities, considering various environments, and emphasizing the aesthetic and cultural aspects of housing and construction (H. B. Belkacem, 1999a, p. 139).

**Healthcare:** The plan focused on healthcare institutions by establishing training and mobilization programs, creating preventive teams, training over 800 doctors and paramedics, and setting up institutions to produce medical and semi-medical products to reduce medication costs.

**Cultural Aspects:** The plan emphasized education and training by expanding programs for engineers, technicians, financial experts, managers, and other qualified professionals in new fields of knowledge. It also sought to increase the number of educational institutions at various levels, including universities and specialized institutes. Additionally, the plan aimed to enhance public media institutions and promote cultural and media cooperation with friendly and neighboring countries.

**Rural Community Development in the Five-Year Plan (1985-1989):** What distinguished this plan was its innovative approach to rural community development through regional planning, which would later become an effective means to achieve regional balance. This approach aimed to integrate distant and remote provinces, villages, and regions into the development process by providing infrastructure, constructing roads and pathways to overcome isolation, and incorporating these areas into the national community—a primary goal of national independence focused on achieving development and growth throughout the country. The plan considered population distribution across the north and south, cities, and rural areas, striving to achieve a balance in population presence through major objectives. First, it aimed to decentralize investment distribution, institutional development, and planning through provincial plans. Second, it sought to create growth poles by promoting industrial settlement in rural and remote provinces. Third, it focused on developing basic services across the nation through comprehensive planning and design, taking into account distance, geographic location, and demographic presence of the population.

#### **2.4 Evaluation of the Socialist Planning Phase of Development Plans (1967-1989)**

This phase is marked by Algeria's determination, post-independence, to apply a scientific approach to development, adopting the socialist model as an alternative to capitalism, which was then struggling with various issues. The phase represents a pioneering experience, particularly in transitioning from one stage to another by achieving necessary developmental accumulation through reliance on basic and foundational structures and smoothly establishing institutions capable of adapting and achieving goals. Notable progress was made in economic and social infrastructure, including the development of a considerable manufacturing base, especially in heavy industries, and a significant agricultural base considering the short time frame of the development plans. However, challenges arose, particularly due to reliance on oil revenues for financing, which, once hit by initial shocks, disrupted projects and programs. This dependency on financial resources, combined with a lack of technological advancement and reliance on foreign manufacturing and international markets, led to setbacks in development. Sectoral imbalances, such as currency exchange crises and fluctuations in oil and raw material prices, further destabilized planning efforts, which rely on a balanced and integrated system where disruptions in one area affect the entire plan.

**Opportunities and Constraints in the Socialist Approach:** Among the valuable opportunities achieved during this phase were the clear expansion of social and economic infrastructure, especially given the devastating legacy post-independence, and the growth of

manufacturing, particularly heavy industries, in line with socialist development principles. Agricultural reforms expanded cultivated lands and aimed to stabilize farmers and rural communities through socialist villages and associated infrastructure, including transportation, water, and electricity. However, the constraints included an overemphasis on manufacturing and heavy industries, which required substantial financing and large infrastructure that did not align with the realities of newly independent countries. These nations needed to gradually establish production bases within small and medium-sized enterprises that could integrate smoothly and ensure widespread participation, unlike large factories dependent on foreign technology and management. These factors negatively impacted development in Algeria and other Third World countries. Financial crises led to a contraction in manufacturing budgets and a reliance on predatory capitalist economies and international financial institutions, resulting in debt restructuring and austerity policies. This created a vicious cycle of debt and underdevelopment, increasing dependency and reducing opportunities for advancement.

**Table VIII.** The Path of Socialist Planning in Algeria

		Goals	Objectives	Means	Techniques	Achievements	Negatives	Ideology
<b>Phase of Socialist Planning</b>	Triple Plan	Management Control	Building state institutions	Skilled workers	Socialist planning	Management base	Mentoring	Socialism
	Initial Quadruple Plan	Building the physical structure of the economy	Focusing on the productive sector	Ministries	Industry	Economic structure	Neglecting farming	Socialism
	Second Quadrennial Plan	Taking care of the social structure	Regional balance	Training	Industrial investment	Social structure	Inefficiency	Scientific socialism
	Initial Five-Year Plan	Responding to the needs of society	Urbanisation and reconstruction.	Bringing in technical staff	Urban planning	Employment	Ineffective	Progressive socialism
	Second Five-Year Plan	Achieving well-being	Expanding the production base	Industrial poles	Territorial planning	Social Services	Dependency	Welfare state

**Firstly, Theoretical Insights:**

- From the above, we can conclude that the socialist approach in political and planning experiments was a decisive choice for the elite who led the country, using the guise of revolutionary legitimacy. This approach was influenced by the support of anti-colonial nations and responded to pressing social demands, such as the need to revive the structural foundations of Algeria's nascent economy and politics.
- The principle of public ownership of the means of production aimed to meet the basic needs of society and to address the challenge of agricultural productivity, which was crucial for achieving food sovereignty and security. The goal was to establish a manufacturing base to create products and provide job opportunities in light of the demographic increase resulting from improved living conditions and the social progress

from the dire colonial situation to post-independence stability. These factors influenced theoretical directions in development. Consequently, the theoretical orientation and knowledge model at the time focused on supporting economic growth rather than achieving true development. Development is a complex concept whose essence is self-reliance, which involves developing internal capabilities through strong will. This contrasts with the political and economic reality dominated by foreign expertise, especially under the Soviet model and other countries that adopted what is known as scientific socialism.

### **Empirical Insights:**

- This period is characterized by the establishment of a centralized authority from the top down, in a hierarchical and highly centralized manner, with decisions flowing from the top to the base. There was a lack of specialized knowledge at the grassroots level and a void in the social support for the elites who had been educated in colonial schools. This created a conflict that led to stagnation and ineffectiveness in the programs and projects outlined according to the development planning mechanism. Ultimately, these efforts turned into mere administration or budget expenditure instead of planning to build community capacities. Additionally, social participation diminished, reducing it to mere client-master relationships, and in some cases, the development model simply became a matter of raising demands and needs, met with mere responses and distribution of resources to maintain power and stability.
- There was also a noted lack of realism in the plans aimed at fostering developmental dynamism. In some regions of the country, these plans amounted to mere expenditure of funds or waste of resources.
- The overlap in responsibilities led to modifications and dilution of projects due to a lack of cohesion and alignment between various state organs and sectors, indicating a lack of integration and consistency in the plan's measures.
- The technocratic tendency turned many projects and programs into dry developmental and economic forms, lacking the necessary social spirit that constitutes the social support for the programs and projects, vital for their success.
- The instability within state institutions, especially among technicians and theorists, along with the absence of an objective scientific perspective based on field

research and empirical discoveries to study different cases across the nation, and the reliance on personal whims and narrow regionalism, resulted in a failure to achieve developmental accumulation, leading to the squandering of assets and resources, and rendering the projects and programs economically and socially ineffective.

- The distribution strategy fostered a dependency culture, where society relied entirely on government generosity, perceiving it as a right without regard to responsibilities.
- Some achievements were realized in terms of structural and material bases, due to the substantial expenditure on establishing institutions and public structures that were important and somewhat necessary. If these achievements had been utilized in a scientifically planned and systematic manner, they could have laid the foundations for creating additional institutions and investments in a cumulative and developmental trajectory, thus achieving the necessary developmental accumulation and optimizing effort and time.

### **3. Discussion**

The discussion of Algeria's post-independence development strategy reveals both successes and limitations in its approach to building a socialist economy and society. The historical context provides a vital backdrop for understanding the challenges Algeria faced after gaining independence in 1962. The country's economic and social structures were deeply influenced by colonial exploitation, leaving behind a legacy of poverty, underdeveloped infrastructure, and social inequality. The nationalist leadership's decision to pursue socialist policies was rooted in a desire to overcome these legacies and create a self-sustaining national economy.

However, while the socialist development model aimed at industrialization, land reform, and nationalization, its implementation often faced significant obstacles. One of the key challenges was the over-reliance on oil revenues. Algeria's dependence on hydrocarbons made it vulnerable to fluctuations in global oil prices, which disrupted planned economic growth and hindered long-term development. The leadership's vision of self-sufficiency was thus undermined by the country's inability to diversify its economy beyond oil, leaving it exposed to external economic shocks.

Moreover, the socialist model's emphasis on centralized planning and state ownership, although initially designed to build national infrastructure and reduce inequality, led to

inefficiencies in the management of resources. The top-down approach to decision-making created a disconnect between the government's plans and the actual needs of local populations. While there were notable achievements in sectors such as infrastructure, education, and housing, the lack of grassroots participation in the development process meant that many projects failed to align with local realities. The absence of a robust feedback mechanism from the population also resulted in misallocation of resources, as projects often ignored the social dynamics and economic conditions at the local level.

The ideological commitment to socialism further shaped the nature of Algeria's development. While the government was committed to meeting the basic needs of society, such as food, shelter, and education, this approach was not always aligned with the country's actual developmental needs. The reliance on foreign expertise, often from socialist countries, created a situation where Algeria's development was shaped by external models that did not always suit local conditions. This reliance on foreign technology and management contributed to inefficiencies and limited the country's capacity to build indigenous expertise and self-reliance.

In terms of political outcomes, the centralization of power and the dominance of the ruling party in decision-making processes often stifled political and economic competition, leading to a lack of innovation and a bureaucratic inertia. This stagnation contributed to the country's challenges in adapting to changing global economic conditions and internal social dynamics.

Despite these challenges, the period between 1967 and 1989 did yield some positive outcomes, particularly in the areas of education, infrastructure, and industrialization. The state's investment in these sectors laid the groundwork for future economic activities, even if the model itself was not sustainable in the long run. The creation of a national industrial base, the expansion of public services, and the improvement of living conditions in some urban areas were important milestones. However, the full realization of comprehensive national development remained elusive, as the country struggled with the contradictions of a centralized, state-led economic model.

The long-term impact of Algeria's socialist planning phase thus presents a complex picture. While infrastructure and industrial growth were achieved, the reliance on a narrow range of industries, centralized decision-making, and external expertise limited the overall success of the model. These challenges, compounded by the volatility of the global oil market and the absence of true political participation, prevented the socialist planning phase from fully realizing its developmental goals.

## Conclusion

The analysis of Algeria's five-year plans from 1967 to 1989 reveals that, despite the ambitious goals of the socialist approach to enhance economic and social development, it faced significant challenges. Notable efforts were made to develop infrastructure, increase agricultural productivity, and boost industrialization. However, centralization in decision-making, a lack of specialized expertise, and excessive reliance on oil revenues led to weak execution and resource management issues. Additionally, the focus on heavy industries neglected local development needs and adaptability to changing conditions. The lessons from this period highlight the importance of balancing central planning with local implementation and ensuring policy flexibility to effectively address future challenges.

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