

## Africa Report by Jacques Cheminade

### Good luck to Sid Ahmed Ghozali

*After the uprisings Algeria has a new government, and France is posed with a great positive challenge.*

In the political storm which has been unleashed in Algeria, the naming of Sid Ahmed Ghozali to head the government brings a glimmer of hope. We followed closely his efforts during the Gulf war and noted the courage and clarity of his language on the world dictatorship of the Bush administration. A person of integrity and determination finds himself at the helm of his country, a rare occurrence in today's world.

Frankly, we won't regret the departure of Mouloud Hamrouche. Too much given to compromise and playing by the rules of the international game, he contributed to Algeria's present crisis.

While free elections were, and still are, needed, it was insane to set out on the road to democracy while applying social austerity and financial deregulation policies. No wonder the International Monetary Fund's experts hailed the Algerian government's efforts to "de-bureaucratize" the economy. While avoiding formal passage into the IMF's clutches, the Hamrouche government independently submitted to its precepts: 70% devaluation of the dinar, dismantling of the state sector, slashing of living standards, promotion of the service sector.

In these conditions, a social base was created for the Islamic Salvation Front (FIS), the battalions of young unemployed and outcasts who made up the hard core of the protesters. Moreover, with the state under control of his National Liberation Front (FLN) party, Hamrouche allowed free

rein to the very religious fanatics whom his own austerity measures were riling up, and prevented the emergence of any other political force. Algerians have been faced with a frightful choice: FIS or FLN. In fact, after the FIS won municipal elections of June 1990, Hamrouche even mooted the idea of joint rule with the fundamentalists.

We hope that with Ghozali, the disastrous neo-liberalism, and the "sorcerer's apprentice" policy buried.

Algerians are fighters, and they are itching for a clear-cut fighting policy. They are set to unite behind a policy of social justice and resistance to the new financial, "free market" oppression, free of the weight of an incompetent, niggling bureaucracy which was so alien to the new generation's hopes.

Democracy must be the goal, but to do what? To strengthen—not to keep weak—an Algeria which is resuming its fighting role among the countries of the South for a new world economic order, opposed to Bush's new world order. France ought to support this kind of Algeria, which means helping it to recreate the conditions for economic success.

In the short term, this means French banks should back the new government. An official French spokesman should quickly disavow the proposal of Michel Bernard, the Algerian "risk analyst" at the big French bank Crédit Lyonnais, who asks that the French banks block a year-old project to renegotiate part of the Algerian debt "in this new context."

Over the medium term, France has to back, against Saudi Arabia and the Gulf petro-monarchies, which finance FIS and its free market co-thinkers, Algeria's decisions on a price of oil which will allow development. The much-touted Algerian debt is only \$27 billion, about 60% of the national wealth, and the most problematic payment deadlines over 1989-95 would only be a minor problem if the price of a barrel of oil were over \$23. Oil for development must be the tool of mutually beneficial technology transfer, North-South and South-South, not a spur to speculation.

For the longer term, France should get to work, with its European partners, notably Germany, on major infrastructure projects which could stimulate the entire Maghreb economy. The project of greening the Sahara Desert—or at least stopping its spread—must be resumed in a rational manner, with all the needed feasibility studies, along with a bold policy for exploiting land and raw materials.

These infrastructure projects will define the space within which free enterprise can really manifest itself, whereas today, in conditions of financial contraction, it is not free enterprise which is emerging, but short-term speculation.

This political vision will make it obvious that Algeria is underpopulated. Today's overpopulation is not an objective fact, but the result of non-development, especially of the interior, and the concentration of people in the coast areas.

Finally, France must help Algeria to recover its memory. The French government would do itself an honor by turning over to Mr. Ghozali's government the Algerian historical archives still held in France, so that Algeria can consciously integrate the French and Berber contributions in a work of common enrichment.