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ALGERIA: IS THERE A WIND OF CHANGE AFTER THE ELECTIONS OF 2017 AND THE REVOLUTION OF 2019?

АЛЖИР: ЧИ БУДУТЬ ЗМІНИ ПІСЛЯ ВИБОРІВ 2017 РОКУ І РЕВОЛЮЦІЙНИХ ПОДІЙ 2019 РОКУ?

АЛЖИР: БУДУТ ЛИ ПЕРЕМЕНЫ ПОСЛЕ ВЫБОРОВ 2017 ГОДА И РЕВОЛЮЦИОННЫХ СОБЫТИЙ 2019 ГОДА?

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Abstract. *The top oil and gas producer Algeria with a huge land area is of strategic importance for Europe because of the proximity to this continent. However, this country remains frozen in time with undeveloped oil-dependant economy, considerable state subsidies and omnipresent security apparatus. Being surrounded by unstable Tunisia, Libya, Niger, Mali, and by regional adversary Morocco, Algeria has no choice but to devote considerable funds to defense purposes. It is important to state that such budget allocations were acceptable when international prices of crude oil were substantial. Now, in order to fulfill various social obligations, the government has to use extensively forex reserves. The former President Abdulaziz Bouteflika had been ill since 2012 and the country was clandestinely ruled by the alliance of his brother Said, Bouteflika, party leaders of National Liberation Front and the military brass. Today after the People's revolution of 2019 they have to make a choice – to continue with the current policy of de-facto military rule and face another revolution or slowly liberalize from the top. The author makes an attempt to analyze how Algeria is trying to cope with the most recent challenges without major reforms.*

Key words: *Algeria, Morocco, the Russian Federation, China, subsidies, oil and gas, military spending, pipeline, reforms.*

Анотація. *Алжир із колосальною площею території має важливе значення як виробник нафти і газу, адже він розташований поруч із Європою. Однак ця країна продовжує існувати ніби у минулому, будучи недостатньо розвинутою і покладаючись на енергоносії, субсидії для широких верств населення та на потужний безпековий апарат. Перебуваючи в оточенні нестабільних Тунісу, Лівії, Нігеру, Малі і головного регіонального суперника Марокко, алжирська політична еліта не має іншого вибору, окрім як*

продовжувати політику значних оборонних видатків. Але варто зазначити, що вона могла витратити ці кошти без обмежень, коли ціни на нафту на світовому ринку були високими. Нині для того, щоб виконати соціальні зобов'язання, уряду доводиться робити значні запозичення з золотовалютних резервів. Колишній Президент Абдулазіз Бутефліка мав низку серйозних захворювань з 2012 р., тому країною від його імені фактично керували його брат Саїд Бутефліка, партійні функціонери Фронту Національного Визволення, а також впливовий генералітет. Після революції 2019 р. вони повинні зробити вибір: чи продовжувати нинішню політику і провокувати цим самим ще одну народну революцію, чи здійснити повільну лібералізацію політичного та економічного життя власними силами. У своїй статті автор з'ясовує, як Алжир намагається впоратися з різноманітними викликами без проведення докорінних перетворень.

Ключові слова: Алжир, Марокко, Російська Федерація, Китай, субсидії, нафта та газ, видатки на оборону, трубопроводи, реформи.

Анотація. Алжир с колоссальной площадью территории имеет важное стратегическое значение как крупный производитель нефти и газа на севере Африки, который расположен недалеко от Европы. Однако он продолжает существовать как бы в прошлом, будучи относительно отсталой страной и опираясь на энергоносители, субсидии для широких слоев населения, а также на мощный аппарат госбезопасности. Находясь в окружении нестабильных Туниса, Ливии, Нигера, Мали и своего главного геополитического соперника Марокко, Алжир не имеет иного выбора, кроме продолжения политики существенных бюджетных расходов на оборону. Но следует подчеркнуть, что страна могла использовать средства без ограничений, когда цены на нефть на мировом рынке были высокими. Ныне для того, чтобы выполнить свои социальные обязательства, она должна заимствовать ресурсы из золотовалютных резервов. Президент Абдулазиз Бутефлика был тяжело болен начиная с 2012 г., поэтому страной от его имени управляли брат Саид Бутефлика, партийные функционеры Фронта Национального Освобождения, а также влиятельный генералитет. В конце концов, они должны сделать выбор – или продолжать нынешнюю политику и провоцировать этим самым еще одну народную революцию, или осуществить постепенную либерализацию политической и экономической жизни «сверху», собственными силами. В статье автор пытается ответить на вопрос, как Алжир может справиться с различными вызовами без осуществления важных преобразований.

Ключевые слова: Алжир, Марокко, Российская Федерация, Китай, субсидии, нефть и газ, расходы на оборону, трубопроводы, реформы.

The current problem. Algeria is the largest African country with considerable oil and gas deposits. However, as the rest of North African neighbors, it faces challenges of prevailing and inefficient state economy, restless young and unemployed population, the necessity of food import in huge volumes and the omnipresence of military officers in public life. Algeria that had experienced a violent civil war between 1992 and 2004, luckily avoided the events of the “Arab Spring”, but people are impatiently waiting for radical political and economic reforms from the old establishment. Are the Parliamentary elections of 2017 and subsequent People’s Revolution that brought down only President Abdulaziz Bouteflika and his inner circle can be considered a game-changer or the situation will remain the same?

The author believes that oil-rich Algeria, where ruling elite created a vicious circle of subsidies and overwhelming reliance of the population mainly on state employment, should immediately undertake the number of liberal reforms in the fields of mining extraction, oil industry, agriculture and tourism (visa regime) in order to attract international investors and remain competitive in comparison with Morocco.

The aim of the article – to find out why since 1962 Algeria is ruled by the same political elite, what are the main internal and external regional consequences of this and what is the capacity to change.

The analysis of the latest publications. The sources of information, accessed by the author, are derived from regional mass-media outlets “*African Business*”, “*Med Africa Times*”, “*The North Africa Post*”, “*Middle East Monitor*” and “*Al-Monitor*”. Several Ukrainian writers like P.Bovsunivskiy, I.Krasnyuk, V.Makuh and S.Troyan devoted their scientific works to the issues of the «Arab Spring» or to the policy of the EU towards the Maghreb in general, but did not pay particular attention to Algeria as a separate country. The Russian scientist *E.Bogucharskiy* claims that in 2001 Algeria became the very first strategic partner of the Russian Federation among all Arab countries and since 2006 both sides intensified their military cooperation, what led to considerable expenses of Algerian budget [*Bogucharskiy*, 2008: 123-136]. *M.Kurakin* points out that during the “Arab Spring” A.Bouteflika cancelled the state of emergency that has been in place since 1992 as well as import duties for essential goods. Those measures were necessary to calm down the situation, but low oil and gas prices may endanger the stability of the country in the long run [*Kurakin*, 2016]. On the other hand, there are no scientific works on the post-Soviet space that provide a comprehensive overview of Algeria’s foreign and internal policies.

The text of the article. Algeria is the largest country in Africa with a land area of 2,38 million square kilometers. Many inner districts are occupied by lifeless sands of the Sahara Desert and the hills of the Atlas Mountains. It shares borders with all state actors of North Africa with the exception of Egypt, and strategically situated to sell oil and gas straight to southern regions of Europe. With 41,7 million residents Algeria is competing for the sake of regional leadership with the neighboring Kingdom of Morocco [3].

The country is characterized by significant Berber minority, since at least 13 million citizens are Berbers that speak Tamazight. In 2002 it was adopted as the national language of the Republic and introduced in schools. Later, in 2016 the Parliament proclaimed Tamazight as the official mean of communication on a par with Arabic for the use in state documents and governmental institutions [4].

Algerian economy heavily relies on the export of gas and oil. Those commodities account for the lion’s share of state revenues and totally dominate in foreign trade. The country remains the third largest supplier of gas to Europe after the Russian Federation and Norway. In 2018 it sent abroad 51,5 billion cubic meters of natural gas [5]. Moreover, Algeria was the first in the world to export LNG commercial cargo following the opening of the “Arzew” plant in 1964 and today such type of gas transportation provides a great flexibility. During the same year British ship “Methane Princess” for the first time carried Algerian lignified gas from the port plant “Camel” in Algeria to Great Britain and thus introduced a new epoch in the world of energy [6]. Today Algeria is only world’s 9th largest exporter of LNG with 10,3 million tones, since it is located too far away from the top East Asian markets of Japan, China and South Korea [7].

Algeria also possesses some 12,2 billion barrels of crude oil. Hassi Messaoud in the East is the most promising area in the country, since it provides the largest share of production and directly supplies the largest oil refinery “Skikda” with the capacity of 355 thousand barrels per day. This is important, if to take into consideration that together all six refineries of Algeria produce oil-related products from 651 thousand barrels of crude oil. In general, in 2018 local and foreign corporations extracted some 1 million barrels per day and sent abroad 571 thousand barrels [8].

The biggest African state company is Algerian “Sonatrach” with 120 thousand employees. It was created in 1963 in the wake of the independence and today controls 80 per cent of oil and gas production in Algeria. Under local law, this enterprise should be the owner of 51 per cent stake in joint ventures, while foreign multinationals are responsible for exploration, initial drilling of oil rigs and construction of pipelines as minor partners [9]. As a result, there are a number of Western, Russian, African and Chinese companies in this field of economic activity, but they are only assistants of “Sonatrach”.

Agriculturally Algeria can be divided into two zones: northern coastal plain with a mild Mediterranean climate and hot windy lands of stony Sahara to the South that are not suitable for cultivation with predominantly date palm trees growing in a few desert oases. Both wheat and barley are grown mainly in northern regions, but only 3 per cent of land area of the whole country is arable, what defines the need to import the foodstuff like beef, milk and grains at a large scale [10].

Algerian soils are saturated with phosphates, iron ore, limestone and clay, but only phosphates represent the most promising mineral, because they are found in abundant North African belt that includes Morocco and Western Sahara. The reserves exceed 5 billion tones and agricultural countries like India, China and Indonesia are interested in this rock that is crucial for the development of agriculture [11].

Shockingly enough, Algeria, situated so close to Europe, does not develop international tourism. The old town of Algiers, known as Kasbah, was declared a World Heritage site by UNESCO in 1992 because of the concentration of traditional old white-washed houses and mosques on the mountain near the Bay. There are also some French white colonial buildings in two central streets running parallel to the coast of the capital. Some important Roman ruins in Tipaza, Timgad and Djemila are also worth visiting outside Algiers. The historic city of Ghardaia located 600 kilometres to the South from the coast is regarded as “The Door of the Desert” and entry point to several traditional fortified towns in M’zab valley known as ksours. In general, 6 cultural and one mixed zone in this country are under the protection of UNESCO organization as World Heritage sites [12].

Despite this, tourist industry of Algeria is suffering because of several factors. The civil war of 1992-2004 forced international tourists to stay away from the most dangerous country in the region. Subsequent events of the “Arab Spring” of 2011 in neighbouring Libya and Tunisia also added to a bad publicity of North Africa. Because of the “oil curse” and reliance of growing population on the state employment, Algeria, like many other oil-dependent countries in developing world, has failed to create a vibrant and competitive private sector of owners of small and medium hotels. As a result, it is next to impossible to find a decent private accommodation with a moderate price. The country with 100,000 available rooms attracted only 2,7 million tourists in 2017 [Doggrell, 2018]. The data for 2018 is not available. As we all know, in 2019 Algeria faced another revolution, what hindered the development of this industry even more.

Moreover, from the personal experience one should say that Algeria practices a restrictive visa regime because of hostile neighbors and the threat of Islamic fundamentalism. French language is the most popular in the country and only some people speak English. The official exchange rate of convertible currencies to Algerian Dinar remains unfavorable and many tourists are trying to get local currency at black market. As a result, foreigners are visiting in hordes Morocco and Tunisia, but stay away from more striking Algeria.

Despite all this, Algeria enjoys one of the largest defence budget in Africa, which exceeded in 2018 9,6 billion dollars. Simultaneously the main regional competitor Morocco allocated a modest amount of 3,5 billion [14]. Why to spend so much while the country is suffering from numerous economic problems? Back in 2011 NATO-led military campaign in Libya created the instability in the region with bordering countries of Egypt and Algeria as the main victims of it. The weaponry of Muammar Qaddafi’s armed forces were robbed by different militant groups and smuggled to the rest of the Maghreb. Southern neighbours of Algeria Mali and Niger are considered the hotbeds of Islamic fundamentalism. As a result, a tense geopolitical situation forces Algerian leadership to keep numerous forces in border areas. Moreover, the defence budget is likely to remain at the same level, since this country continues to compete for the sake of regional leadership with Morocco.

Considerable oil prices on the world market in 2003-2014 helped Algeria to amass the largest currency reserves in Africa. However, the subsequent drop in the value of energy commodities in 2014, unabated population explosion and the need to finance a huge security apparatus along with regional arms race forced the political leadership to spend heavily in order to save the stability of the country. Back in 2014 Algeria boasted 193 billion dollars of forex reserves,

but in March of 2019 this amount was equal only to 75 billion dollars [15]. The value of national currency Algerian Dinar also continues to decline at a quick pace because of the growing trade deficit and decreasing reserves of Central Bank.

So, what is the mystery of relative political stability in Algeria and the absence of regime change after the “Arab Spring” that was typical for the country until 2019? Probably the painful experience of “Dark Ages” of civil war of 1992-2004 with 200,000 casualties, a huge and omnipresent state security apparatus along with generous food and gasoline subsidies temporary left Algeria out of trouble. Algerian police force with 209,000 members was among the largest in the world and even exceeded the French counterparts that fielded 143,000 policemen or Morocco’s police apparatus with 46,000 law-enforcers [Gustafsson, 2016].

Moreover, the former President Abdelaziz Bouteflika, who also was a legendary Minister of Foreign Affairs of the post-colonial Algeria, was widely respected by population for the peaceful settlement of civil war. Till the second of May of 2019 he served his record fourth term despite the stroke in 2013 and inability to move on his own. His younger brother Said was considered the force behind the throne to reckon with. The majority of state positions in Algeria were occupied by the representatives of the “old guard” – politicians, who carried out the struggle for independence from France. During Parliamentary elections of 2017 the National Liberation Front together with allies won 261 seats out of 462, what allowed the ruling political party to continue the current policy of regime’s conservation [17]. But the dissatisfaction of the population kept growing. In August of 2019 the country celebrated 25th week of mass protests, because local people are demanding the release of all political prisoners, the disappearance of generals from political life as well as free and fair elections of the President [18].

The protesters are emboldened by a sudden victory of national soccer team in Africa Cup of Nations in July 2019, what forced much more young people to take to the streets in order not only to celebrate this historic event, but also to demand the change of regime and to protest against rising levels of unemployment [19].

In regional dimension Algeria has the most important bilateral relations with Morocco. During the Cold War Algerian political elite tried to project the influence via Non Alignment Movement (NAM) and was relatively hostile towards France and the USA – the oldest ally of Morocco since 1777 [20]. Moreover, as it is widely known, Algerian leaders traditionally supported the liberation movement of Western Sahara “POLISARIO”, probably believing that independent Saharan state would be in the position to provide Algeria with a direct link to the Atlantic Ocean, substantial deposits of phosphates and rich fishery grounds in cold waters of the Canary Current.

Both neighbours share 1559 kilometres of borders that are closed to traffic since 1994, when Morocco introduced a temporary visa regime for Algerians after the bombing of “Atlas Asni” Hotel in Marrakesh and Algerian leadership replied by shutting down border passes [21]. The Arab Maghreb Union (AMU), created in 1989 in order to promote regional integration, does not function efficiently because of the tensions between Morocco and Algeria as well as Egypt’s geopolitical orientation towards Europe, the Middle East and relations with Ethiopia. As a result, the volume of trade exchange in North Africa constitutes only 3 per cent of the global trade of AMU members [Abinader, 2017]. In general, Algerian leadership is afraid of competition from more diversified economy of Morocco that is famous as a giant site of outsourcing for European factories.

The former President Abdelaziz Bouteflika also accused Moroccan side of turning a blind eye towards the pressing issues of hashish proliferation from the Rif Mountains to Algeria as well as smuggling of Algerian gasoline to oil - poor Morocco and tourist hotspot Tunisia. Algeria probably loses 2 billion dollars a year due to the contraband, since the price of gasoline is heavily subsidized for Algerian consumers and market-free in Morocco and Tunisia. It is estimated that 600 thousand cars in both neighboring countries are running on smuggled Algerian petroleum [23].

Such a long-lasting hostility causes the arms race between neighbours. Along with Egypt and Tunisia, Morocco is the one of three major non-NATO allies of the USA on the continent, and therefore heavily relies on sophisticated American weaponry like some 200 “Abrams” M1A1 main battle tanks as well as 24 F-16 “Block 52” fighters [24].

In order to win the arms race with Morocco, Algeria developed a special relationship with the Russian Federation that remains the principal supplier of tanks, attack helicopters and fighter jets. Back in 2010 Russia sold 185 tanks T-90SA with “Shtora - 1” jammers and in 2014 both sides agreed to assemble additional 200 tanks T-90SA in Algeria. As a result, the country became the second largest foreign operator of T-90s in the world only after India. The Russian leadership also agreed to write off 4,74 US billion debt, inherited by official Algiers from the Soviet Union, in order to help this African country to purchase expensive Russian military hardware in increased numbers [Saunders, 2015].

Moreover, Algerian army has ordered 1500 units of the best Russian anti-tank laser-guided missiles “Kornet”-EM that may prove extremely dangerous for relatively outdated Moroccan «Abrams» tanks. 28 vehicle-mounted “Kornets” on the chassis of «Tiger» vehicles were also delivered and more are expected. «Tiger» jeeps with the top speed of 125 km per hour are suitable for the warfare in the desert and will introduce a high maneuverability in combat situations against heavy American tanks [26].

In order to improve the security of unstable borders, tens of advanced Russian helicopters Mi-28NE “Night Hunters” were also purchased. Thus Algeria and Iraq are considered early international customers of the Mi-28NE helicopters with confirmed orders of 42 “flying tanks” for Algerian side. The advertisement of the capabilities of those machines was made during the civil war in Syria and they can be used against tank formations, what in principle can contain Morocco [27]. It is known that such helicopter with 30-mm cannon is capable of carrying laser-guided air-to-ground missiles and can be useful in patrol missions in desert areas near borders of Libya, Tunisia, Niger and Mali. It will add to the firepower of Algeria that already uses some 35 Mi-24 helicopters [28].

In the diplomatic field Moroccan King Hasan II made life harder for himself with the occupation of Western Sahara in 1975 and today the African Union considers the question of the status of this territory as the last unresolved colonial problem in Africa. Therefore Morocco was relatively isolated on the continent with influential Algeria and South Africa deadly set against the return of official Rabat to the ranks of the African Union (AU). However, quite unexpectedly King Mohammed VI succeeded in bringing the country again to the ranks of the organization in 2017 after 33 years of absence. Historically the majority of Moroccan FDI went into Africa and Moroccan ports were considered as convenient middlemen for transit trade of African countries with Europe, what to some extent explains this sudden move of the AU [Lamin, 2017]. The same is true for Moroccan airport of Casablanca that is widely known as a major hub of flights between West Africa, where local airlines are understaffed and represented by only several narrow-body jets, and Europe. With 9,7 million passengers or 43 per cent of all visitors handled in the country in 2018, the airport is considered the most important transit zone for international flight passengers in Morocco [30].

Moreover, “The Phosphate Diplomacy” also played the key role in this process, since the Kingdom invests considerable funds into the construction of huge fertilizer plants in influential African countries and Moroccan fertilizer company “OCP” controls subsidiaries in 14 state actors on the continent. Morocco with 70 per cent of world’s share of phosphates is well placed to assist agricultural revolution in Africa, where economies remain traditional and too many people are working in the fields [31].

However, aforementioned factors do not mean that Algeria and Morocco are totally hostile towards each other. For example, Morocco provides the transit of the “blue fuel” to Spain and Portugal, because the country is situated geographically closest to Europe in Africa with only 14 kilometres broad Gibraltar Strait dividing both continents. This “Maghreb - Europe” project was introduced in 1996 and today supplies the gas with the help of 1400 kilometres long pipeline from Algeria to Spain via Moroccan waters of the Strait of Gibraltar, connecting Spain, as a major customer, and Portugal, as a minor one, with Hassi R’Mel gas field. 539 kilometres of pipelines are situated in Morocco [32]. The Kingdom gets 500 million cubic meters of gas as the payment for the transit, what constitutes around 50 per cent of annual local consumption. The agreement expires in

2021 and all sides are eager to prolong it [33]. The Kingdom remains an attractive destination for Algerians that lack the access to relatively cold and dark-green waters of the Atlantic Ocean and live in rocky areas near Algerian capital, where beaches are limited. However, the official statistics concerning tourist traffic between both countries is not available.

In order to remain competitive against Morocco, Algerian political elite needs a rich sponsor, capable of financing and implementing different economic projects. China is free of political considerations and negative colonial history in Africa and thus suited to contribute to Algerian development. In 2014 both countries proclaimed Comprehensive Partnership in order to highlight the celebration of the 55th anniversary of the establishment of diplomatic ties and in 2018 China was considered the largest trade partner of Algeria with the volume of bilateral trade exchange exceeding 9,1 billion dollars [34].

The PRC has become the principal trade partner of Algeria, since it strives to dominate in the economy of the largest state actors on the continent. At the same time, the relations with official Beijing are important to Algerian leadership in several other respects. *First*, as it is widely known, this Asian giant has the cheapest steel and aluminium and accounts for the lion's share of their global production. Algeria, as the country with extensive housing program for young and restless population, constantly requires the products of metallurgy. *Second*, considerable Chinese funds can be useful for Algerian economy in times of low oil and gas prices, since Chinese companies have a profound expertise in the field of construction of railways, ports and even religious buildings in Africa. Moreover, it is important to take into consideration the unfavourable business climate of Algeria for private investors from the US and Western Europe that forces the country to heavily rely on Chinese state investments. Finally, China – is the world's top provider of tourists and Algerian authorities know that Chinese citizens are unlikely to cause any security problems.

As it happens often in developing world, the Chinese leadership is engaged in a charm offensive, connected to construction of symbolic buildings. For example, back in 2012 it donated 40 million dollars for the first Opera House in Algeria for 1400 spectators. This venue also can be used for musical concerts and other cultural events and represents an important symbol of bilateral friendship [35]. Moreover, in 2012 “China State Construction Engineering Corporation” commenced the construction of a huge Mosque “Djamaa El Djazair” in al-Mohammadiya coastal area of Algiers, intended to create the building of more grandeur than famous Mosque of Hasan II in Casablanca (Morocco) for 100,000 people. This religious building is spacious enough to host 120,000 devotees and the library with one million books [36]. Today visitors, travelling from International airport of Algiers towards the city centre, can see this giant of architecture near the Bay of Algiers. The construction of the world's third largest Mosque was completed in the spring of 2019 and significantly improved the profile of Chinese corporation. The most unusual part of the mega structure is the minaret that is 265 meters high and is taller than the one in the Mosque of Hasan II [37]. For Chinese leadership the project of such scale and religious importance is an excellent opportunity to display the sophistication of own construction industry and attract new customers from Africa.

The strategic port El - Hamdania in Cherchell is situated 50 kilometres to the West from the capital of Algeria and should become the adversary of Mediterranean port Tangiers in Morocco with 23 docks and the capacity to handle annually 6,3 million standard containers (teu). The project cost exceeds 3,3 billion dollars and it is underway since 2017 with the assistance of both “China Harbour Engineering Company” and “China State Construction Engineering Corporation” [38]. All countries of the Maghreb are participating in port race and Algeria is not an exception. By constructing such a mega object the country is likely tries to lure the cargo traffic away from Moroccan port Tanger - Med.

China also provides relatively cheap ships for navy. Back in 2015 and 2016 Algeria received 3 multipurpose 120-meters long C28A-class guided-missile corvettes with “stealth” design that were made in Shanghai. The 2,800-tonne vessels are armed with domestically developed 76 mm naval gun, anti-ship missiles and modern French radar. Along with 6 frigates MEKO A-200AN

from Germany that were ordered in 2012 and partly delivered to the country, C28As will serve as the backbone of Algerian navy [39].

Chinese companies are increasingly called into action in order to create affordable social housing to Algeria, what is needed in order to appease young and restless population. By 2017 they provided their customers with 250,000 houses [40].

Conclusion. Oil-rich Algeria became the hostage of fluctuations of global oil prices and unfavorable geopolitical location in the region of the Maghreb, which led to the lowest levels of trade interchange inside Africa and constant threat of terrorism. The dependence of this country with the same political elite (legitimate as the heroes of independence from France) on Russian weapons, Chinese credits and traditional trade of rentier state with Spain, France and Italy also define the lack of flexibility in the field of regional foreign policy. Algeria should cut military expenses and limit funds for symbolic projects, concentrating instead on liberalization of restrictive economic regime, creation of numerous small and medium enterprises, luring of foreign direct investments in promising fields of mining, agriculture, industry and services. So far, in “Index of Economic Freedom” of 2019 this country occupied the 171st place in the world [41]. At the same time, in “Doing Business 2019” Algeria can be seen at the position № 157, what means that a lot of work should be done in the future [42].

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