INFORMATION TO USERS

This manuscript has been reproduced from the microfilm master. UMI films the text directly from the original or copy submitted. Thus, some thesis and dissertation copies are in typewriter face, while others may be from any type of computer printer.

The quality of this reproduction is dependent upon the quality of the copy submitted. Broken or indistinct print, colored or poor quality illustrations and photographs, print bleedthrough, substandard margins, and improper alignment can adversely affect reproduction.

In the unlikely event that the author did not send UMI a complete manuscript and there are missing pages, these will be noted. Also, if unauthorized copyright material had to be removed, a note will indicate the deletion.

Oversize materials (e.g., maps, drawings, charts) are reproduced by sectioning the original, beginning at the upper left-hand corner and continuing from left to right in equal sections with small overlaps. Each original is also photographed in one exposure and is included in reduced form at the back of the book.

Photographs included in the original manuscript have been reproduced xerographically in this copy. Higher quality 6" x 9" black and white photographic prints are available for any photographs or illustrations appearing in this copy for an additional charge. Contact UMI directly to order.

UMI®

Bell & Howell Information and Learning 300 North Zeeb Road, Ann Arbor, MI 48106-1346 USA 800-521-0600

THE UNIVERSITY OF CHICAGO

ECONOMIC DISCOURSE IN ALGERIA AND ITS COUNTER-PRACTICES

A DISSERTATION SUBMITTED TO THE FACULTY OF THE DIVISION OF THE SOCIAL SCIENCES IN CANDIDACY FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

DEPARTMENT OF POLITICAL SCIENCE

BY

DEBORAH HARROLD

CHICAGO, ILLINOIS

AUGUST 1999

UMI Number: 9943073

Copyright 1999 by Harrold, Deborah L.

All rights reserved.

UMI Microform 9943073 Copyright 1999, by UMI Company. All rights reserved.

This microform edition is protected against unauthorized copying under Title 17, United States Code.

UMI 300 North Zeeb Road Ann Arbor, MI 48103

Copyright © 1999 by Deborah Harrold All rights reserved.

TABLE OF CONTENTS

	Abstract	iv
	Chapter	
	1.	Introduction1
	١١.	The Economy as simulacra, and other contested models
	111.	Elite economic discourse: Algerian economists circle the state
	IV.	Discourse versus the non-discursive: private and informal economic sectors challenge the state113
	۷.	In the market, on the market: gendered performances in new economic spaces
	VI.	Liberalization during wartime208
	VII.	Conclusion 248
Bibliography		graphy 256

Abstract

Economic discourse in Algeria and its counter-practices

Economic discourses in contemporary Algeria construct worlds of expectation and maps for the performance of economic strategies and particular identity. Using concepts of discourse developed by Michel Foucault and Edward Said, and Jean Baudrillard's conception of the simulacra as a map for which there is no original, this dissertation examines economic discourse as a language that both interprets economic conditions and offers possible worlds for the enactment of identity. As Algeria confronts at one moment issues of cultural contestation, a struggle for control of the regime, and considerable economic pressure, this theoretical trajectory provides an analysis of the "bundled" nature of political economy, cultural politics, and political power. While normal politics in Algeria has been overwhelmed by armed conflict and the dominance of the military, discussion of economic issues has remained lively and open. The intellectual privilege of economic science renders economic discourse removed from politics and places an economic view at the center not only of obviously economic fields, but also grants centrality to economic discourse in such fields as the formation of gendered identity.

While the dominant Algerian vision of a modern economy is striking in its orderliness, real economic practices of individuals, groups, and firms are disorderly, often illegal, as strategies and roles operate through national and international borders. The tension between an idealized modern economy and

iv

counter-practices of illegal immigration, illegal and irregular transfers of assets from the public sector, and an important informal aspect to most formal economic activity, define not just the margins, but the entirety of the economic field. The struggle for economic survival in a changing, complicated, and contradictory economic field places social identities and roles at risk and requires people to think and operate in multiple contexts; the local, the national, globally. Their political identity, social situation, and class are at stake in the economic "maps" they construct for themselves.

The dissertation, then, seeks to interpret the political and social content of economic discourse, and the political, economic and social consequences of economic practices. Individual chapters focus on elite economic discourse, the counter-practices of the informal economy, the relationship between Islamic opposition to the state and the informal economy, and the negotiation and performance of gendered identities in this multi-layered economic and social space. Finally, I examine the contradictory aspects of an economic liberalization effort in the middle of a civil war which reveal much about states, markets, and economic change. While the economic field is socially and politically constituted, while causality is disrupted and mediated, economic discourse is installed as a metanarrative of social and political interpretation.

۷

Chapter I

Introduction

When I was invited in 1993 to spend a long visit with a large Algerian family in Wahran, I wanted very much to bring a small gift for the younger members of the family. I was pleased to find that bright bandannas were very desirable for boys and girls, teenagers and children. They were available in an informal market in central Algiers held in a pedestrian underpass. I was dismayed by the price, 8 Algerian dinars, but the American referent, availability, variety of color, suitability, and opportunities they offered for trading and sharing outweighed the price.

While their actual reception and use are less clear to me, we can say a lot about the price because economic practices such as the processes of pricing are a series of social and political arguments or discourses. These discourses create markets and constitute economic logic both as social logic and science. The price is always situated in a system of relationships, articulated socially and politically. Like any fixed point, it is a moment in a wider and deeper field of meaning and practices; its value will alter if our place and point of view shift.

A *bandanna*, four for a dollar at their point of production in Mexico, is eight dollars at the J. Crew store in Philadelphia, reflecting decisions laid out in

copious pages of the NAFTA agreement plus cost in maintaining a retail outlet in an expensive environment. In Algiers its place of manufacture is superseded by its place of origin as a style. Wherever it is made, it is a foulard american. It costs 8 Algerian dinars; \$4 at the black market rate which Algerian economists consider a speculative rate, \$8 at the official rate, \$6 at the rate of international financial organizations and the rate given by the state to privileged enterprises. This second price, although more real in terms of the "real" value of the dinar, is a possibility or a reality for particular social actors, an impossibility for others, and an irrelevance for those who calculate only in dinars, "Algerians without options.¹¹ The price in any case reflects transportation costs via New York and Morocco, or Marseilles, or Paris and Tunis, transportation costs that may include calculations of certain kinds of risk, or payment of customs duties. Or the bandanna came from Turkey, with less cost, but will still be 8 AD. It is worn by young people, twisted into a rope and tied tightly around the upper arm, around a wrist; less edgy, it can be worn around the neck as a twisted band or triangle, a bow or band in a girl's hair. The *foulard american* is frisky and Western but not oppressively so.

The price reflects the costs of its manufacture and shipping, which are not merely economic but political as well as social. Labor costs are "fixed" by demand and availability, conventions, institutions, laws and boundaries;

¹ An Algerian without a hard currency account is an Algerian "sans options," noted a popular singer in an interview in 1993.

transportation costs "set" by fuel and licensing costs, boundary rules. But the "demand" for the bandanna where it is sold refers to an open space of identity and desire, related to economic choices but never constrained or reducible to them. Not a need by any conventional understanding, something of a luxury good by its absence of necessity, the desire for the bandanna is neither "incorrigibly mysterious" nor transparent.² Again, identified as American it is Western but not European, not French; an object of youth culture, not adult consumption. In short, the price reflects the expansive social, political, and commercial life of the thing, as a sign, a carrier of meanings.³ This a surplus of meaning which is compressed, conveniently if cryptically presented as 8 AD, a price that can tell us little about the constellation of identity, desire and expression that makes that choice.

There are many signs, or goods as signs, with considerably more complexity than the bandanna. This work is concerned with economic ideas as signs as well as goods, and economic practices as interpreted, as they signify modernity, identity, and authenticity; practices as they move between the economistic and cultural practices to construct particular social worlds where

²Arjun Appadurai, "Introduction: commodities and the politics of value," in <u>The social</u> <u>life of things: commodities in cultural perspective</u>, ed. Arjun Appadurai (Cambridge: Cambridge University Press, 1986) 3-63.

³Jean Baudrillard, For a critique of the political economy of the sign, trans. by Charles Levin (St. Louis, Missouri: 1981). He argues that economy is not the exchange of things, but that the things have come to be signs of political, social and economic power, and it is as signs they are exchanged.

individuals and citizens must work and plan. This analysis seeks to incorporate the social and cultural bases of economic thinking and economic practices, local and transnational as they are, into a political economy account that better engages the extended and multi-systemic aspects of national economic life, in its constraint, ambiguity, and possibility.

What does it mean to speak of national economic life, in an age characterized by increasingly free global flows of capital and international markets for commodities and labor? Although variously permeable, subject to forces outside its borders and flows through them, the nation and its borders are important sites for the operation of economic policies, practices and strategies. The national market is characterized first by restrictions on bodies, because capital and commodities move faster and more easily than people. National borders contain people through networks of documentation and control, enabling and obliging local strategies of consumption and investment. The nation also remains a site for accumulating gains or living through losses.⁴ Yet we recognize that this re-established category of "the national" includes international and transnational flows of people, goods, capital, practices, ideas. All these categories have specific meanings and effects in one place and very different meanings and effects in another as they are exchanged, purchased, consumed,

⁴Michel de Certeau, <u>The practice of everyday life</u>, (Berkeley: University of California Press, 1988).

transferred, retranslated.⁵ Economic ideas, like goods and practices, gain and multiply effects with movement, migration, consumption.

Algeria, at once peripheral and close to the center; postcolonial, independent, sovereign, and neo-colonized; with an economic system at once closed and exposed, requires this kind of flexible analysis to interpret its dense network of interlocking and escaping practices. These practices relate to conventionally material issues such as the demand for labor in Europe or international oil prices. Economic concepts, practices, and policies are also imbricated in more obviously constructed issues of history and national identity. Neomonetarism is tied to the economic dominance of the West and the successful science of economy. To accept it is to align oneself with intellectual hegemony and offer a critique to previous Algerian policy makers. Competing visions of modernity and development are accompanied by different constellations of interests and political strategies. The former state bureaucratic elite celebrated its modern education and Westernization as progress; the excluded private sector found itself embodying cultural tradition, the virtues of the open market, and the social threat of new wealth. Different understandings of proper gender roles and notions of age hierarchy, state policies concerning family planning, the construction of housing, and the kinds of social welfare projects advocated all speak to particular visions of the family in the nation.

⁵George E. Marcus, and Michael M. J. Fischer, <u>Anthropology as Cultural Critique</u> (Chicago: University of Chicago Press, 1986).

Private construction of large houses enables the extension of patriarchal and fraternal authority diffusely; envisioned Islamist restrictions on housing for single women again reinvoke and provoke patriarchal and fraternal order; enforcement of injunctions concerning ball playing in streets address a particular modern understanding of childhood and supervision in the service of orderliness and progress.⁶

The analysis I furnish here reveals increasing levels of meaning in economy. Little is resolved, much is complicated, by attention to cultural networks of economic practices and ideas. Parsimony is not a virtue of the interpretive account. Simplicity has never been an attribute of political economy. We must jettison some seven hundred pages of the <u>Wealth of Nations</u> in order to arrive at the monotheistic doctrine of the free market.⁷ Parsimony and simplicity require us to exclude empirical density, not by concentration but by straightforward exclusion of data not easily recast in the format of choice. If knowledge is precision of understanding and insight as well as generalizing models, the complexity of the empirical cannot be set aside to favor the production of abstract theories, producing obscuring codes.

⁶Ghania Mouffok, "Bab-El-Hadid," trans. K. Brown and H. Davis, <u>Mediterraneans</u> (Summer 1993) 57; Tchirine Mekideche, "Jouer dans la rue ou espaces d'enfants dans la ville," <u>Les cahiers du CREAD</u> 26 (2nd trimestre 1991) 179-193.

⁷See the argument of Donald Winch, "Adam Smith: Scottish moral philosopher as political economist," <u>The Historical Journal</u> 35: 1 (1992), 91-113.

Since Algerian independence in 1962, the material world of working, eating, making, has been successively re-imagined, re-created, and re-worked, through new economic plans and reforms that alter possibilities and opportunities. Each proposal has been simultaneously an economic plan, a development plan, a vision of the good life and a vision of proper economic science, a reading of history, a possible image of the nation. Each series of reforms has reconstituted the possibilities of material life and sought to confirm or alter the nation. Each new policy has altered the terrain through which Algerians must plan their economic strategies, testing the weight of the new over the old, supplementing the absence of information with expectation, speculation. anticipation, hedging. Thus working through the economy is an exercise of imagination, vision and identity, as operators must develop an understanding of their situation and their prospects based on ideas of who they are and who they might become; creating that map for which there is no "original," the simulacrum.⁸ The material world is constituted in vision and identity; economic choices of individuals and states reflect the ideational and historic construction of "hard choices" and their evasions.

Each series of economic policy changes and restructuring has been built on the remains of the previous policies which remain as rubble uncleared.⁹ We

⁸Jean Baudrillard, <u>Simulations</u>, trans. Paul Foss, Paul Patton and Philip Beitchman (New York: Semiotext(e), 1983) 2.

⁹Abd al-Mujid Qadi, "Al-Islahat al-iqtisadia fi al-Jaza'ir." [The economic reforms in Algeria.] Qadi emphasizes the sequential changes or reverses in policy, all named

could also say economic development and institutional change are layered over existing practices that exist openly or as fugitive practices; as "economic crimes"¹⁰ or "folkloric practices," as contributions to new syncretic modern practices,¹¹ or rational sequential strategies. Algerians are far from satisfied with the results of these diverse economic policies. The policies are variously considered wrong, based on faulty or insufficient knowledge of economics or history, based on Soviet or Czech models no longer attractive as history, science, or future identity. The policies and plans are also criticized as corruptly and inadequately implemented, or as broken off too soon.

Critical Algerian assessments of the economy were rendered more speculative and diverse by the conditions governing information. Economic information was closely held by the state throughout the seventies. "Even statistics on.... soap production... were a matter of state security!"¹² The reports of visiting foreign economists and consulting firms were secret or repressed; information about economic practices and performances is sketchy. Opposition to economic policies was most successful when it acted locally as resistance to

[&]quot;reforms" (*islahaat*), all layered over poorly implemented and imperfectly realized previous policies.

¹⁰Seddik Taouti, <u>Les crimes économiques</u> [Economic crimes.] (Algiers: Éditions ENAP, 1975).

¹¹Ahmed Henni, "L'Informel et sociétés en voie de développement." [The informal and societies on the path of development.] <u>Les cahiers de CREAD</u> (University of Algiers) No 30, 2nd trimestre 1992, [1988] 65-77.

¹²Interview with an Algerian economist, a member of the president's council of economic advisors in the late 1980's and early 1990's.

local administration and did not speak the national language of politics. This kind of local resistance further obscures a larger, national view of the processes of policy implementation, resistance, and rollback. The very specific nature of nationalization in the sixties, firm by firm, or land reform in the seventies, parcel by parcel, gives a checkerboard of outcomes. This partial and episodic character of policy implementation and the diffuse character of resistance make it difficult to assess the effects of policies, their corruption, their coaptation, their failures or their successes. It is difficult to tell if a policy was poorly implemented from the center, or if local interests were able to oppose them discretely and effectively to produce the effect of poor implementation. To speak of the reforms, or the failure of reforms, or the failure of industrialization, or the failure of land reform, is to gesture to networks of meaning partially severed from inaccessible referents.

While the lack of information about Algerian economic policies and conditions made internal critique difficult, the exemplary character of extant economic models made emulation and evaluation equally vexed. International and transnational models take on ideological, visionary, and stereotypical character; the comprehensiveness of the Soviet Gosplan, the allure of German efficiency, French abstraction, rationalization, and modernity, American pragmatism, Islamic virtue and coherence. Each of these plans or styles may suggest a historical context or presuppose specific economic conditions as it

proposes ways of operating or acting for unenumerated conditions and unknown contexts.

El-Kenz's sketch of the internationalist foundations of the steel complex at Al-Hadjar outlines such incoherence. American engineers, German machine experts, Japanese electronics, and French management constituted the steel works. Each operated with specific internal logics as well as an uneasy association with the post-Independence work-force characterized by high expectations and little experience of industrial discipline.¹³ Since the late eighties the management of the complex has been explicitly military. Information on its management, productivity, and labor activity becomes a military matter, extremely closed to scrutiny. What could we say of this, except that its military management demonstrates a thorough-going collapse of conventional labor relations? Production has become secondary to security, labor relations managed by coercion. We have passed from the economic and the social to the military, where force represents its own kind of deconstructable but resistant economism.

Throughout the constant changes of economic plans and reversal of policy, individuals and groups, persons and families, plan their social futures, strategize over unknowns into new social identities. They must work through the simulacrum, that map for which no original exists. To speak of the economic,

¹³Ali El-Kenz, <u>Le complexe sidérurgique d'El-Hadjar: Une expérience industrielle en</u> <u>Algérie</u> (Paris: Editions CNRS, 1987).

then, is to speak both of the discourses which construct the simulacra and the practices, counter-practices that work through these shifting models of economic reality.

The state as actor and agent.

The circulation of ideas and the shifting of models and practices are constrained when we position the state in our analysis. While constituted within the field of political and economic circulation, the state's weight in shaping the field and ability to operate in it is greater than that of other actors. The politics of economic ideas is intensified by the interpretation of economic conditions held by the state. We can see this as a project of politics and power; in the identification of categories, the assessment of trajectory, the extrapolation of social consequences, the identification of objects and actors to constitute an economy, the identification of objects and actors for policing, taxation, and control.

Because of the historical importance of state power in the construction of economic fields for the Middle East and North Africa, its political economy has always placed heavy emphasis on the political and state-driven construction of the economic field. When ideas of the free market were developing in Britain and France, against the advancement of particular interest (England) or against excessive central control and taxation (France), the Arab and Ottoman lands across the Mediterranean began to apprehend the aggressive, mercantilist interest that is the free market away from home. The precolonial state in the Middle East and North Africa understood itself as under attack from Western economic practices seeking markets and monopolies, exemption from taxation, local competition, and local laws. Economic policies of colonial states and modernizing anti-colonial states alike understood the mercantilist effects of free market policies.¹⁴ Postcolonial leadership recognized that state legitimacy would be determined in part by its success in directing development; the economic field was understood as politically constructed in the face of colonial and neo-colonial interest.

Algeria is no exception to this frame of analysis. Its post-independence commitment to a policy of heavy industrialization driven by state investment is itself a vision of modernity and independence; modernity and independence cast in opposition to colonization and under-development. Its postcolonial politics and independence were embodied in this particular understanding of political economy.

The terminology of "precolonial/ postcolonial," developed particularly with reference to South-Asian studies and used extensively in African studies, emphasizes the state itself but elides issues of independence and sovereignty, as "colonial" remains the marker. Narratives which emphasize the deep

¹⁴Charles P. Issawi, <u>An Economic History of the Middle East and North Africa</u> (New York: Columbia University Press, 1982); Roger Owen and Sevket Pamuk, <u>The Ottoman Empire and European Capitalism 1920-1973: Trade, investment, production</u> (Cambridge, Mass.: Harvard University Press, 1998); Samir Amin, <u>Accumulation on a World Scale: A Critique of the Theory of Underdevelopment</u>, trans. Brian Pierce. (New York: Monthy Review Press, 1974).

relationship between modernity and particular forms of control and state building are resistant to questions about identity, interest and performance, as emphasis on specificities of modernity and its modes of control may construct an undifferentiated modernist essentialism.¹⁵ When modes of control, the processes of modernization, and diffuse effects are themselves the object of study, the intention of policy makers, the location of accumulated wealth, and the directions power is exerted are eclipsed. Various studies with disparate research agendas have underscored the importance of sovereignty and issues of identity for political issues as diverse as foreign policy during the Cold War,¹⁶ labor relations,¹⁷ and capital accumulation.¹⁸ Specific forms of foreign capital and arrangements of cooperation and competition with nationally-based capital enhance the interests of local capital and fund diverse projects.¹⁹ Even apparently weak states can enhance the bargaining position of local workers versus multinational organizations seeking to enforce low wages and poor

¹⁵See Timothy Mitchell, <u>Colonising Egypt</u> (Cambridge: Cambridge University Press, 1988).

¹⁶Alvin Z. Rubenstein, <u>Red Star on the Nile: The Soviet-Egyptian Influence since the</u> <u>June War</u> (Princeton: Princeton University Press, 1971). The Cold War did not drive regional politics; rather nationalist agendas exploited Cold War concerns.

¹⁷Ellis Goldberg, Muslim Union Politics in Egypt: Two Cases," in <u>Islam, politics, and</u> <u>social movements</u>, ed. Edmund Burke, III, and Ira Lapidus, 228-243 (Berkeley: Univeristy of California Press, 1988).

¹⁸Peter Evans, <u>Dependent Development: The Alliance of Multinational Statae and</u> <u>Local Capital in Brazil</u> (Princeton: Princeton University Press, 1979).

¹⁹Robert Vitalis, <u>When Capitalists Colllide: Business Conflict and the End of Empire</u> (Berkeley: University of California Press, 1995).

working conditions driven by the logics of economic efficiency and a labor market divided on an ethnic or color line.²⁰ The ownership of firms, the negotiation of foreign debt management, and the alteration of government in the metropole all inform intricate local constellations of property and power, bureaucracy and ambition. This work is concerned with re-establishing the national in the face of widespread emphasis on globalization and international connections, and emphasizing the importance of sovereignty in constructing political borders. Empirical practices and events slip under terms describing generalized material conditions. Terms and categories such as "land-reform," "urban industrialists," "bureaucrat," urbanization," "corporate organization of labor," etc. may conceal as much as they describe. The land-reform may constitute large farms, eliminate small farmers, or place rural development in condition of contestation, resistance, confusion, and uncertain rationality. New entrepreneurs may represent a new class, usually understood as not tied directly to the state; they may be entrepreneurial state employees redirecting goods and deploying their connections differently. Urbanization may include the ruralization of urban life and the establishment of social relations based on distance and separation. A state-sponsored labor union may follow the regime policy or serve as a launching base for inter-regime dissent. The collision of specific histories with general

14

²⁰Robert Vitalis, "Aramco World: Business and Culture on the Arabian Oil Frontier," in <u>Modern Worlds of Business and Industry: Culture, Technology, Labor</u>, ed. Karen Merrill, 3-25 (Brepols, 1999).

terms makes comparative politics a vexed project, weakened by shallow comparisons, global assumptions and empirical undercutting.

In Algeria in the 1990's, as liberalization of the economy is advanced as economic solution, necessity, and inevitability by international organizations, regimes in power and their oppositions, we see that "liberalization" is far from a single and uniform process. The practice and processes of liberalization are implicated in complex histories wherever implemented. Hirschman drew attention in the late sixties to indigenous logics of development.²¹ Liberalization. no mere master plan from Western consultants and international organizations, is no less historically implicated, culturally fraught, and politically charged. The words "fraught" and "charged" militate against the benign associations Hirschman evoked with his term "indigenous logic of development." As state industries are privatized, there are assets to be acquired, debts to be assigned, excused or evaded, new financial and credit networks to be tapped or expanded, workers to be subject to new management procedures or laid off, new objects for social services, different expectations of employment and social entitlement floated, new relationships to state agencies for the privileged as well as less privileged groups. The conception of the social and the national is remade; as an authoritarian project, as a civil project, as a contested project.

²¹See Albert O. Hirschman, <u>The Strategy of Economic Development</u> (New Haven, Conn.: Yale University Press, 1958), and his <u>Bias for Hope: Essays on Development in</u> <u>Latin America</u> (New Haven, Conn.: Yale University Press, 1971).

Or political and structural obstacles to liberalization may prevent these processes.²² In most postcolonial states, which received independence in the nineteen fifties and sixties, the internal and external pressures for liberalization and democratization include a demand that those who came to power with independence now share that power with a younger generation whose parents were not power-holders. The demand for liberalization and democratization is thus personalized and rendered more threatening to existing power holders.

Other structural obstacles are less personalistic but very broadly based, such as the Algerian public sector, which formerly employed over seventy-five per cent of the workforce. The debt of the Algerian public sector has been a stumbling block as yet unmoved after at least five years of debate on privatization. While public employees have been laid off, due to market forces, their wages remain tied to political and bureaucratic questions, or held as "salary arrears," that is, simply not paid.

While various forms of neomonetarism have permeated the programs of international development agencies and creditor institutions, and the language of liberalism infused the claims of regimes and their oppositions, we find multi-level critiques of development and the particular international economic order which has embraced neomonetarism. There is more than one circle of discourse for various elsewheres; Wahran, Algiers, Tunis, Paris, Marseilles, New York,

²²John Waterbury, <u>Exposed to Inumberable Delusions: Public Enterprise and State</u> <u>Power in Egypt, India, Mexico, and Turkey</u> (New York: Cambridge University Press, 1995).

Washington. Debates do not address the same issues from the same contexts; their audiences have different histories and priorities. Critiques are presented to dominant discourses which remain uninterested. We may recognize the hegemony of a set of ideas, of a discipline, when it no longer feels the necessity to answer its fundamental questions or its harshest critics. Problems no longer of significant theoretical interest in the academy -- such as development -- continue to be burning issues where they live.

For example, in the United States, the dominant free market economics has pushed "industrial policy" into the fields urban politics, regional development, minority employment and welfare. "Empowerment zones" in cities seek to redeploy the logic of development to gain jobs and votes by offering (tax) subsidies to potential profit-makers. Community development is far-removed from the world of finance and capital that preoccupies business schools and economic departments, where the behavior of firms and the movement of stock prices inspire theory development and testing.

The economic plans urged on debtor nations by international creditor agencies include increased exports, openness to foreign firms, capital, and imports, tight domestic credit, and decreased consumption. This contradictory agenda that combines economic advice with creditor interest. Despite the collapse of Asian economies in the late nineties and general agreement about the destructive potential of rapid capital movement, the dominant position of

creditor agencies and development agencies has been more of the same. Malaysia's effort to shut down capital flow has been generally condemned as retrograde and ineffective; it will have the "long-run" effect of discouraging foreign capital. The theoretical "long-run" equilibrium point of free-market economics is privileged over the immediate empirical condition of market collapse, inflation, business failure, and plummeting standard of living. All these aspects of economic collapse will have effects far beyond the moment they occur, but the theoretical "long-run" is held as more true, more valid, than what has happened.

For Algeria, industrial policy is left to state stagnation and international competitors, privileging imports; industrial policy is a dead letter in the form of a massive public sector so politically tied and bureaucratically rigid that it can be neither managed nor privatized in the foreseeable future. The failures of industrial policy and its end as a question become the problem of emigration, or more precisely, the problem of European immigration; the problem of Algerian unemployment. Immigration presents in Europe, especially France, as a security issue, an issue of popular identity and political mobilization, but seldom as an international *economic* issue.

Old questions, abandoned as intellectual issues in the American academy, remain important problems in postcolonial capitals. Left Algerian intellectuals in Algiers or Wahran, French cities or Tunis, are concerned with the

collapse of socialism worldwide, the lost opportunities for industrialization in the Third World, and the neo-colonialism they see in neomonetarism. The world view in which they placed their hopes has been disappointed. In the fictional work of the Algerian writer Rachid Mimouni, whose harsh interpretation they endorse, we see the turning of independence and primitive equality into privilege and appropriation. The peasants of his fictional village experience the "socialist" development project as seizure of property by the well-connected and the consolidation of power by a distant, arrogant state.²³ Expectation and hope vanish as the meaning of things is torn away. Development is theft and humiliation.

Other intellectual efforts seek to locate or make separate paths. Islamist economic thinkers try to disassociate economic principles from specific Western cultural assumptions and historical practices, seeking to tear the search for economic theory away from Western economic power as theory. Algerian economists oriented toward European economic thinking are quite familiar with the work of Friedman, Stigler, and Becker but prefer the complex modeling of Herbert Simon with its agnosticism about perfect information. Algerian economic nationalists interested in American economic ties do so in order to distance French economic and political power.²⁴

²³Rachid Mimouni, <u>L'honneur de la tribu</u> [The honor of the tribe] (Algiers: Editions Laphomic, 1990).

²⁴Belaid Abdesselam, <u>Le Hasard et L'Histoire. Entretiens avec Belaid Abdesselam</u> [Chance and History: Interviews with Belaid Abdesselam], ed. Mahfoud Bennoune and

Algerian assumptions about the desirability of development and modernity persist despite the hijacking of development by the state and its elites. They are equally unmoved by Western critiques of development as colonialism.²⁵ The self-interested and unattractive motives of foreign powers and international organizations or agencies are assumed, counted as costs of assistance and expertise. That development organizations may have unattractive or ineffectual motives or origins can have little effect on persistent national and local aspirations for desiderata seen as universal: better education, better health care, cleaner and better jobs, more money, more respect, chances to travel, and greater opportunities generally for the next generation. In other words, development and progress rear their heads again and again despite the justified bashing they have taken in theoretical and activist circles and the inadequate theorization they received in the cradle. However inappropriate a particular educational institution may be, or how unappealing an industrial job may be, a better education, a better job, a better life, are imaginable and imagined. "We will become wise, clean, and educated, like the French. We will have judges and lawyers, policemen and teachers, only they will be Algerian," explains a revolutionary peasant in a novel by At-Tahir Wattar.

Ali El-Kenz (Algiers: ENAG, 1991).

²⁵As seen, for example in Arturo Escobar, <u>Encountering development: The making</u> and unmaking of the Third World (Princeton: University of Princeton Press, 1995) or James Ferguson, <u>The Anti-Politics machine: "Development," depoliticization, and</u> <u>bureaucratic power in Lesotho</u> (Minneapolis: University of Minnesota Press, 1994).

The expansion and broad success of neomonetarist orthodoxy has obscured critiques from Third World areas where opposition parties, popular intellectuals and popular protest mark the limits and costs of such economic policies and visions.²⁶ But popular assessments of economic science are also popular judgements on the postcolonial state, of the national government. Popular support for a new neomonetarist orientation and aspirations in the private sector express rejection of state capitalism claiming to be socialism; resistance to the intrusion of incompetent central planning into domestic economic activity and the divvying up of economic privilege from the center along political lines. Such support for liberalization may show a strong awareness of how markets and systems reflect the previous constellation of power; that is, international political power translates into effective economic power; national political power translates in to local economic privilege. This is an important corrective to the more automatic visions of the market prevalent where both power and neomonetarism are dominant. Attention to alternate national visions of power, systems, and markets also militates against narrowly literature-driven analysis. Multiple circles of discourse deploy arguments against and with different interlocutors, for different political states. The categories and terms only can only partially contain the diversity of interpretations and practices; the

²⁶Roger Owen, "The transformation of systems of economic and political management in the Middle East and North Africa: The lessons so far," <u>Review of Middle East Studies</u> 6 (1993); Deborah Harrold, "Algerian Economists Circle the State," in <u>North Africa:</u> <u>Development and Reform in a Changing Global Economy</u> (New York: St. Martin's Press, 1996).

persistent surplus of meaning confirms the metaphoric and simulacric qualities of analysis.

Economic history as the search for usable pasts.

Regarded as an economy of natural scarcity and colonial depredation,²⁷ Algeria was an exporter of grain in precolonial times. That "Algeria," though, was the Algeria of the coastal plains, not the "Algeria" as defined by lines on a map, or as defined by networks of trade and travel from the coast southward, and east and west across north Africa. The modern nation has been cast into narratives of economic history that seek inspiration not in the past but in the revolution and for the future. The ancient history of Carthage, its commercial empire and Roman destruction, has proved less amenable to incorporation in modern narratives of nation. Little is known about Carthage beyond the facts of its commercial empire, child-sacrifice, polytheism, and destruction, all lacking appeal for a modern nation of arab/berber and Islamic culture.

The Berber tribes of pre-modern Algeria who lost militarily to subsequent Arab conquests adopted Islam but continued to operate in political alternation that may be characteristic of their social organization; centralization under strong leadership and devolution into dispersed tribal confederations.²⁸ In the assumed land of scarcity, large collective grain storage towers and complicated record-

²⁷Mahfoud Bennoune, <u>The making of contemporary Algeria, 1830-1987</u> (New York: Cambridge University Press, 1988).

²⁸Robert Montagne, <u>The Berbers: Their social and political organization</u>, trans., into. David Seddon, pref. Ernest Geliner (London: Cass, 1973).

keeping within a general context of illiteracy offer a legacy of effective cooperative activity. This story is rendered less appealing as national economic narrative by the perception of the hard-scrabble nature of such arrangements, the onus of illiteracy, and general paucity of education and high culture.

Morocco, with its comparatively under-colonized elite and conspicuous state wealth, and Tunisia with its commercial assurance, are the more successful referents, sites where precolonial culture was not so hardly pressed. Between these two nations, Algeria appears less commercial, less worldly, less knowing, less schooled to state control and regulation, less schooled to the court and corruption; a place where the idea of the state carries a more fragile legitimacy. Under Ottoman rule, authority in Algeria was negotiated, disputed, arbitrated and attenuated from the capital in Algiers and Istanbul. Economic policies of the state were tied sharply to the political demands of the state, the identity of the state holders, and the demands of immediate supporters or clientele.

French control over Algeria was an intensely military effort, extended over 130 years, drawn further by increasing political aims, the need to pursue and eliminate armed resistance, and settler demands. French sovereignty ranged from the coast into the mountains, down into the desert, and into Tunisia and Morocco. Over decades, waves of resistance fled, withdrew, reconstituted itself, emerged in less accessible regions, and operated across the Tunisian and Moroccan border. In order to hold a little, French armies were drawn into the country further.²⁹

The military project of control and colonization destroyed existing patterns and practices of long distance and local trade, and eliminated and replaced successive elites through appropriation of property and exile. Military and subsequent colonial rule cancelled existing social contracts that managed relations between classes, especially in agriculture, awarding land to European colonists, and destroyed patterns of political and commercial exchange between urban dwellers and travelers, elite and Bedouin.³⁰ Algerian intellectuals of the revolutionary years, those who identified with the goals of the state socialist project, thus explain that capitalism arrived in Algeria with colonialism.

The result of the colonial experience has been seen as a blank slate or scorched earth. Traditional or precolonial solidarities were destroyed, irrelevant and unrecoverable. There are no collective savings societies such as we find in Egypt or Iran, but instead a suspicion of collective endeavors based outside

²⁹Julia A. Clancy-Smith, <u>Rebel and Saint: Muslim notables, populist protest colonial</u> <u>encounters (Algeria and Tunisia, 1800-1904)</u> (Berkeley: University of California Press, 1994).

³⁰Jamil M. Abun-Nasr, <u>A history of the Maghrib in the Islamic period</u> (Cambridge: Cambridge University Press, 1990.), 259-270; Elbaki Hermassi, <u>Leadership and</u> <u>Development in North Africa. A comparative study</u> (Berkeley: University of California Press, 1972).

small face-to-face kinship and regionally based groups.³¹ The commercial virtuosity of one religiously and ethnically distinct group, the Mzab, has not been recoupable for national narratives because of the extreme isolation and exclusivity of the group and its religious heterodoxy.

This quality then, of the scorched earth, the blank slate, lent itself well to a modernist narrative of development. There was seen to be little cost in terms of the destruction of traditional society, because traditional society was already destroyed.³² During the war of independence itself, the Algerian Revolution of 1954-1962, seven million Algerians were killed, in warfare, as civilian casualties, in the detention camps with concrete floors and electric barbed wire fences where agricultural populations starved. Much property and wealth had left the country if it was French-owned, or was destroyed or appropriated if Algerian-owned. The population after the war was severely debilitated by malnutrition, tuberculosis, and venereal disease. Thus a modernist development program, statist investment and comprehensive social services, and a religious reform program appeared particularly appropriate.

With the collapse of the state socialist or state capitalist project of the seventies and eighties, those economic policies have been under review. Less obviously, history and economic history have also been under a review. An

³¹Ahmed Henni, <u>Essai sur l'économie parallèle. Cas de l'Algérie</u> (Algiers: ENAG, 1991).

³²Hermassi, <u>Leadership and Development in North Africa</u>, 56-74.

advocate for the private sector and the entrepreneurial spirit can insist that the spirit of trade and exchange is indigenous to Algeria; the socialist years were "twenty years' aberration" in a country comfortable with and succeeding in private economic activity. With this claim comes an expansion of identity in a different direction; the speaker notes his own Tunisian connection. His brother fled into Tunisia during the war and remained there. With independence, the border between Tunisia and Algeria was closed until the eighties. The speaker could meet his nephews in Paris, but not in Algiers. When Algeria went through a period of political and economic liberalization, borders with Tunisia and Morocco were opened as well, to people as well as goods. With the resumption of commercial endeavors comes connection to commercial nations, re-establishment of natural family connections outside statist restrictions, and the re-establishment of disrupted Magreb continuities of kinship and commerce.³³ Tunisia and Morocco are important in the informal networks of smuggling goods, consumer goods in, subsidized products of the state-owned enterprises out.

With the establishment of open political Islamist activist opposition to the state, we see efforts to reinterpret Algerian history along different lines. That Islamic opposition to ubiquitous Western cultural referents opposed communism as atheism and capitalism as godless. Islamic history is searched for models,

³³Precolonial, colonial and independence struggle histories included Magrebi connections of trans-border religious movements, education, and mobilization; traditional religious institutions of learning and modernist reforming (religious) institutions of learning; political activity in response to colonial policy in another country; and migration for sanctuary or military strategy.

but especially for exemplars, to render political economy something Algerians have done with excellence. They are interested in the various historic states established in the Islamic period as well as traditional practices, examining them with an eye towards the social goals and Islamic ideals advanced, and to reintegrate Algeria in an Islamic history.

This is the historical terrain over which I propose to animate the theoretical offerings to be outlined in chapter one. The motivation of this study is empirical, seeking to use and exploit theoretical constructions to better analyze complex situations, but I would not have seen what I saw without the theoretical apparatus that lent meaning as light constitutes color. Baudrillard, Sahlins, and Polanyi are particularly important for my understanding of economic discourses and counterpractices.

Chapter two is devoted to an examination of different strains of contemporary Algerian economic thought. Algerian economists have deployed a wide range of economic theory to analyze the Algerian economy. Economics as a science is both highly privileged and grounded in the contexts of previous Algerian economic development, Marxist thought, and anti-colonial resistance. These economic discourses construct visions of what is desirable and possible, what idiom is to exemplify the vision of modernity. Economic realities and policies are intensely debated, and close attention to economic discourse and its silences offers a privileged simulacra, acknowledged as a metaphoric map if a particularly favored one. Neither economistic nor anti-material, a focus on economic discourse elides an opposition between the material and the cultural. Such a focus "help[s] navigate between a radical distrust of language as a conspiratorial distortion and a relativist confidence in its neutrality."³⁴

The third chapter is concerned with the less discursive and anti-discursive world of the informal economy, with the challenge it presented to the state. While elite economic discourse privileges the orderly and the visible, the parallel economy has grown, not unstructured, but structured negatively from planning failures. In the shadow of a large and inefficient public sector, a large and nimble private sector based on import and consumption has contributed to private wealth outside the view and control of the state. While not every informal economy operator is an Islamist activist, the rise of private wealth outside state control, an activist Islamist politics seeking to reclaim power for social matters from the state, and the dissemination of liberalizing economic ideology knit together alliances of ideology, opportunism, and imagination. Demonized by post-socialist intellectuals and a state that had little legitimate political space for private wealth, the "unworthy" private wealth of speculative trade destabilizes previous development narratives and the social pact between the state, statesupported intellectuals, and the public sector workers facing new job insecurity under adjustment and liberalization plans.

³⁴Susan Gal, "Language and political economy," <u>Annual Review of Anthropology</u> 18 (1989) 349.

Economic liberalization, altering as it does the relationship between state and society, redraws public/private distinctions and redresses the meanings of those spaces. Just as socialism invited women to be citizens, so liberalization demands its citizens market their labor and skills, to market and commodify themselves. The fourth chapter examines the social and political consequences of the expansion of the idea of market with its open and public qualities, in relation to women's participation as consumers, commodities, and signs. As social roles for women are altered by interpretations and practices of liberalism, other social relationships are recast as well.

Islamic cultural resurgence and political activism in Algeria has addressed itself particularly to the issue of women's social role in the context of expanding liberalism; no news. The mythic binary of Islam/modernity is never so worthless as when applied to gender issues; and we might remind ourselves that gender includes masculine identities. The restructuring of feminine identities in new political/economic spaces cannot but transform masculine ones. These issues are dealt with most intimately in the arts, in fiction and film, and this chapter looks at the risks both Islamists and modernists locate at the site of new gender moves/roles. While a newspaper short story addresses a local audience, two films exhibited at Cannes present their arguments and social vision to a fragment of the national audience and solicit validation from an international Western opinion. While the newspaper story is about the fate of young women, the films

concern themselves with young men and their performance of masculinity. The films as well as the newspaper story mobilize, so to speak, elite Western modernity on behalf of its own presentation of vision. The newspaper, francophone, presents the story of modern young girls, with modern expectations of career and family, and modernist views about romance. The films, by contrast, present young men of the houma, of the poorer neighborhoods, firmly holding to the idea of *redjla*, a popular understanding of masculinity.

Algeria's location at both the center and periphery of Europe, auditor if not participant in Western debates about women in public space/ the market place, object of Western interest for the sake of Algerian women, gives us interlocking circles of discourse about women's rights, and the production and consumption of identity as performance, as commodity and as sign. These identities are offered as currency that can solicit, or lay claim, to modernist identity; they engage a national audience as well as target a modern, universalist target audience.

The performance of masculine identities is much less clearly understood as such, generally characterized a conflict between the assurance of the modern, secular man, and the (sexual) insecurity of the neo-traditional, or Islamic, type. Shyness, awkwardness before women, fear of women, hatred of women; these negative attributions emphasize the centrality of a relationship to women, for defining masculinity. "He was never comfortable with women," the young secularist said of his prominent powerful brother in the Islamic Salvation Front. The suggestion of homosexuality as the trumping explanation substitutes a particular heterosexual persona for previous requirements of masculinity; courage as endurance, courage as defiance, and modesty and reserve with relation to women. This particular modernist version of male identity values ease with *mixité* and an ease in sexualized relationships with women, "openness." It is the open quality of liberalism and these new gendered identities that opens individuals to metaphoric and actual assault in the collision space of new liberalism, the market economy without its market society.

There is a war going on. The fifth chapter examines the theoretical trajectory of the work in the intensely dynamic situation of war where structures and actors are risked and perhaps destroyed. The starting point is the layered and contradictory aspects of an economic liberalization effort while the regime and country are in a state of civil war. While attention to the informal tends to draw attention away from the state to the diffuse and dense network of state-evading practices, the nature of the informal is shaped by what the state restricts. "*L'informel interroge, en réalité, la nature d'Etat.*"³⁵ The state's boundary making and policing roles are crucial for setting markets and channelling economic possibilities, formal and informal. The processes and practices of war have changed the relationship of regime, state, and society, as have the processes and programs of economic liberalization, reform and

³⁵ Henni, <u>Essai sur l'économie parallèle</u>, 12.

restructuring. While war and liberalization render the state vulnerable and more open, the trajectory of this particular conflict appears to have reestablished the state more firmly, restructuring political relations to solidify its dominant role in economy and society. The circulation of goods and desires and the contingency of diverse market practices operate around but do not endanger the military regime. Politics are constrained and restrained, as the exercise of state power and surveillance limits political expression, the negotiation of identity, and the possibility of escape. The state, war, and liberalization both introduce indeterminacy and seek to eliminate it.

This dissertation, then, has chosen several sites from which to present the re-negotiation of identity and possibility, where the surplus of meaning dissolves categories and terms of analysis. The national border, Islamic politics, the informal economy, and gender relations are fields of debate, disagreement, and political tension as they are included in individual and collective understandings of what the nation is and what it could be. The economic is an essential aspect of these possibilities, but it is an aspect that must be negotiated and imagined as well. The parade of economic policies since independence and the corruption and failure associated with previous policies and insufficient expertise have contributed to a simulacrum of the economy as a dubious object, with hidden possibilities and booby traps, unproductive factories, deceitful entrepreneurs, corrupt bureaucrats. Each age-cohort has faced a different set of economic

possibilities. Economic conditions may offer different trajectories to differently situated actors, but the economy does not create those roles or trajectories; they are discursively constructed within the simulacrum, within the possibilities for identity and participation, within and outside national borders. "I wasn't supposed to be born here, I was supposed to be born in Australia, but ended up in Algeria." This was a popular line of the 1980's; not merely a joke but a profound recognition of the contingency of trajectory.

Chapter II

The economy as simulacra, and other contested models

A simulacrum is "a map for which there is no original", as Baudrillard writes, or a map that precedes and supersedes its territory.¹ There is no better metaphor for an economy; an abstraction and a metaphor for that which constrains and enables opportunities and actions of material exchange. We use the concept of the economy to speak of possibilities and costs, recasting diverse conditions and traits into one language, working over categories, boundaries, and through spaces: labor, land, capital, rents. We know these names denote different internal structures and systems but we can present them all within an economic language. The systems of meaning and value are specific to particular spaces and fields of operation: private or public; domestic, professional, commercial, industrial; local, national and transnational spaces. In the language and practice of economics the particular meanings are recast and represented in an integrated form, unified across systems. The

¹ Jean Baudrillard, <u>Simulations</u>, 2.

economy reflects shifts made in other fields, such as politics, law, and society. This constellation of practices and abstractions in turn provides a field of action for those other aspects, a medium in which their power and influence may be manifest. The science of its study, economics, produces models that in turn generate a privileged real-- a simulacrum -- by which states and individuals chart their actions.

Baudrillard charts a transformative process of value, by which symbolic and political economy are successively characterized by different regimes of value. From the Renaissance to the Industrial Revolution, he marks the dominance of counterfeit, as "social rapports and social power" are exemplified in the replication and interrogation of nature. With the Industrial Revolution, productivist rationality and the idea of reproduction come to characterize both economic organization and political power; "the true ultimatum is in reproduction itself."² With the era of third order simulation, it is the model or map itself that defines and constitutes; a reign of modulation; a metaphysics of the code itself. When Baudrillard speaks of art, or of progressively more sophisticated understandings of the genetic code, he may say with some assurance that, "[e]ach order submits to the order following." Social relations, political power, and economic practices are less amenable to serialization and ontology. Pace Baudrillard, we find that counterfeit retains social, political, and

² lbid., 100.

economic roles, conveying status on the one hand and spurring productive creativity no less innovative than the stucco Baudrillard identifies with the Renaissance. Could we say that the power of rationalities of production persists in economic, political and social life, perhaps best demonstrated by the runaway factory, leaving high wages, unionization and rigid plant structures for lower wages, more easily controlled workforces, and flexible forms of production?³

It would be more accurate so say that such rationalities rule, not merely persist. The clarity of insight afforded by a vision of stages is disrupted by survivals and heralds, but the survivals are potent than such a stage-oriented vision allows. Aspects of political and social order supposedly superseded by new structural conditions have instead been reconstituted in the new order. We will find aspects of the most advanced stage articulated before "their" time. Primitive accumulation is never "over," but recurs not only with each political revolution, but with every shift of political rules, social norms, and economic conventions.⁴ Yet we recognize the desire behind the third order of the simulacrum, when the model or the code supersedes an apparent reality, or

³ The postmodern culture Harvey examines is driven not be the collapse of the logic of production, but by a project to explicate its fragmented form but no less relentless economic logic. David Harvey, <u>The condition of postmodernity: An inquiry into the origins of cultural change</u> (Oxford: Blackwell, 1989).

⁴ See Marx's understanding, as appropriation; "conquest, enslavement, robbery, murder, briefly force..." (668) The classic case of primitive accumulation is the expropriation of the agricultural producer from the soil (667-670), but as the term is used chronically for any capital that is not produced by the means to which it is put, a

when reality is perceived in those terms, or defined as what can be described by those terms. Baudrillard finally seized on DNA and binarism as the ultimate code, evading the dense polyphony of economic practices for the more stable terrain of biological and information sciences as a metacode. While these other knowledges certainly seek a codification that can command reality into being, the construction of economic maps or simulacra shows us more clearly how the simulacra comes to precede and claim to order that which it mapped.

The discipline of economics, the study of economic laws, has sought to become more like a vision of the natural sciences with its positive laws.⁵ Economic history has moved out of economics to history; the history of economic ideas from economics to sociology, political science, and other disciplinary homes. Economics has gained a privileged place, more science than social science, still retaining and holding what political economy created; an authoritative place from which to give advice to princes and states, by command of its field of knowledge, its *savoir*.⁶ Economic science, with its

[&]quot;prior" accumulation (524, 585). This conceptualization captures the disjunctions in economic fields and practices, the rule bending, the rule breaking, the collapse of particular economic fields. From Karl Marx, <u>Capital, vol. 1, A critical analysis of capitalist production</u>, ed. Frederick Engels (New York: International Publishers, 1967 [1890]).

⁵Donald N. McCloskey, <u>The Rhetoric of Economics</u> (Madison: University of Wisconsin Press, 1993.

⁶See Denis Meuret, "A political genealogy of political economy," trans. by Graham Burchell, <u>Economy and Society</u> 17:2, May 1988, 225-250, 229,239, for this particular

normative laws established on theoretical definitions and assumptions, exacts a price when read back into the political: we lose a sense of the creation of necessity, the creation of rules, the active structuring of the economic forces, the social and political constitution of the economy. It becomes, in effect, economistic. Economic change becomes a force which the social and the political must accommodate. Economics becomes a First Cause for social science which reshapes political reality for wealthy and powerful states as well as those nations more commonly thought to be subject to the mercy of economic forces beyond their borders and control. The demands of economic change are presented as exogenous, external but imperative, acting on complex societies and powerful states through an unanswerable economic logic.

Economic logic is, of course, a created system. Economic exchange may be rule bound, but so are other socially constructed systems. Like linguistic or symbolic exchange, economic logics and economic systems are constructed in thought and discourse, in culture and politics, with an inevitable surplus of meaning as the categories and definitions cannot encompass the diversity of practice.⁷ The structure of economic logic and the salience of its

formulation. Also John Maloney, <u>The professionalization of economics. Alfred Marshall</u> <u>and the dominance of orthodoxy</u> (New Brunswick, New Jersey: Transaction Publishers, 1993 [1985]).

⁷ Glyn Daly, "The discursive construction of economic space: logics of organization and disorganization," <u>Economy and Society</u> 20:1, February 1991, 79-102, 80-82.

terms will be shaped by power accumulated in other fields, while the diversity of economic practices and exchanges are not represented by the dominant system or model. This carries important consequences for economic policy development, the politics of development, and any form of exchange between nations. If the nineteenth century's political economy sought to domesticate capitalism and state power for a national public interest,⁸ the economism of our current liberal political economy and development economics obscures the political power of capital as well as the constitutive power of the simulacrum, that model that commands its own reality into being. For example, the "hard choice" language of the political economy of restructuring in the late 1980s was accompanied by the scarcely punctured seamlessness of an internationally dominant neomonetarism. While the spreading Asian financial collapse has punctured any optimism about international capital and development, neomonetarism as a prescriptive ideology has already constructed the simulacra by which palliative measures or regulations will be framed. The remedy is not a backing away from the claims of neomonetarism, but more strenuous application in third world countries of market principles and the structuring of markets to protect the interests of investors. The intellectual dominance of an American financial model with its a particular corporate form

⁸ Meuret, "Political genealogy of political economy," 225, 231, 244.

and public ownership creates apparent replicands, corporations and stock markets or bourses in developing countries where they have bizarre effects⁹ or no apparent economic role.¹⁰ Both restructuring policy and neo-monetarism derive a universe of economic logic from the specific cultural and political orders in which they have developed that runs awry as they are invoked in what is not a blank space, but a territory densely occupied by other institutions and practices.¹¹

The simulacrum does far more than cover (obscure) as it maps; it creates continuities and connection. Economic logics and economic discourses, like transnational economic practices, knit together diverse systems, spaces, and nations, giving each a kind of representation in other

⁹ See Steinfeld's study of China. The paper documents the isomorphic conformity of the firm's conversion to a joint-stock corporation, with IMF and World Bank approval. But the firm continues to "respond rationally to the incentives and capabilities" presented by nested bureaucracies and interlocking structures of authority, "creat[ing] success by refusing to pay bills, shirking dividend distributions, and manipulating accounts." Edward S. Steinfeld, "Bureaucratic politics and market governance in China: The case of Ma'anshan Iron and Steel" (Paper presented at the 1997 Annual Meeting of the American Political Science Association, Washington, D.C.), 24.

¹⁰ The stock market in Algeria, an address since at least 1993, was to open early in 1997 with an offering of shares from Sonatrac, the state's flagship and profitable energy company. After months of anticipation, the sale of shares was cancelled by presidential decree on March 16. The presence of the stock market is performative, acting out a vision of a modern economy by its existence as a name.

¹¹ Steinfeld, 3-4,22. Also note Abd al-Mujid Qadi, "Al-Islahat al-iqtisadia fi al-Jaza'ir." [The economic reforms in Algeria.], discussed further below. In Ahmad As-Siyufi, <u>Al-Jazair wa al-muamara ala al-islam wa ad-dimocratia. Al-qissa al-kamila lidrub al-islam wa al-hurriyat.</u> [Algeria: The conspiracy against Islam and Democracy. The complete story of the blow against Islam and Freedoms] (Cairo: 1993).

systems, a representation in the terms of other systems, even if that representation is limited to an economic term, a price.

What do I mean by discourse, and why is it a useful concept for the economic?

Foucault's understanding of discourse is a more fluid presentation of the concept otherwise offered as a speech game, a regime or an institution, without the prominence that games, regimes or institutions usually give to rules and various forms of formality.¹² Beginning with the fundamental role that speaking and writing have for thinking, presuming that experience is reflected in thinking only after it has been recast into words, Foucault offers a social world that is discursively constructed, in speech, in writing, in argument and dialogue. (This observation is also importantly and influentially present in the work of Wittgenstein, Gadamer and Habermas; I came to it through Foucault.) Concerned with European social history, Foucault saw discursive formations as creating and exercising power through the establishment and policing of normalcy, the definition and expression of sexuality, the ordering of knowledge and the systematic development of rational institutions for education, discipline, and military order. Concerned with the creation and circulation of new forms of power, Foucault was less interested in financial coercion and military force

¹² Michel Foucault, <u>The Order of Things: An Archaeology of the Human Sciences</u> (New York: Vintage Books), 1973; and Michel Foucault, <u>Power/Knowledge</u> (Brighton, Sussex: The Harvester Press Limited, 1980).

per se. Discourse and power circulate; there are always spaces of interruption and resistance.

The second contribution to the use of "discourse" in social science analysis comes from Edward Said.¹³ His interest in colonialism in the middle east left him little choice but to think about leveraged financial coercion and military force in the company of the distinguished and ostensibly apolitical new sciences of the Orient. Knowledge and power entwined to produce interlocking discourses about right, might, justice, and history. While Said's presentation has been resisted for reducing knowledge and scholarship to imperialist machinations, his emphasis on the importance of the Foucauldian linkage between power and knowledge, that is, coercive power and knowledge, is crucial. There are ideas, and ideas backed by gun-boats; there are new economic theories, and new economic theories backed by victorious military allies (Keynesianism and the Marshall Plan) or new economic theories backed by international creditor institutions, by a unanimity that becomes compulsory.

To use a discourse is to access the demanded expertise, to take on authority conferred by its use, to partake of its power. Power circulates, but this circulation is not open or even: no random walk. The structural relationship

¹³ Edward Said, <u>Orientalism</u> (New York: Pantheon Books, 1978).

between conventional forms of power, the speaker, and the discourse continues to shape the dialogue, the argument, within a created and rulebounded discourse. When we examine the political power of economic ideas, the different structural sites of its originators, carriers, benefactors, or consumers, are important. When I use the terms "discourse" and "discursive formation" I call on a sense informed by both Foucault and Said, that presumes the circulation of power and discourse and recognizes both their crude connectedness and more subtle relationships. Of particular interest is the construction of intellectual discourse into the discursive formations of academic disciplines, the new sciences of economics and development economics with their rules of speaking, special vocabularies, grounding assumptions, bounded interests, exclusions, and structural relations.

Situating this work

The motivation of this study is empirical, in trying to use and exploit theoretical constructions to describe and analyze a complex situation. Nevertheless, the study takes place within a context of continuous academic, intellectual, and non-academic and popular critiques of a materialist economics and political economy. As people in Algeria and elsewhere struggle over the distribution of goods, services, resources, and the kinds of languages and categories that will privilege or exclude them in politics and economic decision

making, the dominant truth regimes and canonizing discourses in economic thinking have not gone unchallenged in academic circles.

New academic work is partly a recovery of previous thought, called to challenge economics's view of itself as a positive science as the hegemony of economics dominated political economy and pushed social and political aspects into auxiliary fields.¹⁴ As economics as a science and way of thinking became increasingly important in social sciences, in policy making, and in public and popular culture, economics as a discipline receives increasing attention as an object of study, attending to the intellectual and disciplinary consequences of its preferred narrative forms, types of argument, validity of assumptions, and its professionalization.¹⁵ The ascendancy of new economic ideas is tied to associated professionalization.¹⁶ and the increasing importance

¹⁶Maloney, <u>The Professionalization of economics</u>.

¹⁴ Maloney describes this process for mathematical method in <u>The</u> <u>Professionalization of Economics</u>, as does Donald N. McCloskey in <u>The Rhetoric of</u> <u>Economics</u>. Procaccio describes the creation of "social economy" as an subordinate and auxiliary field to an economized political economy, see Giovanna Procacci, "Social Economy and the Government of Poverty." <u>Effect:</u> Studies in Governmentality. (Chicago: University of Chicago Press, 1991.) This process is demonstrated by the critical response to the neomonetarist economic reform policies of the 1980s, as in Joan Nelson, ed., With a Human Face.

¹⁵Arjo Klamer, "As if economists and their subjects were rational," in The Rhetoric of the human sciences, ed. Joan Nelson, A. Megill and Donald N. McCloskey (Madison: University of Wisconsin Press, 1980); Arjo Klamer, "Negotiating a new conversation about economics," in The consequences of economic rhetoric, ed. Arjo Klamber, Donald N. McCloskey, and Robert M. Solow (New York: Cambridge University Press, 1988); Donald N. McClosky, <u>The Rhetoric of Economics</u>; McClosky 1995; Willlie Henderson, Tony Dudley-Evans and Roger Backhouse, <u>Economics and language</u> (New York: Routledge, 1993); Timothy Mitchell, "At the edge of the economy, unpublished ms.; Meuret, "Political geneology of political economy."

of general theory for the determination of particular policies.¹⁷ The dominant parsimonious concept of self-interest and rationality has experienced considerable critique and undergone significant transformation, at the hands of economic thinkers and philosophers.¹⁸ After the development of the methodologies of the rational actor curtailed the analytical field, we saw the restoration of social and cultural bases of economic and political behavior through the rediscovery of firms, organizations and institutions.¹⁹

The new institutional economics places itself within neo-classical economics, retaining the rationality of the individual as modified by incomplete "mental models." It rejects assumptions of perfect information and market efficiency to accept incomplete information and the necessity of institutions to shape markets, create information and limit uncertainty. Generally expressing

¹⁷Douglas A. Irwin, <u>Against the tide: An intellectual history of free trade.</u> (Princeton: Princeton University Press, 1996).

¹⁸ Albert O. Hirschman, <u>The passions and the interests: Political arguments for capitalism before its triumph</u> (Princeton, N.J.: Princeton University Press, 1977); Albert O. Hirschman, <u>Rival views of market society and other recent essays</u> (New York: Viking Penguin, Inc., 1986); [Hirschman 1988]; Amartya Sen, <u>Choice, welfare and measurement</u> (Delhi: Oxford University Press, 1983); Amitai Etzioni, <u>The moral dimension: Towards a new economics</u> (New York: The Free Press, 1988).

¹⁹ Ronald H. Coase, "The nature of the firm," <u>Economica</u> 4:16, 1937; Ronald H. Coase, "The problem of social cost," <u>Journal of Law and Economis</u> 3,1, 1960, 1-44; Douglass C. North, <u>Structure and change in economic history</u> (New York: Norton, 1981); Douglass C. North and Barry W. Weingast, "The evolution of institutions governing public choice in 17th century England," <u>Journal of Economic History</u> 49, 1989, 8803-32; Douglass C. North, <u>Institutions, institutional change and economic performance</u> (New York: Cambridge University Press, 1990); James G. March and Johan P. Olson, <u>Rediscovering institutions: the organizational base of politics</u> (New York: Free Press, 1989.

itself in the language of the "level playing field"; avoiding discussions of politics, class, hierarchy or any structurally advantageous position of actors; avoiding the coercive implications of institutions, institutional economics strains to remain within the neo-classical fold of pure positivism and retain equal, unitary actors.²⁰ The concession to diverse mental models, tied to situation as well as limited mental capacity, leads to the possibility of multiple equilibria. Economic change is linked to learning, a correction and adaptation of mental models; we see "learning" including a realm of structural and political aspects if existing institutions and conditions can work to advantage in a single real if complex world.²¹ This new institutional economics seeks positivism and generality while mapping intense interrefferentiality in the constitution and construction of social reality.

Storper and Salais have sought to disrupt and set aside the distinction between economic and non-economic forces in economic life. Focussing on forms of interactive behavior instead of institutions, they identify "conventions," routinized forms of behavior as essential structures and frameworks for

²¹ Ibid.

²⁰ This critique is from Robert H. Bates, "Social dilemmas and rational individuals: an assessment of the new institutionalism," in <u>The new institutional economics and third</u> <u>world development</u>, ed. John Harriss, Janet Hunter and Colin M. Lewis (New York: Routledge, 1995).

economic action that include conventions for identity and participation.²² The economy is seen as a hybrid object, a structure of conventions or "rebuttable hypotheses" where the concrete functioning of economic "laws" will vary considerably in different empirical contexts. In other words, conventions and structures are made, not given, under revision in human activity and reified in practice. While considerable intellectual effort has been expended by sociologists and historians to interpret and close the intellectual separation of structure and agency (Storper and Salais refer to Giddens and Bourdieu), they feel that little of this has reached economics. Thus they seek to destablilize the fixity of laws and structures and emphasize their construction in convention. In their development of specific cultural and political worlds of production, they are drawing on broader views of economic activity which they identify as the "Grenoble school."

Several Algerian economists I interviewed had studied at Grenoble and referred to its particular and pleasing interest in complex economic problems; problems with large number of variables. They contrasted this approach to the Chicago school's emphasis on very simple models. Storper and Salais also refer to a "Florentine school" of geographers and economists. Storper and Salais are interested with the multiplicity of possible worlds of production and uncertainty but the dominant spirit of the book is one of competence and

²² Michael Storper and Robert Salais, <u>Worlds of Production: the action frameworks</u> of the economy (Cambridge: Harvard University Press, 1997).

command. Their cases and examples are positive and productive, worlds away from the mysteries, occlusions, and evasions of economic policies, productions and practices in those parts of the worlds seen as less-developed. Perhaps this gap has little to do with development and more to do with success; Storper and Salais have chosen to focus on particular industrial niches where different countries have distinguished themselves by unusual competence and command. Outside well-articulated and regulated economic fields we find fields of errors, miscalculations, and misreadings; empty strip malls, closed factories, rusting oil derricks, unpurchased Nikes, fields of unsaleable Arabian horses.²³ The notion of a coherent "world of production" makes little sense in a context of multiple deceptions. Mehdi Dazi cites an entrepreneur whose nominal production is large-scale theft from the public sector; the production line runs from the public sector warehouse into his truck to his shop.²⁴ The warehouse is part of a factory, but the factory's "production" is assembly of goods imported under soft-budget constraints with oil money and international loans.²⁵ Storper

²³ All these examples are from the American economy.

²⁴ To those analysts who resist using a word like "thief": The shift between systems of rules affords opportunities for "primitive accumulation," but there is no curtain that separates this appropriation from the severe gaze of existing social and economic norms. He is seen as a thief since his appropriation is scrutinized even as he normalizes it under new rules.

²⁵ Mehdi Dazi, "Informal economies in Algeria and Egypt: Path and pattern," paper prepared for Conference on informality in North Africa, Harvarad University, February 1996.

and Salais focus on production, and let fall issues about demand, marketing, and the market generally; that open field of the negotiation of desire.

While a narrower vision of mainstream economics has established itself in the social sciences, from sociobiology to the rationalism of formal modeling, conventional political economy has seldom been enthusiastic about parsimony in any form. To more effectively address empirical density and diversity, we see recent works in comparative politics, political economy, sociology, and geography draw from the new economic thinking, third world-informed critiques of economic development, the turn towards history in the social sciences, interest in institutional development, anthropology and literary theory. Most interesting in the context of the present work are studies focussing the relationships between discursive and ideational structures and economic thinking and practice, and the cultural and historical specificities. Neomaterialist thinkers such as Michael Taussig and David Harvey see cultural expression and intellectual production as a response if not an effect of material economic changes, either as rationalization, interpretation, critique, effect, or play. In extending the realm of the economic, they imbricate it in cultural, intellectual, and religious projects far from its ostensible sites of transparency. Their analyses deconstruct materialism through critique (Taussig),²⁶ or through a recognition of the significance of art, play, and display (Harvey).

²⁶ Michael Taussig, <u>The devil and commodity fetishism in South America</u> (Chapel Hill, N.C.: University of North Carolina Press, 1980.

Peter Hall's inquiry into the various political fates of Keynesian ideas reintroduced institutional and national historical aspects to an analysis of the progression of economic thought. While specific national meanings are historically attached to political and economic terms and phenomena, including "shared conceptions about the nature of society and economy, various ideas about the appropriate role of government, a number of common political ideals, and collective memories of past experiences."²⁷ Sikkink's study of Argentine and Brazilian economic policy construction showed how economic ideas are interpreted through perceptions of interests and of an economic reality, themselves structured by existing ideas and ideologies formed in a different time and context.²⁸ Pierre Bourdieu's study of the expression of domestic taste, with all its specificity, may be mined for theories of political economy: competition between interest groups is constituted only within discursively constructed fields where identity and interest are reflexively defined.²⁹ especially where social change is rapid. The "preferences" of states and political actors are negotiated within this discursively constructed field of possible visions of the social. Battles over economic policy in Poland, from

²⁷ Peter A. Hall, ed., <u>The political power of economic ideas: Keynesianism across</u> <u>nations</u> (Princeton: Princeton University Press, 1989) 383.

²⁸ Kathryn Sikkink, <u>Ideas and institutions: Developmentalism in Brazil and Argentina</u> (Ithaca: Cornell University Press, 1991). 254.

²⁹ Pierre Bourdieu, <u>Distinction: A social critique of the judgement of taste</u>. Trans. Richard Nice. (Cambridge: Harvard University Press, 1984), 109-114.

communist control to open economy, pit competing holistic conceptions of economic virtue, insisting on integrity of vision over opportunistic policies capitalizing on conditions of disjuncture.³⁰ Less abstractly, economic policy can be profoundly conditioned by "pervasive distrust of the private sector and a concomitant belief in the state's development function".³¹ Close to the concerns of this work is Roitman's analysis of the contemporary crisis and struggle over historical understandings of social truth and wealth that has accompanied a collapse in the potential for social mobility.³² New work continues to look to older work on political economy resistant to economism. Karl Polanyi's study of the development of the market economy in the 19th century emphasized the importance of social and political regulation of the market and the way economic logics, unmanaged, damage social systems and the market itself.³³ Bugra examines how state policy shaped major

³⁰ Anthony Lapidus, Unpublished ms. on arguments about economic change in post-Soviet Poland.

³¹ Samba Ka and Nicholas Van der Walle, "The political economy of Adjustment in Senegal, 1980-1991," in <u>Voting for reform: Democracy, political liberalization, and</u> <u>economic adjustment</u>, ed. Stephan Haggard and Steven B. Webb (New York: Oxford University Press, 1994), 292.

³² Janet Roitman, "Objects of the economy and the language of politics in Northern Camaroon," Ph.D. diss., University of Pennsylvania, 1996.

³³ Karl Polanyi, <u>The Great Transformation: The political and economic origins of our</u> <u>time</u> (Boston: Beacon Press, 1957 [1944]).

components of the market in Turkey including the organization of business associations, the structure of the firm, and the nature of the business class.³⁴

These works come out of different traditions and do not reference the same sources. Roitman owes little to Charles Storper and Salais, who claim nothing from Marshall Sahlins; Peter Hall does not refer to Baudrillard. But they are all hunting in the same territory, that is, the contingent social construction of economic thinking and practice, and by marking their ideas I am claiming the existence of a field.

Much work on the political culture of economic thinking or culturalist visions of political economy in comparative politics could trace its inspiration or heritage to Albert Hirshmann's good-natured iconoclasm or Amartya Sen's tempered vision of rationality and development, and their common effort to contribute an ideational aspect to standard political economy or a rigorous development economics. But like the Derridian supplement, that additive which unavoidably reconstitutes the mix, the inclusion of the social, cultural or historical to materialist narratives destabilizes the inevitability of the economic quality of the accounts and thus compromises the authoritativeness of the economic account. There are several classic sources for this doubt, agnosticism, or methodological coyness. Althusser's formulation at the end of *Pour Marx* is among the most elegant, where the economy is given the

³⁴ Aysa Bugra, <u>State and Business in Modern Turkey</u> (Albany: State University of New York Press, 1994).

determinative authority in the end, "but it is never the end."³⁵ Gramsci presents a taut control between indeterminacy and trajectory in his chapter on political economy, when he specifies

[t]he difficulty of identifying at any given time, statically (like an instantaneous photographic image) the structure. Politics in fact is at any given time the reflection of tendencies of development in the structure, but it is not necessarily the case that these tendencies must be realized.³⁶

The more modest narratives, and my own work, are thus tied to more aggressive propositions about economics and economic practices which may derive from more thoughtful post-structuralist thought -- post-Marxist or Marxist, or not -- and have established themselves most firmly in anthropology. Sahlins, thus inflected, may be among the most important for this work.³⁷ He insists that practical reason or economic logic is given its order through social and cultural organization, not the other way around. We are told, for example, that inheritance patterns are organized to enhance property. But Sahlins notes that we cannot, from the property, deduce the inheritance laws. The isomorphic similarity of "property" obscures the diverse social and political practices which contribute to it and are supported by it, which in turn works to

³⁵Althusser, <u>Pour Marx</u>, (Paris: F. Maspero, 1968 [1965]).

³⁶Antonio Gramsci, <u>Selections from the prison notebooks</u>, trans. and ed. by Quintin Hoare and Geoffrey N. Smith (New York: International Publishers, 1971 [1929-1935]), 408.

³⁷Sahlins himself is not fond of post-structuralism but I find the fusion appropriate and useful.

modify the value of different kinds of wealth and different ways of holding it. Economics, society, politics become separate and interlocking systems, open systems but still systems, with separate forms of representation, different logics; other rules, grammars, possible moves.³⁸

Sahlins's work ventilates debates that have concerned Marxist theorists seeking to theorize commodity capitalism in light of developments in structural linguistics, semiology, anthropology, and post-structuralism. For Baudrillard, the use value and exchange value of commodities are conflated as commodities are consumed as signs. Refusing any valid theory of needs beyond an ideological concept of need, Baudrillard instead insists on a "pre-allocation of luxury," dedicated in advance. The survival threshold of a given society is determined not from below but from above, regulated by the appropriation of surplus.³⁹ Consumption and exchange value of commodities is recast as consumption and exchange of signs. The exchange of use-objects has been over-written to the exchange of value alone, such that the "terrorism" of value has eliminated the exchange relationship itself as well as the reciprocity of speech.

³⁸Marshall Sahlins, <u>Culture and practical reason</u> (Chicago: University of Chicago Press, 1976).

³⁹Jean Baudrillard, For a critique of the political economy of the sign.

Not only do these analyses push concepts such as rationality and utility to be endogamized into cultural logic, they also enable less philosophical issues to be floated anew. The historical importance of economic issues is re-exposed as a matter of politics and kinds of power. Economic ideas reach ascendancy not through demonstration of their effectiveness but through their association with and formation of other forms of power.⁴⁰ The transformative importance of economic ideas is mediated through bureaucratic structures, educational systems, intellectual circles.⁴¹ Economism per se is dissolved.

⁴⁰John Maloney, <u>The professionalization of economics</u>; Doulgas A. Irwin, <u>Against the tide</u>; Peter Hall, <u>The political power of economic ideas</u>.

⁴¹ Pierre Rosanvallon, "The development of Keynesianism in France," in <u>The political</u> <u>power of economic ideas: Keynesianism across nations</u>, ed. Peter Hall (Princeton: Princeton University Press, 1989).

Chapter III

Elite economic discourse: Economists circle the state

Despite the enormous importance of international structures of wealth and power, the state remains a major site of power and decision-making, something worth contesting. Although Algeria's economic decisions and economic conditions have been strongly shaped by international markets for capital, energy exports and labor, the national boundary has consistently provided a point of separation, beyond which international forces do not reach without undergoing intense interpretation, mediation, incorporation and adaptation. Thus Algerian interpretations of the economic, national mediations of global forces and trends, remain important for understanding processes of change and resistance. Imperatives to improve efficiency are driven by inadequate oil revenues, the debt repayment schedule, domestic economic and political demands. Algerian public discourse abounds with analyses of the inefficiencies of the state-dominated economy, the market economy is hailed, and liberal economists are prominent contributors to newspapers. This envisioned new state of affairs includes, obviously, a renegotiated state role. Less obviously, but inevitably, a different state role entails a new relationship

between state and society, and between social actors, groups, sectors, classes, interests, and between the nation and outside economic forces.

Algerians are re-negotiating this issue with considerable difficulty. Thirty years of autocratic one-party rule, claiming consensus and distributing resources by state decision, governing in the name of the people but masking, eliding, their different interests, left Algerians poorly prepared to articulate and negotiate difference. While the abrogated electoral process and subsequent Islamist armed resistance have split the country and made political articulation and negotiation even more difficult, debate about economic issues proceeds at an intense rate. Despite factories operating at fifty percent of production, a debt repayment schedule that absorbs over ninety percent of earnings, and chronic housing and food shortages, Algerians have a paradoxical faith in the science of economics that contrasts with more pessimistic assessments of their country's political and cultural crises.

Closer attention to this economic discourse reveals that it includes debate about broader concerns such as state/society relations, the emergence of new classes, the shift from a system based on value to one based on price, a contestation between social reproduction and the production of a state-driven modernist aesthetic. In economic texts we see Algeria analyzing itself in an ostensibly de-politicized form, using economics to approach topics otherwise considered inflammatory or polemical. And in this interest in economics, we

see a developing consensus about state-society relations, attempts to re-think a social order, and deep consensus on national sovereignty issues. These are the terms by which Algerians interpret their political world, within a context particular historical meanings for "consumption," "production," "private sector," and "capitalism." While a neo-monetarist orthodoxy may dominate international economic thinking, it is specifically interpreted in Algeria, and this specificity conditions the form and fate of new economic ideas and policies. Algerian interpretations of economic change and its mediation, as Algerians attempt to reconstitute the social and reconfigure the political, become crucial to the articulation of larger processes understood as general, global, and irresistible.

Economics is a privileged field in Algeria, a science that is seen as positive and not inevitably occidental, but extremely intellectual. Sometimes this interest seems emblematic and articles may be more performative than explanatory, offering little more than an economic presentation. Newspapers abound with technical articles on, to take a few, the stock exchange (not yet fully functional); a free-trade zone (whether Algeria should have one); and protracted reflections on public sector restructuring. While some articles are written by young journalists with little formal training, there are journalists with considerable economic expertise. Academic economists who have served in Algerian economic policy positions and on the staffs of international financial organizations are frequent contributors. Bookstores are full of non-technical

works by experts and political figures that discuss the Algerian economy, laying blame, explaining, demonstrating command of the material. Other works are replete with econometrics and references, with politics up front or more difficult to sift. The changing management of public sector firms, international exchange rates, and food prices have obvious immediate impact on people's lives. Although the impact of rescheduling may be difficult for people to evaluate on an immediate, personal level, it, too, has become a central issue of discussion that ventilates concerns of sovereignty, political accountability, basic welfare issues, the future of Algeria's industry and industrial workforce.

Many of these works reinterpret a very familiar and well-known historic and economic field, and demonstrate considerable consensus on important values and the basic configurations of Algerian economic reality. There is little doubt that Algeria's struggle for independence mobilized, relied upon, and is now indebted to the people; that this populist basis of national legitimacy must be translated into policies that benefit the people as a whole, and not particular sectors inordinately. There is general agreement that the public sector is in serious trouble, that the private sector is hampered by over-regulation, but that restructuring risks enormous numbers of jobs. Despite extremely unfavorable economic conditions, the Union General des Travailleurs Algériens (UTGA), the public sector employee trade union, was able to negotiate a 14% minimum

wage increase for public sector employees early in 1994. And the most liberal regimes moved very cautiously in removing subsidies to basic foods.

Economic policy continues to emphasize the role of the state, even if there is little belief that the state and state elites can provide adequate economic expertise. Change demands re-theorizing, expertise, elite knowledge. This is seen as both international and universal; however elite economic expertise may be associated with other national or particular interests, it is available and beneficial for Algeria. Indeed, the continuity of Algerian economic thinking and state policies is remarkable, whether one looks at adherence to core values or resistance to economic and social pressure.

Although several regimes and the press have heralded the incipient arrival of the market economy, this newest position does not represent adherence to the concept of a self-clearing market, but reemphasizes the importance of the state, expert knowledge and more sophisticated control. In its presentation of its decisions, the state must advance and rely on elite economic expertise, which is connected both to international economic thinking and an Algerian discourse about sovereignty, history, and economic goals.

In September 1993, the regime organized a series of economic forums, held at its conference center and resort, the Club de Pins outside Algiers. Prominent economists, within and outside the government, discussed current economic issues with ministers and bankers and the exchange of ideas

included some sharp disagreements over such issues as the inevitability of rescheduling. The general context was often presented as the impending arrival of the *iqtisod as-suq* or *économie de marché* (market economy). The overt form of the meetings, as presented on television and in the press, was that of a tutorial, not a conference, a demonstration of expertise and expert consultation. For the public, it was a presentation of real discussion from "the experts at the head of the economy," as one major paper put it.¹

The news shared its place on the front page with renewed efforts to strengthen customs, with the army enlisted to support customs officials² in their efforts to reinforce Algeria's long borders. Why the army, as the concern is liberalization? Their appropriateness for combing and searching missions comes from their efforts to control the Islamist movement, implicated as perhaps one of the main beneficiaries of the black market. To establish a market is also to establish its limits. The "free circulation of goods" has other meanings; illegal imports and private wealth derived from distribution are seen as presenting a clear threat to state and nation. Armed attacks challenge the state directly; concealed private wealth challenges the state's political control over social forces. Thus we see united an étatist discourse on the virtue of a

¹ "Les Experts au chevet de l'économie," <u>Algérie Actualité.</u> No. 1456, September 14, 1993.

² "L'Armée appuie les Dounes," [The Army supports the Customs] Le Matin. No. 527, Sept. 19, 1993.

visible, controlled economy, the clear sense that the parallel economy is a threat to the state well beyond the loss of taxes, and ambivalent efforts to present the market economy as a potentially sanitized, transparent private sector. For these reasons, an examination and analysis of contemporary Algerian economic discourse can contribute to a more acute understanding of this diffuse, hesitant, and ambivalent process of economic political change within the larger context of a shift in international economic thinking.

This chapter is concerned primarily with how Algerian economists, the most privileged of interpreters, operate between the demands of a scientific discipline and their particular economic and political condition to define an Algerian economic reality, to analyze its trajectory, to reinterpret its possibilities. They are always concerned with the political structures which define markets and the social practices which constitute them, so as social analysts their work is much broader than that of conventional economists. If the readership for their work is a more narrow elite, a highly educated group including other academics, state elites, and technocrats, it is important to remember both the importance of those elites in defining policy. Elite economic thinking is diffused into more popular forms, economic forms of analysis are highly privileged, but economic thinking also reflects popular ideas and practices.

Opposition to reforms: Persistent, intellectually salient

In most Middle Eastern states, an extremely critical view of economic restructuring, the means by which it has been carried out, the role of international financial agencies in pressing it, and the asymmetrical structure of the world economy, persist in both elite opinion and popular culture. Debtor states have expressed their intellectual reservations about the programs to international financial organizations.³ And below the level of the state, an intense criticism of these programs is ubiquitous among both opposition forces and state elites.⁴ The "failure" of Algerian restructuring reflects the political success of opposition to those policies.⁵

Algeria's economic history of the past thirty years is one of state-driven economic plans, attempts at land reform and other redistributive policies; development plans that valorize some sectors over others. Algeria did not adhere to its centrally-driven economic policy out of isolation and ignorance, but because of its very integration in the world economy, in the markets for energy,

³ Karen Pfeifer, "Economic Liberalization in the 1980s: Algeria in Comparative Perspective," in <u>State and Society in Algeria</u>, ed. John Entelis and Phillip Naylor. (Boulder: Westview Press, 1992).

⁴ Roger Owen, "The transformation of systems of economic and political management in the Middle East and North Africa: The lessons so far." <u>Review of Middle East Studies</u> 1993, 6:15-34.

⁵ See Robert King, "The restructuring experience in Algeria and Tunisia," and Bradford Dillman, "The Political economy of structural adjustment in Tunisia and Algeria in the 1980s and 1990s." Papers presented at the 194 Annuel Meeting of the Middle East Studies Association, Phoenix, AZ, November 19-22, 1994.

capital, and ideas.⁶ Its attempts to alter this historical policy are still curtailed by international and national constraints, not the least of which is the structurally inevitable international valorization of the state as the site of international-state negotiation and Algerian valorization of the state as the orderer and creator of the economy.

All programs for economic restructuring, while rejecting a socialist or dirigiste notion of central planning, still assume an extremely important role for the state in carrying out economic reforms that will reconstitute the national economy, redistribute economic and political benefits, and ultimately reshape sociopolitical power in the nation. This was as true for Algeria's own self-administered restructuring of the late eighties as it is for creditor-driven plans of international financial organizations. The <u>Cahiers de la reform</u>, a collection of reports, studies, and propositions seeking to reflect upon and enact "the reasoned transformation of Algerian society," is state-based, centrally based; presenting reflection and decision-making as prior and part of reform. This is no mere prescription for "state withdrawal".⁷ Nor is it an Algerian contradiction;

⁶ See Pfeifer's account of Algeria's close integration with the international economy. Although she is primarily concerned with financial and economic engagement, she also refers to Algerian engagement with economic thinking; self-administered restructuring plan was also IMF-approved. Thus Algeria managed to both implement the dominant new international economic ideas and enhance national sovereignty. Karen Pfeifer, "Algeria's implicit stabilization program," in <u>The politics of economic reform in the Middle East</u>, ed. Henri J. Barkey (New York: St. Martins Press, 1992).

⁷ Abderrahmane Roustoumi Hadj-Nacer, <u>Les cahiers de la reforme</u>. 5 vols. 2nd edition. (Algiers: ENAG Editions, 1990), 5.

it inheres in the very nature of state-driven structural adjustment and reform, essential, unavoidable, constitutive, the "orthodox paradox."⁸

New economic thinking assumes the state, building on older economic thinking that relied on the state to drive development. The policies now under criticism also had an international validation. Considerable thinking in the new science of development economics in the fifties and sixties favored an active, interventionist state. Hirschman notes several converging arguments, advanced in the early 1950s, about trade between developed and underdeveloped countries, that pointed out how the terms of trade tended to favor the more developed and powerful.⁹ The Marshall Plan was based on heavy external capital investment and serious planning even if its short duration removed European national economies from the *tutelle* of elite economic theory. Its emphasis on industry was followed by subsequent waves of development economists who sought to analyze and characterize an intensive industrialization and its possible causes, drawing attention away from a long process and thereby insisting on the importance of state intervention, timing, and planning. Heavy capital investment in infrastructure and state-planning

⁸ Miles Kahler, "International financial institutios and the politics of adjustment," in <u>Fragile Coalitions: the politics of economic adjustment</u>, ed. Joan Nelson (New Brunswick: Transaction Books, 1989), 10.

⁹ "Both the Prebisch-Singer and the Lewis arguments showed that without a judiciously interventionist state in the periphery, the cards were inevitably stacked in favor of the center." Albert O. Hirschman, <u>Essays in trespassing: Economics to</u> politics and beyond. (Cambridge: Cambridge University Press, 1981), 15, 16.

were was seen in the United States as both necessary for general economic growth and regional development; there is little theoretical ground traversed from the Tennessee Valley Authority to the High Dam in Egypt.

For all the criticism of development economics as Westerncentric, it coincided well with the goals and prescriptions favored by political leaders in the newly independent Third World. They wanted to overcome vulnerability and establish modern, industrialized economies, sooner rather than later. Political power holders seldom trusted the interests of national elites who might compete for power; the mistrust was mutual especially where existing or potential political coalitions made redistributive or socialist policies a possibility.

Technocratic, elite central economic planning met with approval from both academic economists and Third World leadership. The state's claim to direction of the commanding heights of the economy was seldom contested. The necessity for industrialization was assumed, but the necessary capital had to come from outside; few post-independent nations had the domestic capital necessary for industrialization. Those with important primary products such as energy assumed that only the state could provide the negotiating ballast to manage foreign investment and foreign interests. Although Third World countries differed on their position towards foreign capital, I want to insist that Algeria's economic planning, so often dismissed as autarchic and isolated by the standards of foreign business operators and commercial attachés, was well

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

in step with international economic thinking in its policy of state-directed, capital intensive industrial development.

To characterize a dominant discourse

Algerian economic thinking retains a critical, third-world orientation that sits comfortably with more recent economic thinking. A bibliography runs smoothly from Althusser to Arrow, Marxist to neo-monetarist. This reincorporates the social and political into economics, as does Marxism. It also reinforces a radical view of an exploitative capitalist world system. It privileges values of equality and independence even as these values have been claimed and advanced by mass-based Islamist opposition. National independence and an equality between Algerians are both seen as legacies of the colonial period and the struggle for independence. Only through sovereignty could Algerians obtain economic or political standing; the mass mobilization the war demanded brought the masses into public discourse, into politics, as the national group. French colonization had destroyed indigenous educational institutions, French colonial policy discouraged the education of Algerians. French colonial policy emphasized the exercise of political authority from France through a French civil service, and in Algeria, the interests and political expression of colonists. Education and the acquisition of expertise thus become central concerns for post-independence Algeria. The Soviet Union provided an alternative model for modernization; Gosplan economic planing and Soviet experts were seen as

helping to reduce dependence on French expertise. Independence, egalitarianism, expertise, become three points that outline this field of discourse in which even economics operates with ease.

The importance of education mediates the elitism of "expertise." Any apparent "economic irrationality" of egalitarianism is resolved by constructing Algerians as citizens, all heirs to the first of November. The well-being of the majority of Algerians is the economic goal, a well-being seen as modern, industrial productivity, not traditional prosperity based in agriculture or long-distance trade. As the revolutionary strategy was a broad front that papered over or erased differences, national interest and economy continue to be seen extremely holistically. This notion of a united front, repressing difference, recurs periodically to confront political and economic challenges; the *rassemblement patriotique* or *tejama'a watani* of Mohammed Boudiaf ("national gathering-together"), the subsequent national dialogue of the High Council of State, the *économie de guerre* of Belaid Abdesselam. The divisive potential of elections remains highly charged, the open articulation of difference is polemical. Economics, a technocratic and elite expertise, elides political difference and provides a vision of knowledge above politics.¹⁰

¹⁰ Rosenvallon notes that Keynesianism served this role for post-WWII economic planning circles in France; a vision of economic problems as technical and thus amenable to apolitical solutions. Pierre Rosenvallon, "The development of Keynesianism in France."

Both legitimating and sustaining a powerful state bureaucratic elite, the discourse is employed strenuously by most parties in economic and political debates. Within economic discourse, these cores are retained, but the language of economics demonstrates competence and command of the field, just as literary Arabic and French became the official mediums for national culture and technocratic expertise, respectively.

The discourse provides an interpretation of Algerian history and society that has to a great extent constituted the field of debate on policy issues, and continues to shape and constrain policy and ideological possibilities, the imagined universe. Those practices that cannot be presented within its frameworks lack formal political expression and representation, and its most important aspects are re-echoed by its critics and political opposition. Thus we see that the private sector, as an interest, as a group of interests, as perhaps the quintessential Interest, has had extreme difficulty articulating its concerns in the public sphere despite the new currency of liberal ideas and intellectual validation. Conversely, the interest of workers, as represented by an invigorated and well-led national union, has been less effective than it might be because of its inability to present its demands in the language of economics. It has not been able to commission and advance studies from economists, and thus must present its demands in political terms.¹¹ The emphasis on

¹¹An observation made by an Algerian economist sympathetic to the position of the UGTA.

production as the major development project has led to a difficulty in conceptualizing consumption¹² and resistance to its negotiation outside channels of state authority. For Algeria, this manifests as an ascetic, socialistic and technocratic aversion to trade, an ideological hostility to the political power of a commercial bourgeoisie as well as the concept of self-interest, and a great unhappiness with new wealth.

The *étatist* reliance on statistics to explicate and manipulate an economic reality leads to a virtual absence of the enormous parallel economy *as an economy* in official discourse. This observation was made by the Algerian economist Ahmed Henni, and forms a cornerstone of an important analysis that sees the second economy as that Algeria rejected and extruded by an aggressive, scientistic modernism.¹³

Those aspects of the parallel economy directed to distribution and consumption are seldom conceived of except in terms of criminalization and unworthiness. The role of the private sector is referred to, often in terms of rumor and unseen influence, but its political expression has been extremely limited; its public character problematic.¹⁴ Openness to the state's gaze is

¹²de Certeau, <u>The practice of everyday life</u>.

¹³Ahmed Henni, Essai sur l'économie parallèle. Cas de l'Algérie..

¹⁴ Peneff, Jean, <u>Industriels algériens</u>, (Paris: CNRS, 1981); Djalali Liabes, <u>Capital</u> <u>privé et patrons d'industrie en Algérie 1962-1982</u>. <u>Propositions pour l'analyse de</u> <u>couches sociales en formation</u>. [Private capital and owners of industry in Algeria 1962-1982: Propositions for an analysis of social class formation.] (Algiers: CREA, 1984);

associated with virtue here and elsewhere: private means, concealed wealth are construed as sources of political as well as social danger, especially when associated with consumption. The state's scrutiny is necessary for virtue. State involvement, regulation, and authorization mark out proper spheres of activity for economic citizens.

Before difficult restructuring programs required forceful, often autocratic states, French economic policy-making demonstrated for Algerians a high level of state intervention in the economy and a high-state style of economic decision-making as well as state mediation to control markets. Algerian independence ushered in a new era in Algerian-French relations as Algeria sought to reinterpret the Evian accords (the treaty arrangements between France and Algeria that established Algerian independence and France's economic interests) that specified the rights of French petroleum companies to those oil fields they had discovered. Algeria negotiated not with private companies, but with the French state-private consortiums and with the French foreign ministry. State to state economic relations demanded effective negotiation, attentive diplomacy, and cultivation of American, European, and Soviet interests to pressure the French.

French intellectual style also introduced a strongly dirigiste orientation. Although French companies after World War II avoided the theoretical isolation

Jean Leca and Nicole Grimaud, "Le secteur privé en Algérie," <u>Magreb-Machrek</u> 113,1986,: 102-119.

of French economists by routing managers through an alternative education, the association of intellectual sophistication and theory tended to encourage elitist forms of thinking about economic policy. Economic decision-making is understood as a process properly insulated from politics, best undertaken by "a small number of exceptionally able people, exercising foresight and judgement of a kind not possessed by the average successful man of business".¹⁵

The development of modern economics and economic policy has continued to enhance technocratic and elitist qualities, presenting itself as outside and above politics. Despite the importance of the neo-monetarist orthodoxy in the United States and Britain, where control over money supply and a reduced role for state intervention have been part of an effort to decrease and simplify the public face of economic policy, economics as a scientific field has continued to develop as increasingly technically sophisticated and specialized, valorizing mathematical expression and preferring to state its conclusions as paradoxes rather than common sense.¹⁶ Indeed, the attention to money supply returns attention to the frame and the Sovereign of Adam Smith, where political power must be disinterested yet authoritative. Even

¹⁵ Andrew Shonfield, <u>Modern Capitalism: The Changing Balance of Public and</u> <u>Private Power</u> (London: Oxford University Press, 1965), 71.

¹⁶ Hirschman, "The Rise and Decline of Development Economics." Chap. <u>in Essays</u> <u>in Trespassing: Economics to Politics and Beyond;</u> McCloskey, <u>The Rhetoric of</u> <u>Economics</u>.

Keynes's turn to economic policy removed political economy from economic policy, constituting a national economy to be managed by economic science and splitting political economy further from moral economy.^{17 18} The vision of economic policy planning as an elite occupation, that should be managed by specialists isolated from public pressure, is multiply reinforced, carrying through from development economics, socialist central planning, and elite intellectual economics, directly through structural adjustment. Indeed, the project of reforms may be seen as a re-commitment to the idea of a developmentalist state, even perhaps in its ethical and normative roles.

Rethinking economic policy in Algeria

Twenty years of central planning, a large and diverse public sector, and free education and health care, contributed to a strong political elite and popular support for the state's role in the Algerian economy and the state's continuing welfare responsibilities. But within these parameters there was room for considerable disagreement. At the end of the seventies, a regime change offered the chance for a more open political debate over development priorities. The new regime of President Chadli Benjedid (1978-1992), seeking to build a consensus for reforms of the public sector, encouraged public reflection and

¹⁷Giovanna Procacci, "Social Economy and the Government of Poverty."

¹⁸ Note that Keynes preferred to present arguments in counter-intuitive forms (Hirschman 1989), reflecting the preferred form of validation within the discourse of economics. A welfare argument itself could not speak to "the economic."

criticism as part of a new National Charter. Public discussion, publishing, and journal coverage swept vociferously into new terrain.¹⁹ Intellectuals and academics began to write for the public, for newspapers, criticizing the rigidity and inefficiency of capital intensive industrialization and the public enterprises. Some were part of an effort to urge greater public expenditure for social services such as housing and education. Many public enterprises had become bottle-necks in their own right, as inadequate services strained worker productivity and management-worker relations were in shreds.²⁰ The early eighties were a time of dramatically increasing oil revenues and livelier politics, a lighter government hand on consumer imports and the arrival of both Islamist and Berber political action.

Part of the goal of these writings was to urge younger, often extremely well-educated talent, on an older ossified, ruling group which had come to power with independence. Some young economists who addressed a public by newspaper articles ended up as economic advisors and highly-placed policy makers in the liberalizing Hamrouche regime of the late 1980s. The need for economic experts was acutely felt. Beginning with the 1980s, we see a series of shocks and jolts administered to the Algerian economy through policy

¹⁹ Ali El-Kenz, "La société algérienne aujourd'hui - Equisse d'une phénomélogie de la conscience nationale,"[Algerian society today – Outline of a phenomenology of national conscience], in <u>L'Algérie et la modernité</u> (Dakar: CODESRIA, 1989),14.

²⁰Ali El-Kenz, <u>Le complexe sidérurgique d'El-Hadjar</u>.

changes and international economic factors. The liberalizing policies of the Chedli regime have been interpreted by some Algerian analysts as evidence of Algeria's private sector finding voice and power, but more dramatic and longlasting were policy changes that restructured the public sector and shifted aovernment spending from investment to consumption subsidies. The government relaxed its monopoly on importing and allowed private capital a larger sphere while presenting a new series of administrative and regulatory measures that could make operation more difficult.²¹ Oil prices rose in the first half of the eighties, as did government spending and borrowing, and crashed in the second half. The fall in the value of the dollar reduced Algerian earnings further, adding financial market insult to primary good injury. Deprived of operating capital, imported raw materials and capital goods, the public sector's productivity declined and massive lay-offs aggravated the already unsatisfactory unemployment. The regime did not make public the extent of Algeria's indebtedness until the early nineties. But economists and journalists could piece together the bad news from international statistics, and the government's attempt at concealment only eroded its legitimacy.

²¹ That businesses found operation more difficult and some failed, should not be read simply as evidence that the could not function in a more competitive environment. In some instances, new administrative requirements were more onerous. While new laws permitted more access to credit, banks did not necessarily extend it. Dirk Vandwewalle, "Breaking with socialism: Economic privatization and liberalization in Algeria," in <u>Privatization and Liberalization in the Middle East</u>, ed. Iliya Harik and Denis J. Sullivan (Bloomington: University of Indiana Press, 1992.

Expert opinion was hardly necessary to see that the economy was in trouble. Chronic shortages of basic foods, lay-offs, and the deeply felt housing shortages were widely experienced and exhaustively chronicled.²² It appeared as if the state had failed in its economic responsibilities, that its economic decision-makers had not been equal to the task, and that Algeria's crushing debt repayment burden would limit future choices unbearably. As restructured public firms began to lay off workers, the UGTA took advantage of a newly authorized political field to restructure itself and move into politics. It demonstrated unanticipated independence and ability to call effective general strikes.²³ But this picture of organized labor must be supplemented by the waves of chronic, illegal strikes organized by mostly young workers outside the UGTA, who used more Islamist modes of appeal on behalf of working conditions, stability of employment, and respect in the workplace.²⁴

²² Housing, "left to the private sector," deprived of administrative authorization for land or credit, had added little to the housing stock left in 1962. In urban areas like Algiers, average occupancy was seven or eight per room, and thirteen or eighteen to a room was not uncommon.

²³ Note the massively effective general strike of spring 1991, which demonstrated the UGTA's ability to manifest power even amidst the pressing, competing political environment of the Gulf War and the evident rise of radical Islamist power.

²⁴ Abd al-Nasr Jabi, "Ash-shab wa al-amal as-sina'i fi al-Jaza'ir," [Youth and industrial work in Algeria.] <u>Les cahiers du CREAD</u>. 26:1991,195-214. These illegal strikes should be understood as in addition to the UGTA. Although the generational and ideological differences between younger workers and the UGTA may have been at stake here (the UGTA having a serious socialist core), state crack-downs on union organizers make union membership riskier than unofficial action with no files or membership lists.

Islamist political power demonstrated its strength in large demonstrations around issues of language and the role of women but generalized economic and political grievances have been both explosive and inchoate. In October of 1988, what may have begun as a regime-brokered protest demonstration of "Algerian youth," organized to demonstrate support for increasing economic reform, burst into days of rage. The army was brought in to control crowds and the subsequent fighting left over five hundred dead, others tortured, mostly young people. Algerians marked those days as a horrifying embodiment of a legitimacy crises they had only suspected. Islamist preachers demonstrated their appeal by helping to calm the situation. The regime entertained an unprecedented electoral gamble, hoping that simultaneous liberalization and democratization would help it overcome its legitimacy crises. The political and cultural crises, whose resolution might rend the country, were clearly situated in an economic crisis, the complexity of which was expressed in a vexed international situation as well as domestic mismanagement, errors, problems, and unknowns. The fall of the dollar, the fate of public sector firms, French-American competition in the region for prestige and economic influence, the rise of the European Community and the restriction of the European labor market, fluctuations in the world energy markets and the fate of OPEC, and IMF stand-by agreements were as important to daily well-being as the price of potatoes and the presence of tanks on the corner. Economic concerns clearly

condition and contextualize political and social issues. But the relationship is a reflexive one: political and social visions shape perceptions of economic conditions.

Texts and their discursive context

I would like to turn to a group of economic "texts" that show how economics is used to present and comment on an Algerian reality. These texts were chosen to show how different types of economic presentations problematize, normalize, or dismiss different aspects of social reality. In all of the texts, an economic discourse operates to invoke a special authority for economics to comment on the political. All are written texts that play into politics beginning in the late eighties, except for a short segment of official television news. In all of these texts I am particularly interested in how they use the idea of the state and what this means for state/society relations and the relations between social groups, but they are all sufficiently dense and interesting as to sustain other interpretations. While these texts are written for an educated elite, their views are integrated within more general and popular visions. More general views gain legitimacy by expression in economic language, and the work of economists is informed and shaped by the social world they share as Algerians.

Algerian official television rehabilitates the IMF

A new government formed in the summer of 1993 appointed Mourad Benachenhou as minister of finance, with responsibility to deal with international financial organizations and manage Algeria's debt policy. An economic analyst with academic credentials, Benachenhou was a frequent contributor to the press and the author of direct, lively books on current economic conditions and his criticisms of economic policy.²⁵ He strongly advocated rescheduling as well as more thorough de-regulation, and drew criticism for his apparent change of mind once he was in a position to carry the policy forward. He began a protracted series of negotiations with the IMF that did not culminate in devaluation until almost two years later. Rescheduling talks in 1995 have been hampered by disagreement over the status of 1994 bilateral rescheduling ("re-profiling"). Given an interest in rescheduling, its accomplishment has been anything but prompt, and raises larger questions about the process and framing of these negotiations, and how the different positions are presented.

In the fall of 1993 when Benachenhou began those talks, Michael Camdessus, president of the IMF, appeared on Algerian television in an interview with an aggressive young reporter for Algerian news.²⁶ The reporter

²⁵ Mourad Benachenhou, <u>Inflation, devaluation, marginalisation</u>, (Algiers: Dar Ech'rifa), 1993.

²⁶ ENTV [Algerian state television], September 24, 1993.

spoke abruptly, almost rudely, demanding if Algeria would be impoverished by new agreements, and asking how the rescheduling could help. Camdessus answered with corresponding simplicity, speaking of easing the debt crunch and improving the short-term economic situation by spreading the payments. His measured, sympathetic, and optimistic tone exemplified an ideal relationship between a debtor state and an international financial organization. Camdessus's serious but friendly manner presented restructuring as a politically honorable alternative. The official foregrounding of this interview, framed for Algerian news, enabled the state to avoid the imputation of neocolonial submission to the IMF.

For Algeria to sit down with the IMF, the organization must be represented, to remove the stigma of neo-colonial control. "Rescheduling is no longer taboo," noted <u>Algérie actualité</u>, as rescheduling is drained of political valence so it can be advanced as pragmatic policy. Michael Camdessus gave the IMF is given a pleasant, polite, human face. If Algerians can ask blunt questions, and the IMF responds with sympathy, a neo-colonial trope of submission to terms is avoided. If Algeria can negotiate seriously with the IMF, if the country's concerns are taken seriously by its creditors, then rescheduling can be constructed in economic and social terms: as a means to free funds for development and welfare expenditures. Those who have argued for

it have done so in political terms. Independence, however, remains important for both the economic nationalist and the economic liberal. Rescheduling must be carefully re-presented to show that it is not incompatible with economic sovereignty.

Sovereignty and state control over borders, imports

Belaid Abdesselam's two volumes of interviews with two prominent Algerian intellectuals present a very far-reaching vision of state authority and national empowerment and a preoccupation with sovereignty that cannot be underestimated. Originally published while its subject, Belaid Abdesselam, was in political retirement, the text acquired a dramatically altered significance a few years later when he came back into power as prime minister. Abdesselam was a long-term minister of industry and energy under Boumedienne and held other important cabinet-level positions. He is best known as the Napoleonic minister of industrialization *au marche forcé*,²⁷ incorruptible, perhaps Ba'athist as his opponents suggest, meaning authoritarian, nationalist, socialist, and Arabsocialist. After a political eclipse during the eighties, he was appointed prime minister following the assassination of the president Mohammed Boudiaf in June of 1992. Abdesselam was a known figure of strength and integrity even if his industrial priorities were no longer backed by a strong executive.²⁸ He drew

²⁷ [forced march]

²⁸ "The Boumediennes return this week," announced the official paper <u>Al-Masa'</u>. An

public and media attention from the gaping, vacant presidency to a dynamic prime minister although his halt of the economic reforms process left many Algerians dizzy. So many regimes, too many policy shifts.

The brief portion of his vivid account of Algerian politics that concerns us here comes from his description of his mission to establish a market for Algerian natural gas in 1963, under the first Algerian president. This involved renegotiating the independence agreement with France over French rights to Algerian energy, which the French felt included natural gas. His inquiries among other Europeans, to gather technical information about the transportation of natural gas and different national measures for its distribution, initially met with a common assumption that Algerian gas was a French concern. "...[M]ost of my other European interlocutors continued to consider that Algerian petroleum was the business of France," he notes.²⁹

But the process of meeting representatives from other nations, whether potential purchasers, refiners, distributors, moved along a geographic logic to present Algeria as a new party at the table. From an observation about the

unusual display playfulness for arabic journalism, the reference is to a novella by at-Tahir Wattar, "The martyrs return this week." Wattar writes in arabic and has feuded bitterly with the university francophone literature network. An irredentist bearer of authoritarian socialist values himself, his title was too appropriate for Belaid's Abdesselam's return to power.

²⁹ Belaid Abdesselam, <u>Le Hasard et L'Histoire. Entretiens avec Belaid Abdesselam</u> [Chance and History: Interviews with Belaid Abdesselam], ed. Mahfoud Bennoune and Ali El-Kenz (Algiers: ENAG, 1991), 320. exclusively national level of gas concerns, Belaid Abdesselam moves to reflect

on the way international cooperation assumes an assertive sovereignty:

[T]he transport of gas from one continent to another... assumed... a choice between two channels: an undersea pipeline or liquification. And, in both instances, this assumed significant investments; and any case, for the eventual buyers and investors, Algeria had become an important factor. From the moment when Algeria had become independent, whoever wanted to buy its gas or invest in its transport must pass under the observation of Algeria; they cannot enter the matter without knowing the wishes of Algeria.³⁰

With this he moves from the technical means of gas transfer to the political: "Little by little, I arrived at a belief that, at the start, before taking up a technical issue, it is necessary to deal with the problem on the political level... Algeria will

have a central role to play "31

This move, from technical question to the political level of the state,

occurs again in a different context, importation. As minister of industry, Belaid establishes a state monopoly over imports. This is presented both as blocking opportunities for a commercial bourgeoisie, and enabling the state to collect statistics, to know national use, to regulate the use of hard currency. The international level is to be occupied solely by the state. In pursuit of information, to overcome a technical problem of how to measure the nation's demand, the state establishes itself with sole rights of access and information. Whether his adversary is neocolonialism or his opposition at the UTGA, the

³¹Ibid.

³⁰Ibid., 321.

ministries of planning or finance, or "all the elements on the right," we see a conflation of nation and state, and the claiming of an exclusive right by the state.

State socialist economics: critical, technocratic, moralist

Maâmar Boudersa shares many of Belaid Abdesselam's values, although his concerns in <u>La ruine de l'économie algérienne sous Chadli</u> are expressed in more technocratic forms. The text emphasizes characteristic concerns of Algerian economic discourse such as education and expertise, sovereignty, and the political trajectory of economic policy. We see the effects of a dense consensus that was finally challenged by the liberalizing regimes of the late eighties. The text plays into a political space opened by the appointment of Abdesselam; it emerged with Abdesselam's re-emergence into politics as his own texts re- interpellated the previous policies that privileged investment over consumption with authoritarian insistence. Boudersa's work of continuity stitches together the liberal breach as Abdesselam's return reinvoked a previous economic policy.

Boudersa's text is dedicated in November 1992. This is almost a year after Chedli Benjadid was ushered from power through the agency of the Algerian army on the eve of Islamist electoral victory, a victory that Benjadid's liberalizing regime had come to terms with. Boudersa's text reads as if Chedli was still in power; published in 1993 it would actually have sandwiched Belaid Abdesselam's return and quick exit. While expressly disclaiming the provocative, direct title (<u>The ruin of the economy under Chedli</u>), and presenting itself as a general review of the principles and results of the economic policies of the Chedli years, it provides amplification of the anti-liberal critique and resonates with main themes of a dominant economic discourse. Especially interesting is the articulation of the connection between an immoral and unworthy private capital linked with Islamist politics.

Boudersa's analysis follows a dominant socialist-intellectual current that sees Algerian state-directed investment and development "assassinated" by consumption.³² Drawing on the analysis of Mostefa Lacharef, Boudersa presents Algerian history as a struggle between two principal tendencies, one radical and revolutionary, the other "reformist and colonialist.³³ Under Boumedienne's rule (1964-1978), the two currents were balanced through "machiavellian" politics. The reforms of the nineteen eighties are presented as the victory of the reformist wing. It had always worked in a "subterranean" manner; it represented the "compradores" who benefitted from the commissions of foreign firms until the state assumed exclusive rights to import. But the compradores are in the state as well as outside of it, and benefit from the new policy as well, without a direct role, as "les intérêts occultes."

³²Maâmar Boudersa, <u>La ruine de l'économie algèrienne sous Chadli</u>, (Algiers: Rahma, 1993), 197.

³³Ibid., 198.

The grip of the state on exterior commerce is explained by the fact that it is a source of enormous revenues, but occult; that is, corruption, as shown with elegance by the Club of Rome and economists of international renown, such as Paul A. SAMUELSON, John K. GALBRAITH, Tibor MENDE, and Susan GEORGE in their studies dedicated to international commerce, and which Algerian practice dramatically confirms.³⁴

When the state sought to depose the private sector, setting up a state sector in place of the private, the private sector followed its revenue source, so to speak, into the public sector. It colonized and corrupted the state sector. By this explanation, it is the private sector, and not state involvement over the economy, which is presented as the engine of corruption. Boudersa goes on to present Abdesselam's discussion from <u>L'Hasard et l'histoire</u> about private penetration of the state, referred to as a Mafia, and the establishment of state administrative control over money, credit, and exchange as a means of limiting the power of this compradore interest.

This is the role assigned to private capital in Algeria, a source of corruption within and outside the state. Its ties outside the country presented as corruption (commissions) after the revolution and an unattractive complicity before. The private sector is presented as "speculators, traffickers, and opportunists [affairists]" who circled around French war-time expenditures in Algeria.³⁵ From this beginning, private capital moved to dominate interior

³⁴lbid., 80.

³⁵ Ibid., 84.

commerce in post-war Algeria, despite a forced dependence on the state-

monopoly over importation, and state control of credit and other means of

production. Moving from immorality to unworthiness, Boudersa criticizes the

private sector for a lack of education, a lack of technical sophistication, a lack in

terms of a modernist vision of progress.

There are no pre-requisites for a merchant. One improvises. It is necessary only to have the funds, or have them available, to be able to exercise this happy trade, even if the administrative demands [of the government] are exaggeratedly heavy. Apart from that, professionalism, technical competence, the criteria for selection, experience, aptitude, deontology [la déontologie] are not at all required. Anybody can sell anything. The most ignorant and illiterate can pretend to be the biggest "expert" in the world in his business, counting on his glibness....Chatting [bavardage] substitutes for advertising, lying and boasting for quality; insolence, violence, impoliteness and aggressiveness for effective commercial techniques.³⁶

This domestic market, "escaping control of the state" is posed against a

virtuous private sector of "artisans, industrial producers, and entrepreneurs"

seen as productive and instructed as well as law-abiding. When the reforms of

the eighties removed may state monopolies, the (bad) private commercial

capital pursued the strategy of an alliance with Islamist political mobilization,

reinforcing their placement with the non-modern.

The mosques were transformed into political tribunals, and their neighborhoods into souks of goods... In this way, they disarmed all real opposition. The divine source of economic reality excluded man and his rationality. This path is inscribed in the strategy of the political elite of

³⁶Ibid., 84, 85.

commercial capital, where the systematic recourse to repression and the neutralization of all political opposition would be the rule.³⁷

Thus we see connected in this narrative argument liberalization, the rise of

political Islam, and a new commercial elite with wealth if not education,

challenging "modern rationality" as a legitimate claim of a state intellectual elite:

...[t]he new Algerian elite, living an aggressive cupidity thanks to an insolent lucre, has given to neo-mercantilists a legitimation of their economic techniques, backward and false....Having succeeded in joining economy, politics, and theory, the new Algerian elite has thrown itself, body and soul, towards the last bastion yet to take, the State, to impose its domination and that of its foreign commercial partners.³⁸

This holistic conception of Islamists, foreign capital interests, and a powerful new class of private operators may be more easily advanced when activist political Islam has been banned from the public sphere, perhaps silenced by its own disinterest in making economic arguments that would cast it as speaking for private commercial interests in a state where a dark cloud certainly hovers over private capital.

While a political and polemic analysis wraps this very political account, much of the content is more explicitly economic, represented as quantitative data, statistics, and in the form of tables on a wide variety of subjects. Indeed, there is little that could be considered social or national that is not touched by economic analysis in Boudersa's account. He is striving to present a total

³⁸Ibid., 86.

³⁷Ibid., 85, 86.

picture of Algeria's economic situation, inside, outside, especially as it has been shaped by Algerian policies of the eighties. The book begins with a discussion of development finance and exterior debt, and condemning the incompetent and inadequate role Algerian banks have played in negotiating loans. The text moves then to monetary policy and the money supply, commercial policy, industrial policy, agrarian policy, and an interesting discussion of the politics of population. The dense forms of economic discussion are presented as an unveiling of an economic reality whose structure and shape have been "clothed" and "masked" by political drapes and "an ideological aesthetic."³⁹ The author is no less driven by a discursive aesthetic that constructs economic expertise by its references, statistics, and tables, invoked and mobilized rather than explaining. The authority of elite international economists is conjured with their names, connecting this very national analysis with international expertise.

Islamic economics can be nationalist, technocratic, statist, moralist

The Algerian economic situation from the point of view of an Islamic economics, as presented in <u>L'Économie algérienne: Defis et enjeux</u>, by Abdelhamid Brahimi.⁴⁰ Brahimi may appear to have come late to this frame of analysis. He represented the Algerian state petroleum company in the United

³⁹lbid., 5.

⁴⁰Abdelhamid Brahimi, <u>L'Économie algérienne: Defis et enjeux</u>, (Algiers: Dahlab, 1991).

States in the mid-seventies, and was minister for planning in the late seventies. Between 1984 and 1988 he was prime minister, participating at the highest level in initiation of economic reform. From technocrat and member of the FLN political bureau to FIS sympathizer, one of several highly placed Algerians who arranged for the legal defense of FIS sympathizers in 1991, he also occupied a post of Islamic economics at the University of Constantine while in political semi-retirement. Brahimi left the country upon the banning of the FIS in 1992 and has been associated with the London School of Economics since then. But it is not helpful here to emphasize too much of his "transition" to Islamist politics. Born in Constantine to an important ulema family, Brahimi inherited considerable Arab-Islamic cultural capital, and the FLN by 1980 reflected the same diverse political, economic and cultural currents that were manifested outside the party in formal opposition.

In what I have come to see as reiteration of consensus, Brahimi shares with his political adversary Belaid Abdesselam an extremely pointed view of North-South relations and the importance of constant negotiation to re-shape the terms of trade. It is not a problem that can be solved, but a structural relationship between powerful and less powerful states that demands constant wrestling. He notes that when powerful industrial nations faced domestic economic problems during the eighties of slow growth and unemployment, their efforts to restructure their economies included protectionist measures against

outside competition, in accordance with their political abilities and economic needs. Thus, more powerful states can restructure the global economy as well as their own domestic economy.⁴¹

When industrialized nations sought to overcome their own economic problems through increased competitiveness, they have at their disposal superior means to alter the market and shift the terms of trade, depreciate the relative price of primary materials, or benefit from international monetary arrangements to strengthen or buffer their currency. Algeria was particularly hurt by the depreciation of the dollar in the late eighties, because their hard currency payments came as dollars and their debt was mostly in francs. The franc was strong, the dollar weak, and the real price of petroleum was cheaper after 1986 than before the intervention of OPEC. The international political economy lesson is that industrial nations have a greatly enhanced ability to alter international markets; they have considerable ability to make trends instead of being subject to them. Their citizens are much less vulnerable than the citizens of a Third World country; their states are stronger than Third World states vis à vis other states. The banal commonplace nature of this view can not alter its importance as an assumption in peripheral-center relations.

This point of view leads to a deep, general skepticism about any economic program or economic reasoning that comes from industrialized

⁴¹ Ibid., 251.

nations; it is integrally related to the real material interests of more powerful economic actors. The most powerful evidence for this, for Brahimi, is the grim bottom line: indebted countries have become net exporters of capital while domestic standard of living has fallen and their own development programs are at a standstill, exporting over 50 billion dollars of capital annually.

Despite his rejection of IMF-style restructuring plans and economic liberalism⁴², Brahimi supports the restructuring and reform of the Algerian public sector. Indeed, as prime minister in 1984 he had contributed to the initial liberalization reforms, and the beginning of public sector reforms through the break-up of enormous public firms into large ones. While well aware that administrative, regulatory and political management of the public sector all but suffocated productivity, Brahimi constantly recurs to the state as a means of readdress and re-regulation. Speaking, perhaps as befits a former planning minister, Brahimi presents reform as the state endorsing, ordering, re-ordering. Speaking of the private sector in the context of the 1980 reforms that articulated a conscious rehabilitation and endorsement of that sector, Brahimi notes that the private sector had grown "anarchically." It required "promotion, direction and structuring [encadrement] to strengthen its contribution to

⁴²Ibid., 298.

economic integration and development.⁴³ The state is the source of that order for this vision of reform.

Brahimi's analysis and prescriptions include democratization and increased participation. The society that must express itself through these means is evoked, assumed as if its identity and interests were already articulated and understood. The state remains the sole site for reordering the economy and the relationship between the state and different aspects or sectors of the economy, not politics. While noting two examples of where de-regulation resulted in increased administrative and regulatory burden, while denouncing the paternalistic nature of planning, Brahimi retains an idealism about the state's ability to make economic policy above or outside of politics. Reform that seeks to reduce the density of the state's economic hegemony nevertheless begins with the state and leads back to it, sometimes denser than before.⁴⁴ He shows no interest in the private practices that have bypassed formal state arrangements and retains a formal interest in the state-created arena for both politics and economics, a technocratic center.

⁴³ Ibid., 298.

⁴⁴ Two important areas where reform lead to new forms of intervention come from the public sector reforms and the lifting of state monopoly form exterior commerce, importation. Although the *tutelle* was abolished and the executives of public sector firms freed from considerable interference as well as support, a new financial oversight arrangement left the matter increasingly ambivalent. "What appeared to have been changed was only the form of state intervention." Brahimi, 304,305. Regarding exterior commerce, freed from state monopoly: "the creation of new offices, agencies and systems of concession resulted in ... a system heavier than the previous system..."

What is so Islamic about these views? In two concluding chapters that wrap the political economy discussion, Brahimi clarifies his rejection of inappropriate imported models with a broader appeal for a "decolonization of mentalités."⁴⁵ He insists that the Third World's orientation towards the industrialized nations has brought it increasing debt and dependency; the Third World lacks the political power to order the international order more advantageously. As if replicating the original Third World project in an Arab-Islamic frame, Brahimi advocates a turn towards Arab, Muslim, and Maghrebi circuits of influence and exchange, towards nations that share similar cultural heritage and structural economic conditions.

These prescriptions are sketched only in outline, as is their Islamic aspect. The "Arab Islamic economic space" thus created should reflect four principles of Islam.⁴⁶ These are presented as the uniqueness of God, with man as God's representative (khalifa) on earth. Drawing from a broad current of modern Islamic interpretation coming from Maududi, the interpretation presents each man as a khalifa. Exploitation of man by man is forbidden, and by extension capitalism. (Note: Capitalism, associated with exploitation and the

Ibid., 318.

⁴⁵Ibid., 398.

⁴⁶Ibid., 376.

arrival of colonialism, is not linked to the Algerian private sector; a fruitful and problematic ambiguity.)

The Islamic notion of the community of believers (the *umma*),⁴⁷ implies a rejection of the occidental concept of nation. Referring to early caliphal suppression of borders, tariffs, and other barriers to the freedom and circulation of goods, Brahimi suggests that the modern umma should move toward the constitution of its own vast Common Market. This is a salient metaphor for Algeria with its particular view of the bounded benefits of European unity. Its prominent exclusion from the European Community's much-heralded cultural and economic union inevitably leads to reflection upon whatever cultural union that may be left to it.

Brahimi's broad Islamic concern for social justice leads from the primacy of public interest over individual interest to a concern to ameliorate poverty, and to a social preference for greater equality. Finally, an Islamic principle of social solidarity is seen as motivating both the zakat and the prohibition of usury. A space is created for a society, but it is presented as a whole, or a piece of a whole, Arab, Algerian, Maghrebi, Third World, Islamic. Interests, aspects, regions, classes or sectors do not seem to have legitimate representation in this framework, and the state's role in constituting society persists.

⁴⁷The Arabic term *umma* is one of the few Arabic words in Brahimi's text.

While in no way contesting economics as a scientific field, this framing clearly re-introduces a moral and social economy to political economy, seeking to set forth moral principles to direct economic decisions. Brahimi does not discuss decades of painstaking negotiation that brought Europe to its current level of economic coordination; an Arab/Muslim union would demand an equal commitment of time and effort and cannot be conjured up overnight. Nor does he discuss the role of existing states or politics in bringing about an Arab/Muslim union. But the language of cultural and moral re-grounding and rededication to a social vision offers a partial escape from the state-state reform model I discerned above. History certainly knows examples of new social visions, new formulations of knowledge and understanding from outside the state that bring energy and zeal to economic activities and politics.

Those writers and scholars who are concerned with an Islamic economics chose their form of argument (moral, historical, pragmatic, econometric) depending on the audience selected and a political context as well as the writer's educational capital. When Brahimi attacked the errors of other Algerian policy makers or the economic models and prescriptions associated with economic liberalism or neomonetarism, he argued that the consequences of these policies were disastrous and the assumptions behind them faulty. In other words, he engaged them on a field of their proposed goals and their ability to accomplish them, a pragmatic and political approach. The

Islamic framing of his analysis is added the more conventional technocratic analysis, with the potential to radically alter economic policy while leaving economics as a scientific discipline unscathed. The publication of the text in 1991, when the FIS demonstrated its power so forcefully during the spring in mass demonstrations, and in the fall in the first round of national elections, marks out a bridge between state elite and Islamic power, between the FLN mainstream and an Islamic cultural framing of a technocratic development project.

Liberal economists: state authority already dissipated by social actors with their own agendas.

While the last analysis is directly political and offers statist outline for a vision of society, two works by academic economists point to or assume a society of dense interests and effective agency. These works are from two academic economists, seen as liberal, who rose to significant positions of responsibility in the late eighties, Ahmed Bouyacoub and Ahmed Henni. Their identification with a liberal position is qualified by what I identify as a depoliticized economism that nevertheless draws attention to the political role of the state. By this I mean that they use economics as a collection of interlocking relationships between state, society, labor, and property, relationships that are both socially constituted and have material effect. While not assuming a closed system, they present outcomes as structurally entailed. If the state does this here, we will see that in another field. If the state-managed enterprises are

managed this way, we may expect those outcomes. The economic costs of the different relational structures are distributed differently, they can be deferred or displaced, there will be corresponding social costs as well. By structuring the argument to present consequences as flowing from the structure of state/society/economy relationships, the provocative results are presented as inevitable, no one's "fault," reasonable, following rules of economics.

The public sector and "sub-system" organizational logics

Ahmed Bouyacoub's career has focussed on Algeria's public enterprises and their management. In an academic context where theoretical studies are privileged over empirical studies, Bouyacoub's concern with management has drawn him to analyze practices. His genealogical analysis of Algeria's public sector firms presents the layered theoretical and material structures of the firms' management, explicating their incoherent and inarticulate nonperformance by criss-crossing contradictions and constraint that make economic efficiency impossible but not essential. They are without direction because they exist as layers of direction.

Public enterprises have a difficult symbolic place in the Algerian system. Regarded as "the principle agent of industrialization,"⁴⁸ the means for the state's mastery of the economy,⁴⁹ and then as both the expression of and the

⁴⁸ Ahmed Bouyacoub, <u>La gestion de l'enterprise industrielle publique en Algérie</u> [The management of public industrial enterprise in Algeria], vol. 1, (Algiers: OPU, 1988), 3.

⁴⁹ Ibid., 49.

means for the formation of an Algerian socialism, they came to be seen as nonprofitable, poorly run opportunities for informal "redistribution," trapped between the tutelle and underproductive labor. The public sector enterprises have been studied as a model, through its relationship to other aspects of the economy. It has been seen as the concrete embodiment of an ideal and as the repository of frailties. Concentrating on public enterprise as a changing series of practices, Bouyacoub opens up a troubling but persuasive line of analysis, troubling in light of what public enterprises were to accomplish.

The enterprise is the bearer, officially, of a development project independent and autocentric, but it has evolved in a world largely dominated by international capital... For their creation and expansion, the public enterprises absorb billions of dollars of all sorts of merchandise, essentially from the developed capitalist economies. By this standard, the public enterprise became an important site for the valorization of international capital [emphasis his].⁵⁰

By "valorization of international capital" Bouyacoub means that

purchasing power of international capital has been maximized. The Algerian state has paid in hard currency for the most modern, the most technologically sophisticated equipment and expertise to be installed and deployed in Algeria. Its material value is maximized and its symbolic value emphasized as well by the primacy of place given to it. This valorization of international capital contrasts sharply with the role of Algerian capital. Although the public enterprise is a site and instrument of state investment, state capital is

⁵⁰ Ibid., 10, 12.

devalorized, depreciated. The "functional capacities of production" are poor: the high-tech, modern equipment is immediately subject to wear and tear and becomes obsolescent quickly, human and material resources are squandered.⁵¹ That for which the most was paid deteriorates and yields little. Through this particular development strategy, international capital is enhanced, domestic capital is systematically depreciated; an unsatisfactory result for a national development program.

Bouyacoub asks how the public enterprise can resolve these two contradictory logics, and under what kinds of logic it can operate. He then traces sequential policies of legal and political management of public enterprises, playing off the duties imposed, the constraints, and the enterprise's apparent response. We see how layers of contradictory management produce enterprises under multidimensional administrative controls, with unattainable performance goals that cannot be enforced, well understood as unrealistic, and sidelining the whole question of productivity. The logic of industrialization succumbs to a hyper-rationalization that is costly and unproductive⁵² and results continually stray from intentions. For example, he notes that a series of changes to rationalize socialist management, to involve workers and educate

⁵² Ibid., 135.

⁵¹ Ibid., 12.

them, raised their aspirations as it excluded them. Through these hierarchical and alienating practices, worker/management conflicts increased.⁵³

Drifting and coping are the dominant management modes. The economic direction of public enterprises is incidental; what they are, are historical accretions of discontinuous practices. The enterprise no longer stands accused of inadequacy; it has been acted upon until its "agency" is a diffuse and heterogenous collection of the social aims of individuals and groups. If it does not produce, if it valorizes international capital and devalorizes national capital, it is instead a site of redistribution of direct and indirect rents.⁵⁴

Bouyacoub's conclusions are placed as questions, asking whether restructuring can lead to "true" enterprises that can valorize state capital, instead of dissipating it, or whether they will lead to no more than a new underpinning of diffuse, competing intervention. The answers would have to be in the interstices of practices, in the action of different regulations and constraints around the enterprises, their access to credit, their internal networks of management, the forms of accountability and profitability imposed.

Layers of reform and reinterpretation have dispersed agency through an organization under-system ("*sous-système organisation*"), a created system of

101

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

⁵³ Ibid., 112, 113.

⁵⁴ Ibid., 239.

social and economic interests. Yes, this system was created through state intervention, but the state is not a single actor. It is diffuse, without single goal itself, but multiply active in layers of practices, pushing, intervening, withholding, absenting itself, closing in from another side, extending its control in a drive for socialism or a quest for rationality and sophisticated management, a love of precision and abstraction,⁵⁵ recalling Hegel's observation that the state is the march of the mind, rationality, made concrete.

Rationality takes on a stylistic quality, abstract and alienated, as seen in a bureaucratic love of organizational charts expensively commissioned from foreign consulting firms. Any apparent rationality is dispersed by the multiplicity of logics and goals; the interesting point about the organizational chart is that one is not available and cannot be accomplished. Centers of power within the organization are obscure, assignments are confused, responsibilities and objectives cannot be assessed. And then there are enterprises with six organizational charts, drawn up by foreign consulting firms, within ten years, layered logics and accumulated contradiction.⁵⁶

State power may be constitutive, but its circulating quality weaves nets, not walls. Contradictory logics accumulate, dispersing and redistributing national capital. This is not to minimize the state; this vision of power as a

⁵⁵ Ibid., 135.

⁵⁶ Ibid., 136.

diffuse, tangled web may present more serious political obstacles to reform than more concrete structures. The organizational *sous-système* has appropriated national capital into its own redistributive logics. Constituted by state planning and regulation, it cannot be reduced to the state nor controlled by regulation. We might call it social interests.

Micro-level economic actions have restructured the Plan

Let us turn now from the public sector to an aspect of the economy with no less symbolic importance, the parallel economy, as discussed in Ahmed Henni's <u>Essai sur l'économie parallèle, Cas de l'Algérie.</u> The state here takes the form of barriers, shifting but constitutive, which society and social actors use as dams and conduits. Even consumption is presented as a strategy whose rationality is determined by state constraint.

Where access to the means of production is limited and state-controlled, and savings can be neither placed in financial instruments nor invested directly in production, consumption is presented as advantageous, reasonable, the most advantageous choice. Note the neutral, measured, and thorough language for a topic, consumption, that is usually fraught with menace and allure:

In economies such as Algeria's [planned] it is more profitable (*intéressant*) to buy than to place money in financial instruments... [I]t is practically impossible to transform savings into investment without administrative authorization... which permits access to means of production and credit. Blocking the transformation of private savings into investment makes household savings accumulate as money, liquid and

hoarded, deposited in passbook savings accounts, or placed in assets that protect against monetary erosion (real estate, gold, durable goods)... It goes into consumption and provokes the birth of a demand not related to supply.⁵⁷

Even passbook savings are directed towards future consumption, such as housing. From state control over means of production and financial markets, Henni maps out the wider political and economic effects; rising consumption, parallel networks of distribution, transfer of wealth to speculative operators, transfer of capital abroad, decreasing value of national currency, high prices on the parallel economy in relation to the national currency.⁵⁸ The effects are traced as inevitable, entailed, unsurprising, naturalized; "The existence of a parallel economy is the organic consequence of the mode of administration of economic activity."⁵⁹

Despite identification of the state as the creator of the economic field and the instigator of unintended economic consequences, its actions are described more as "administrative" or "regulatory" than as "control"; a "planned" or "centralized" economy rather than "state-controlled." This economic presentation assumes the state and uses a language that replaces morality and passion with interest. Despite the power of the state in

⁵⁷ Ahmed Henni, <u>Essai sur l'économie parallèle</u>.

⁵⁸ Ibid., 51.

⁵⁹ Ibid., 15.

constituting the field that makes these activities inevitable, the emphasis on administration instead of control minimizes the state's profile.

Economic theorists are integrated into an Algerian landscape of local practices, their work referring to each other in a conversation about economics and relevant for Algeria. Henni presents Marx's analysis of the relationship between accumulation of capital and its transformation into investment over four pages of equations and discussion. Marx is integrated into classical economics and used to examine the relationship between economic theory and its exclusions. As Henni explains, Marx attacked the formal view of 19th century economics, by which the formal understanding of price obscured the real workings of capitalism and the creation of value. Likewise, the formal aspects of 20th century economics prevent us from seeing the importance of the parallel economy.⁶⁰

Another chapter begins with Keynes, who "suggests to us the idea that the division between consumption and savings....⁶¹ Economic theorists, Algerian consumers, public sector managers, peasants all participate in an

⁶¹ Ibid., 143.

⁶⁰ "When Karl Marx, for example, inheritor of a scientific tradition, attacked the study of the capitalist economy in the 19th century, he went beyond a cataloging the apparent reality of capitalism, that is, the formal. He went so far as to say that the attachment to the formal is the source of a multiple alienation which prevents us from seeing the real operation of capitalism. For Karl Marx, the real is precisely the informal, that which is not represented by the tools of the economic accounting of his epoch. The market price is the expression phénomenal -- formal -- of that hidden, clandestine, informal reality, that is, value." Ibid., 146

economic rationality, demonstrating their logic in their work. Speculators are responding to demand in a created economic field not of their making but subject to their demonstrable rationality. Planned economies are not the product of stupidity or political ambition or intellectual arrogance or idealist determination, they "reflect a decision about the ratio of investment to consumption."⁶² Algerian consumers are not profligate, Westernized materialists; they are rational actors who exert themselves to modify central planning and control. The difficult conditions in which they operate not associated only with the vexed economic situation of retrograde Third World states with inadequate expertise and an incompetent political class; it can seen to stand for a larger issue:

The informal is born of the inadequation between the entirety of central strategies and the strategies of social actors seeking to maximize their advantages for the short term through a different circulation of merchandise and money [emphasis his].⁶³

"The plan," small p, gives way to The Plan, writ large, and we move in one sentence from national strategies that seek to constitute a dominant order to a teeming world of consumers at odds with the existing ratio of investment to consumption and the existing division of money and goods. Outside the plan there is another world, deeply imbued with economic logic. Economic language

⁶² Ibid., 147.

⁶³ Ibid., 148.

is employed to euphemize, depoliticize, while economic activity restructures the political from a micro level. The parallel economy, the "organic consequence" of the state, not only "interrogates the nature of the State,"⁶⁴ but mines political power itself.

Conclusion

This chapter has emphasized the way these economists circle the state, a metaphor that suggests their attention, their recourse, and their point of attack. The developmentalist state is an object of criticism as well as the site for launching new post-developmentalist projects, even as those new policies rely very much on elements of the first. The most important elements may be the primacy of elite expertise in planning reforms and the importance of state power in carrying forward unpopular and difficult to coordinate policies. Boudersa, Brahimi, and Benachenhou, susceptible to brief characterization as classic state-socialist, Islamic bridge-technocrat, and IMF elite economist, all use the state in this manner. They are committed to using the state to initiate strategies of reform and re-ordering. They do not see positive dynamism outside this ordering. Boudersa regards the private sector with serious alarm. Brahimi looks to a revitalized umma and increasing democratization; economic activity must be state-framed even if the nature of that state shifts. (And in this attempt to shift the nature of the state the text spans categories.) The liberal

⁶⁴ Ibid., 12.

economists, by contrast, point outside the formal structures of order and economic organization to indicate areas of considerable activity that have their own agendas.

Important for all these conceptions is the central issue of sovereignty. Rescheduling must be represented as a partnership instead of (abject) dependency. Economic expertise hopefully enables the participation and negotiation at the international level that can smooth Algeria's path. Such expertise is seen as neutral, not exclusively occidental, universal in its scientific claim. Reform and restructuring programs must be Algerian, whether generated by liberal regimes or neo-state socialist. The liberal economists, treating the international level only cursorily in these texts, re-direct attention to the national level as an essential site of economic activity and direction.

Turning to the texts themselves and their discursive quality, three aspects are striking. First, economic expertise is a claim to authority, because of its scientific quality, because it is seen as essential to manage the difficulties of the Algerian economy, and because of its importance in negotiating sovereignty. It is seen as universal, not strictly occidental, offering the possibility of a disinterested analysis and a right to a claim to be above politics.

Second, there is a tendency to exhaustiveness in these texts, an inclusion of an enormous breadth of the social and political world. This is most

obvious in Brahimi and Boudersa, which include in their economic accounts discussions of historical policy making, population policy, finance, money supply, agrarian policy, etc. Their breadth is not unreasonable, given their intention to evaluate policy and alter what they see as the political/economic trajectory; they fall more under a category of political economy than economics. This breadth contributes to the legitimacy claim for expertise as well, but a claim for expertise with the emphasis on economics even as it includes political economy.

The more academic economists, Henni and Bouyacoub, even with a very self-conscious delimitation of their object of study, nevertheless find a departure point for a general critique and unexpected inclusiveness. Both these studies point outside themselves, Bouyacoub to contradictory logics of planning and underestimated sub-system organizational logics, Henni to the state on the one hand, and the social strategies that contest the state's decision on the investment/consumption ratio. They are extremely de-politicized means of addressing issues that are not otherwise well examined and negotiated in Algerian politics, the issue of class (small "c"), interests, and social groups, and appropriate levels for economic and social decision-making. For both, there has been a major shift in central power: it has been dispersed, centrifuged away to social actors and groups. Yet the state retains its political gravity; it is the point of origin of those economic policies that Algerians use to organize

their own strategies. It is the object of most strategies for economic, political and social change.

This conclusion is not presented as a static condition, "still the state, despite liberalism." It points equally to a determination to transform the state and a recognition that such a state transformation will be bound up with a new state-society relationship and the revelation, development, contestation, of a new social order. It reminds us that despite the overbearing and overwhelming global aspects of large economic trends, the national economy is still a particular place, a national space where historical concerns and new problems are mediated and reconfigured.

In a national context where the major political project since independence has been development, debate over economic ideas shows us the process by which new meanings are proposed and debated and the persistence of historically dominant visions. Economic arguments are often acutely political and moral, as we see in classic arguments about sovereignty and national production, liberalization and the distribution of national wealth to private individuals, or production and consumption. Yet economics as a science offers a separate realm for Algerians to consider these concerns, to revalidate or reject. In a time of political crisis and armed conflict, economic discourse provides a relatively de-politicized and safer field of debate.

Although economic discourse circulates, it does not circulate without reference to power. It gains its power to reinterpret and assign meanings through both its claims to expertise and by the association of economic expertise with the state as well as international regimes of science (universities and international financial organizations) and power (Western states, international financial organizations). In a time of profound uncertainty and insecurity, this particular economic discourse provides reassurance that problems can be solved through technical expertise and scientific knowledge. This has profound effects for legitimacy, for reinforcing sovereignty, since economic expertise is seen as essential to sovereignty, as Algeria's position in the international economy. Effective negotiation of with Algeria's international creditors will augment national sovereignty.

While normal politics has broken down, the interplay, shared assumptions and interpretive frames of economic discourse and practices, counter-discourses and non-discursive practices, continue to knit Algerians together as a nation across boundaries and ideologies. Both state subsidized inputs (legal) and diverted state-subsidized staples (illegal) contribute to a diverse private sector. Even the less legal and least attractive aspects of the parallel economy may be seen as offering youth employment.⁶⁵ Adam Smith's vision of an economy that weaves together diverse interests may be more

⁶⁵ Boudersa, 178.

useful than Smith's irredentist optimism might suggest. While Algerian economic discourse offers a field where Algerians debate and negotiate by terms other than those of a zero-sum-game, we can see economic relationships in terms of constitution and exclusion. That which has resisted "the plan," while constituted by state barriers cannot be reduced merely to its opposition. But what has been marginalized by "the plan" has certainly come to threaten the center.

Chapter IV

Discourse versus the non-discursive: Private and informal economic sectors challenge to the state

In March of 1994, fighting between Algerian security forces and armed Islamist guerrillas reached a critical intensity around Blida, a region about ninety miles east of Algiers. A commercial strike in Blida to protest the killing of young men by the armed forces became the target of yet another state military action. Blida has been a center for private agriculture where small private food processing plants operate, not always legally. Blocky concrete villas with high walls conceal both private family space and informal production. Long considered a stronghold of Islamist support, it presents a suggestive conjunction of private wealth that has escaped state assessment and control and support for state-challenging politics.¹ Blida poses a question about the political weight and political role of the informal private sector; if it does not give us a snapshot of structure, it nevertheless offers an unexpected vantage to fix our attention. It is an unexpected place because dominant theoretical

¹ While subsequent electoral statistics have not been published, in the 1990 municipal elections Blida was one out of the five Algerian wilayas (provinces) where the FIS received the greatest number of seats, between 70 and 85%. Jacques Fontaine, "Les élections locales algériennes du 12 juin 1990: Approache statistique et géographique" <u>Magreb-Machrek</u> 129 (July-September 1990): 124-140.

understandings have operated to conceal this particular role for informal economic practices. European social theory has emphasized the role of economic and social change in shaping states, and particularly, the role of the bourgeoisie in pushing the state out of its sphere of economic activity to create a space of liberal politics. By contrast, in the modern Middle East and North Africa and in the Arab world generally, we see the importance of states in driving and shaping social and economic change.

The state centralizes, the state liberalizes, the state restructures, the state privatizes; states drove the practices of modernization and colonialism. When we look historically at the modernizing regional state, such as Egypt under the rule of Mohammed Ali Pasha; the modernizing Ottoman empire; or the colonial state, we see the creation of new social, political and economic institutions and the imposition of economic policies and property rights that reshaped society.² The states themselves might be the most enduring structure. The lines drawn on maps we call the Arab states, lines drawn to consolidate the interests of British and French imperialism after World War I, did not seem likely to last long past a decade. Yet it was with these territorial entities that states were identified. The strength of those states has ensured remain

² Such as the creation of a modern army with conscription barracks, and drilling; modern schools; appropriation of lands for plantation use; the conversion of peasants with land tenure to landless workers; the conversion of tribal nomads with collective property in land to landless workers; the prohibition of nomadism and labor migration by vagrancy laws. This view of modernizing state and the violence of its the social transformations it enacts is well presented by Timothy Mitchell, <u>Colonising Eqypt</u>.

virtually unchanged to this day, remarkably resilient to international and domestic challenge.

Despite the density of studies on economic liberalization and the growth of the private sector, very little scholarly work examines the private sector as a challenge to the state. Liberalization theory prescribes and presumes for the growth of a middle class (or its functional equivalent) with interests in process, participation, and stability, not destabilization and regime change. Projects for liberalization and restructuring are presented to states and implemented through states. While public reaction to unpopular policy measures may threaten regimes, it is the poorest, the lower classes, and the lower middle classes who are seen as a threat, not the desirable private sector. And despite the enormous interest in informal economies, they have been evaluated almost exclusively in terms of their economic effects and not for the role they may play in politics.

In Algeria, we saw the phenomena of a busy private informal sector, an unprecedented liberal opening for politics, and a mass-oriented opposition party that dedicated itself to organizing and campaigning. In the aftermath of the FIS's first electoral victory, analysts looked to Iran, Saudi Arabia, and France as funders of the FIS. The Algerian press and leftist intellectuals blamed the informal private sector. Because of the deterioration of the public sector and the administrative difficulties for the private sector, the informal had become very large, including the public sector as well as the former FLN officers who had taken so many former French properties after the war, including small merchants as well as large, well-connected ones. It had grown and expanded, of use to Algerians all over the social and economic field.

While we have various quantitative indicators of the size of the informal sector, our information on opposition based on votes in a series of elections does not reveal class, class identity, or social mobility. We also have very little social information on those who have taken up arms against the state. There is considerable hostile discourse about the informal economy that was fulfilled as newly elected municipal FIS officials in 1990 and 1991 turned to the private sector for financial support when their municipalities were underfunded by the central government. Since 1993, increasing liberalization and increasing difficulties with arranging visas³ has made trabendo more less lucrative and more difficult unless the operator has networks in France to arrange false papers. These kind of networks are one of the few ties that connect the armed emirs -- warlords cum Islamists -- of the GIA.⁴ Martinez notes the importance of large trabendists, their social prominence in the interior, and their association (protection) with Islamist groups. They share with entrepreneurs associated with the state (former FLN officers, high ranking military, some public sector

³ Although the goods are smuggled through customs, men need visas to get goods in France, Italy, etc.

⁴ Groupments Islamiques Armées, merely "armed Islamic Groups."

managers) a reliance on informal methods and a combination of legal and illegal modes of business activity. Tied to the state, it is referred to as the Mafia. Despite its pervasive nature, the socialist and populist political discourse sees the informal as antithetical to modernity, criminal and unworthy, a threat a previous social order of value and association and a destabilizing threat to the state. Algerians note that President Mohammed Boudiaf announced his intention to root out corruption in the high ranks of the military and government, to eliminate the Mafia, and was assassinated soon afterwards. Although Algeria lacked powerful social and economic elites after the colonial period and the revolutionary war that is no longer the case.

States, economic change and social forces

Lisa Anderson has argued that North African history demonstrates the reverse of European history, where social change shaped states. Less shaped by social and economic forces, the state in North Africa and the Middle East has driven social and economic change.⁵ As the Ottoman state withdrew, property, identity, and local issues of government were floated anew and urgently, as European imperialism manifested itself differently across the region. The colonial period exemplified the process of state-driven change. In Algeria, this process included the appropriation of land for European settlement, the military and judicial destruction of tribal social and economic

⁵ Lisa Anderson, <u>The State and social transformation in Tunisia and Libya 1930-</u>

systems, the marginalization and destruction of elites who governed politics and culture, and the destruction of the system of education.⁶

When it was time to conceptualize a plan for independent Algeria, idealistic leftists saw the destruction of the previous social order as an asset and were determined to prevent the growth and influence of a comprador class.⁷ Hermassi, comparing Algeria, Tunisia and Libya, pronounced the Algerian state the most likely to achieve its development goals because powerful social classes which might contest the state's modernizing socialist agenda had been eliminated by French colonial policy and the recent war. This social desert gave the state its necessary scope for action.⁸

Other Middle Eastern and North African states dealt with elites in different ways, from managed accommodation to severe repression, but the state seldom reflected the interests of economic elites. Where they were permitted to operate in economic terms, they lost considerable political voice. The state never vanished from the scene of political analysis in the Arab world, as it did in American social science. In Egypt, President Gamal Abd Al-Nasser

1980 (Princeton: Princeton University Press, 1986).

⁶Hermassi gives an succinct account of Algeria, Libya, and Tunisia in terms of elites, property, institutions and the state in the precolonial, colonial, and postcolonial periods: Elbaki Hermassi, <u>Leadership and national development in North Africa. A comparative study</u> (Berkeley: University of California Press, 1972).

⁷Bennoune, <u>The making of modern Algeria</u>

⁸Hermassi, <u>Leadership and development in North Africa</u>.

appropriated the property of the Turko-Circassian elite, redistributed land to larger and middle landowners, opened the educational system and universities to lower classes, repressed labor organizations and peasant activity and moved sharply against the Muslim Brothers.⁹ The state in Morocco was rapidly consolidated around the Sultan, who banned serious political opposition from any class and appeared in his person to represent the interests of wealth and the military.¹⁰ In Libya, the state shifted from being torn by urban, rural, and regional loyalties to a role as an activist anti-state. Under the leadership and rule of Muammar Qaddafi, the state sequentially destroyed bureaucratic organizations and has severely governed private economic activity. While Tunisia quickly abandoned an experiment with large-scale, socialized agriculture, property holding elites appeared to have traded security in property for political participation and expression. In Syria, a series of military coups finally came to an end under the rule of Hafaz Al-Asad, who effectively

⁹ Raymond William Baker, <u>Egypt's uncertain revolution under Nasser and Sadat</u> (Cambridge: Harvard University Press, 1978; John Waterbury, <u>The Egypt of Nasser</u> and Sadat: <u>The political economy of two regimes</u> (Princeton: Princeton University Press, 1978.

¹⁰ With King Hasan II at the center of the government, power was consolidated rapidly around his person and regime in an enduring configuration of wealth, political and religious authority. See John Waterbury, <u>Commander of the Faithful: The Moroccan</u> <u>Political Elite – A study in segmented politics</u> (New York: Columbia University Press, 1970). Recent liberalization and economic reforms have produced a consolidation of finance capital that has again enhanced central power at the expense of competition and expansion of an independent bourgeoisie. See Clement M. Henry, <u>The</u> <u>Mediterranean debt crescent: Money and power in Algeria, Egypt, Morocco, Tuinisia,</u> and Turkey (Gainesville: University of Florida Press), 149-159.

repressed all opposition and subordinated the economic interests of rural and urban elites. In Iraq, a series of military coups again culminated in the establishment of a powerful, well-centralized regime that pursued a vigorous agenda of economic and social development with neither political freedom nor privileges for previously existing wealth or privilege. The wealthy oil states were spared the possibility of tension between classes. But the broad enrichment of the citizenry and their subsequent increase in education and expectation not been accompanied by political expression and participation in their generally repressive and authoritarian states. Lebanon may be the only state where the state was negotiated and constituted by powerful social groups, a political pact that came unravelled when new social and political forces sought political expression. The Arab world, the Middle East and North Africa as a whole, has been dominated by strong states which have restricted economic elites and economic activity whenever they felt necessary, as part of their general policy of repression of demands for political expression.¹¹

When participation is permitted, and the realm of politics expanded, it has been with the assumption that it will not reshape the state and challenge existing arrangements of power. Recent elections in Jordan, Morocco, and

¹¹ In their discussion of the ubiquity of large public sectors in these countries, Richards and Waterbury note the broad cultural consensus (Islamic and Ottoman) about the strong role of the state in economic affairs. Alan Richards and John Waterbury, <u>A political economy of the middle east</u> (Boulder: Westview Press, 1990).

Egypt confirm the state,¹² and do not reflect a challenge. Elections in Algeria in 1993 and Turkey in 1997 that brought new social and political forces to power were nullified with state military force.

Economic elites and new middle classes have remained vulnerable even as states began to allow greater political and economic freedom in the eighties. Egypt's economic opening began earlier, with the infitah or Open Door Policy in 1974, and this history imbricates economic liberalization with political opening and contestation. It offers an interesting comparison with Algeria. It has been intensively studied, and it presented an economic and political opening that ended with the expansion of the private sector and a violent exercise of Islamist political will (the assassination of Sadat).

The infitah loosed rapid economic change and opened the economic field to more kinds of activities and actors. The lightening of economic regulation permitted an intensification of private economic activities and the return of more capital from Egyptians overseas, including member of the Ikhwan who had been working in the Gulf.¹³ Banking became more competitive. Despite the political repression that characterized the end of Sadat's rule and his dramatic assassination, political expression was much

¹² In Morocco and Jordan, we see the moderation of political parties; in Egypt, the state has more obviously persecuted its political rivals and called attention to its attempts to dominate elections.

¹³ Gilles Kepel, <u>Muslim Extremism in Egypt: The prophet and pharoah</u>, trans. Jon Rothschild (Berkeley: University of California Press, 1986), 107-110.

more open. Indeed, Sadat was undone by criticism and assassinated by political forces he sought to repress, who spoke publicly in the forum of the court. Tried by a military court, the testimony of the conspirators as they explained and justified their actions was reported in the Egyptian press.¹⁴ Political speech in Egypt had breached a significant opening.

The economic consequences of the infitah are most often characterized as benefiting wealthier groups and a nouveau riche class whose fortunes were based on the importation of consumer goods, while the poor and lower classes became poorer. This view was partly shaped by Sadat's short-lived efforts in 1977 to comply with World Bank advice and eliminate subsidies of basic foods. The subsequent uprising throughout Cairo has been compared with the uprising against the British in 1952 because of its sudden explosive quality.¹⁵ It was not foreigners who were under attack this time but the specific policies. The subsidies, pay raises and bonuses were immediately restored. Although the subsidies were important to poor, lower class, and lower middle class, inflation damaged the earning power of public sector jobs held by members of the middle class. To maintain their standard of living they were obliged to seek additional streams of income, usually in the informal sector.

¹⁴ Muhammed Hasanayn Haykal, <u>Autumn of fury: The assassination of Sadat</u> (New York: Random House, 1983).

¹⁵ Derek Hopwood, <u>Egypt: Politics and Society 1945-1984</u> (Boston: Allen & Unwin, 1985).

Increased wealth for the rich and struggle for the middle class were accompanied by unprecedented social mobility for others, the longer-term result of Nasser's education programs as well as repatriation of wages from Egyptians working in wealthier oil states. In addition to the infitah, Galal Amin attributes a rapid rate of social mobility to significant inflation since the early 1970s, increased demand for vocational training and higher education, international labor migration, and repatriation of wages. While some sections of the middle class declined under these conditions, large numbers of lower levels of the society were able to advance themselves significantly up "the social ladder.¹¹⁶ Though earlier analyses of the informal sector in Egypt documented the extreme marginality and poverty of workers in that sector,¹⁷ more recent micro studies have linked the informal to increased security and prosperity. Diane Singerman's work revealed that the burgeoning informal private sector produces primary, secondary, and tertiary streams of income for the lower and lower middle classes, that these incomes are higher than public sector

¹⁶ Galai Amin, "Migration, Inflation and Social Mobility: A Sociological Interpretation of Egypt's Current Economic and Political Crisis," in <u>Egypt Under Mubarak</u>, ed. Charles Tripp and Roger Owen (London: Routledge, 1989).

¹⁷ Mohammed Abdel-Fadil, "Informal-Sector Employment in Egypt," Series on Employment Opportunities and Equity in Egypt, no. 1 (Geneva: International Labor Office, 1980), cited in Diane Singerman, <u>Avenues of participation: Family, politics and</u> <u>networks in urban quaraters of Cairo</u> (Princeton: Princeton University Press, 1995).

incomes, and that the private informal sector has raised a large number of Egyptians into the lower middle class or better.¹⁸

The infitah and similar policies under President Hosni Mubarak opened more economic activities to the private sector but they have not eliminated an onerous burden of regulation by intermittent harassment. State regulation of middle- and larger scale private business remains severe and capricious, requiring most business operators to evade the law and strategically break it, putting their enterprises and profits at risk. Import permits are negotiated individually under difficult conditions, changing regulations penalize vex new business plans, business owners operate between state labor regulation and traditional worker insurance practices, and the taxation of business profits is unsystematic and onerous. Private wealth and the private sector remain extremely vulnerable to the state in proportion to their visibility.¹⁹

When we look beyond a bourgeoisie or wealthier groups to a lower class or lower middle class, we do not find the lower class necessarily less vulnerable to the state in economic terms. Lower classes depend on state subsidies as well as government assistance in the form of housing, access to education, etc. Security services and forms of coercion are no less effective when it comes to the poor. And political participation of the lower classes and lower class

¹⁸ Singerman, <u>Avenues of participation</u>, 173-243.

¹⁹ Ibid., 221-230.

mobilization around economic issues are regarded with alarm by regimes. For some Middle Eastern countries, including Egypt and Algeria, the struggle for independence included mass mobilization that validated a certain role for unruly popular participation if a liberal notion participation was firmly repressed. The first two people executed during Nasser's rule, as my former Arab nationalist professor reminded our class in Cairo, were a peasant and a worker.

Mass protest and the political participation of the lower middle classes were conspicuous historically in those countries with significant urban populations. The Urabi uprising in Egypt in 1880, Black Saturday in 1952, the Wathba in Iraq in 1948, the explosion of mass protest in Morocco and Algeria upon the assassination of a Tunisian labor leader, the uprising in Iran over the British tobacco monopoly were all mass protests involving lower classes in to early nationalist struggles. In the past decade, the Iranian Revolution, reminded Arab and Middle Eastern regimes (if they needed reminders) and social scientists that economic grievances and Islamic political appeal could effectively mobilize the less privileged against the state. While the left in Egypt appeared greatly weakened by the eighties, after sustained persecution, Islamic political mobilization claimed some of the left's constituency as well as recycled left leadership. But the linkage between Islamic mobilization and economic grievances is intermittent.

Although authoritarian postcolonial states had little use for popular protest, economic liberalization has usually been met with economic protest. If

an accompanying political liberalization had cleared a space for public political expression, that protest has been significant. Leonard Binder pessimistically predicted that an Islamic political appeal that mobilized lower class support would lead to fascism and authoritarianism.²⁰ Certainly popular unrest in the colonial period in many of these countries led intellectuals to consider anew the importance of religion for promoting social order.²¹ Colonial powers were very concerned about the threat of Pan-Islamic uprisings while Islamic mobilization served national goals. Colonial educational systems included religious education in an effort to produce a religious orientation that would sustain, not threaten, colonial rule.²² New nationalist regimes were not interested in releasing religious education or unfettering religious authorities. Instead, most regimes moved quickly to apprise religious authorities and religious activists of the limits on their room to express their views or organize.²³ For the Muslim Brothers in Egypt, failure to adapt to the new nationalist order was almost fatal.

²² Gregory Starrett, <u>Putting Islam to work: Education, politics, and religious</u> <u>transformation in Egypt</u> (Berkeley: University of California Press).

²³ François Burgat, <u>L'islamism au Maghreb. La vois du Sud</u> (Paris: Karthala, 1988); Luc-Willy Deheuvels, <u>Islam et pensée contemporaine en Algérie. La revue Al-Asala</u> (<u>1971-1981</u>) (Paris: Éditions du CNRS, 1991).

²⁰ Leonard Binder, <u>Islamic liberalism: A critique of development ideologies</u> (Chicago: University of Chicago Press, 1988).

²¹ In Algeria, the Association of Ulema was concerned with issues of popular culture and education for non-elite Algerians. In Egypt, the move by more Western-looking intellectuals to formulate an Islamic response to problems of social order is more explicit. See Charles D. Smith, <u>Islam and the search for social order in modern Egypt:</u> <u>A biography of Muhammad Husayn Haykal</u> (Albany: State University of New York Press, 1983).

The Ikhwan had born the brunt of fighting Israel in Gaza, and may well have been in the process of controlling and disbanding their armed secret apparatus under the new leadership of a moderate Supreme Court judge. President Gamal Abdel Nasser resisted Ikhwan pressure for inclusion in central decisionmaking and smarted under pressures to permit more open politics and lend censorship.²⁴ But when a member of the Ikhwan attempted to assassinate President Nasser, a thorough and brutal repression of the organization was set in motion.

Algerian religious leadership tangled with the state after independence though the dominant salafi constitution of this religious current did not give them a political base. They were reformers, not organizers, oriented towards education where their influence would unfold a few decades later.²⁵ Nor were they sympathetic to the idea or practice of socialism. They found little reason to applaud the dislocation of rural social life and rapid urbanization that continued through the period of land reforms.

Despite the Algerian state's project to include all mosques under government control, Algerians expressed their piety first through building

²⁴ Richard Mitchell, <u>The Society of Muslim Brothers</u>, (London: Oxford University Press) 1969.

²⁵ Burgat, <u>Islamism au Maghreb;</u> Deheuvals, <u>Islam et pensée contemporaine en Algérie;</u> Fanny Colonna, "Cultural resistance and religious legitimacy in colonial Algeria," <u>Economy and Society</u> 3:3 (August 1974) 223-252.

mosques and establishing prayer halls.²⁶ Later, they helped establish and contribute to Islamic charities unattached to the state. As Algerian Islamic parties formed in the late eighties, crystallizing out of discussion groups and committees of religious scholars and preachers, they quickly incorporated social and charitable roles as part of their mission to benefit Algerians individually and collectively, to help Algerians fulfill their religious obligations, and to build more effective networks of political support. Little studied, these organizations seem to have been important in building community support, or "grass-roots" as it is called in American urban studies. When the Algerian state began to move aggressively against the FIS in 1993, new laws demanded the separation of all charitable organizations from any political parents. The charitable organizations had become too important in their own right and too effective as charities for the state to dismiss outright.

In Egypt, Islamic activism was nursed through years of political repression by concentration on Islamic education. Although Zeinab Al-Ghazali, head of the sister organization the Muslim Sisters, maintained she had always devoted herself to achievement of an Islamic society by education, she did not escape torture and ten years of imprisonment. Her biography is now widely

²⁶ Ahmed Rouadjia, <u>Les frères et la mosquée</u> (Algiers: Éditions Bouchène, 1991) [Paris: Éditions Karthala, 1991]; note earlier observations by Rachid Tlemçani, <u>State</u> <u>and revolution in Algeria</u> (Boulder: Westview Press, and London: Zed Books, 1986); also John Ruedy, <u>Modern Algeria</u>.

available and her persecution generally condemned by Egyptians.²⁷ Her crime was not her activities but her association. Private voluntary organizations registered with the Egyptian religious bureaucracy continued to offer different kinds of apolitical religious instruction.

In the past ten years, private voluntary organizations have come to concentrate more on providing medical services to the poor.²⁶ While private, these organizations work closely with the state and have been most effective where they had patronage and support from well-placed state officials. Seeing themselves as carrying out an Islamic mandate to serve the poor, their structure as charities may well reinforce networks of obligation and support instead of mobilize opposition. One of the largest, most well-funded, and most impressive facilities is that of Sheikh Kishk.

In 1994, the government was unable to respond effectively after severe flooding in Cairo. Islamic charities aided refugees, and public protest expressed itself in angry marches. Whole neighborhoods seemed governed by Islamic self-help groups, leading observers to reflect upon this apparent state within a state. Writing in the early nineties, Delwin Roy presented the hidden

²⁷ Zainab Al-Ghazali, <u>Return of the Pharaoh: Memoir of Nasir's Prison</u>, trans. Mokrane Guezzou (Leicester, U.K.: The Islamic Foundation, 1994).

²⁸ Denis J. Sullivan, <u>Private voluntary organizations: Islamic development, private</u> <u>initiative, and state control</u> (Gainesville: Florida University Press, 1994); Sullivan, Denis, and Sana Abed-Koteb, <u>Islam in contemporary Eqypt: Civil society vs. the state</u> (Boulder: Lynne Rienner, 1999); Janine A. Clark, "Demystifying Islamic social-welfare activities: Islamic associations and the state in Cairo," and "Islamic social-welfare organizations in Cairo: Islamization from below?" Unpublished mss.

informal economy as a source of support for radical Islamic politics, an absolutely free market vulnerable to political appropriation.²⁹ Singerman disagrees with his understanding of markets and politics, but insists that informal economic practices and informal networks of association and influence afford political participation to those otherwise excluded. She notes,

Too much of the debate about the informal economy in Egypt...has centered around economic issues and has failed to recognize the political dimensions of informality and the potential impact of a range of symbiotic parallel institutions on the larger polity...Within the context of political exclusion and state intervention in the economy, these amorphous but deeply rooted institutions provide resources for the <u>sha'b</u> and serve to promote their interests in the larger polity.³⁰

While Islamic modes of expression are employed in much of economic

protest in the Middle East and Arab world, the protest is not automatically

coopted by an Islamic opposition.³¹ For example, Algeria's most dramatic

expression of social-political rage definitely came in October of 1988, when

youth demonstrations covertly orchestrated to demonstrate support for the

²⁹ Delwin A. Roy, "The Hidden Economy in Egypt," <u>Middle East Studies</u> 28 (October 1992): 689-711.

³⁰ Singerman, <u>Avenues of participation</u>, 241.

³¹ In an earlier period of Algerian history, note the importance of Islamic expression and the addition of Islamic figures to tax revolts and economic issues. See Peter Von Sivers, "Rural uprisings as political movements in colonial Algeria, 1851-1914," In Islam, politics, and social movements, ed. Edmund Burke, III and Ira Lapidus, 39-59. Berkeley: University of California Press, 1988.

state's program of liberalization blew up into days of uncontrolled street fighting.³² The state called on its ostensible political opposition for help, and Islamic preachers spoke the rioting young men into order.³³ But there was no involvement of Islamic mobilization in the organization of the protest.

Recent labor protests in steel mills in Helwan, outside Cairo, and increasing struggles in the Egyptian countryside over recently uncontrolled rent increases have all presented themselves unmediated by Islamic discourse. They may reflect the contemporary political environment that sees Islamic mobilization of the lower classes as the major threat to the state and existing elites.³⁴ The lower classes are associated in analysis and discourse with turbulence; the lower middle classes with vulnerability and turbulence, and perhaps, vulnerability to Islamic appeal. But there is no automatic linkage connecting the private, the informal, economic exclusion with protest and Islamic opposition.

³² Mahfoud Bennoune, "Algeria's Facade of Democracy.," Interview with Nabil Abraham <u>Middle East Report</u> (March/April 1990).

³³ I am translating the arabic *daa'i* preacher; it has also been translated as "propagandist." A daa'i is one who is calling others to Islam, and may be unconnected to any mosque or hold any office. The most radical Ali Belhaj and Abbassi Madani, who were to be come the most import figures in the FIS, were conspicuous in efforts to calm the October 1988 riots.

³⁴ In the dark Egyptian comedy, <u>Al-Irhab wal Kabab</u> [Terrorism and Kebab], the "terrorists" send one of their hostages to retrieve the wireless telephone they have demanded for their negotiations. They deliberately choose a hostage with a particular style of beard and dress; the authorities immediately believe they are dealing with Islamist terrorists. Sharif Arafa, <u>Al-Irhab wal Kebab</u>, film, 1992.

Studies on behalf of civil society and liberalization have also neglected the potential political roles of lower classes as well as bypassed the significance of informal economies. As noted above, lower classes have been more generally associated with turbulence and authoritarianism. There is an important but I would argue, not dominant, view, that the poor need democracy more than any other class.³⁵ Generally liberal democracy is seen as the perquisite of a middle class, or better, a bourgeoisie, where a limited state is accompanied by a socially regulated public sphere. There is no place in this vision of politics for an informal economy. The trope of transparency, the absence of secrecy, the clandestine, characterizes liberal theory generally. The assumption of transparency ties such diverse and uncongenial thinkers as Benjamin Franklin, Thomas Jefferson, Edmund Burke, Rousseau, John Rawls, and Habermas. From the Protestant reformation and the imposition of public recitation of the creed, with the spread of double-entry bookkeeping, the rise of a counting-house mentality in religion and a religious application to commerce, the valorization of interests over passions, we see the valorization of the transparent. For Adam Smith, the metaphorical Hand may be invisible, but interests of actors are fairly open to us all. There is little place in liberal theory for concealed governmental activity, or concealed economic activity. Concealed wealth, state evasion, illegal economic activities, are not only a

³⁵ Atul Kohli "Interpreting India's democracy: A State-Society Framework," intro. India's Democracy, ed. Atul Kohli (Princeton: Princeton University Press, 1988), 5.

challenge to the state, but are usually seen as compromising the body politic. There is an important presumption in liberal theory that the government will respond to, and reflect, the legitimate interests and wishes of citizens. Interests are simply legitimate.

Not surprisingly, those organizations which seek to foster democratic organizations in the middle east, such as the several American institutes which fund projects in the region and offer advice and encouragement, find affinity with those aspects of political behavior that accord to the liberal model of politics. They encourage the organization of political parties and voluntary associations that are explicitly political and have not focussed on lower class concerns, Islamic organizations, or economic issues.

The literature concerned with transitions to democracy has expressed concern that labor and lower class demands, unless moderated, may be met with state repression; the concern is vulnerability to the state's forces of repression. It is not the poor per se who threaten liberal futures, but the upper classes and military interests who would strike at a leftist organization of the poor. The recent political history of Argentina and Chile bears painful witness to the lengths military oligarchies will go to eliminate a threat from the left.

Thus scholarship on economic liberalization and democratization looks to various kinds of voluntary state openings, when those who control the state are willing to set more generous terms for civil society and open markets in an orderly, transparent manner. While state controls on currency, foreign

investment, and commercial association are to be relaxed, rules concerning contract, banking law, and taxation are again presumed. Management of the transition from large scale public enterprise is seen as privatization into large firms. With privatization plans that employ stock offerings and expect more efficient management under subsequent public ownership, the assumption is one of openness in process, clarity in management, efficiency in decision-making, openness in accounting, and profitability. This concern with liberalization is unconnected with existing informality, with its small scale, marginal administrative and legal status, and its withdrawal from state and administrative gaze. Indeed, smallness alone -- less than ten employees -- defines the informal for many analysts of Egypt. In Algeria, where the realm of the illegal was larger, the evasion of state accounting, regulation, and gaze may be better markers of the informal since the reach of informal networks is more extensive and includes large concerns.

A brief reprise of the history of the informal sector in Algeria

As outlined in earlier chapters, successive policies of rigid central control over economic and political power, and extremely uneven liberalization, have contributed to the development of a large informal economy in Algeria. Although economically linked to the formal economy, it has evaded state accounting and control. Likewise, the informal private and the formal private

are linked; a private firm operates both formally and informally. Algerian economist Djalali Liabes noted that the private sector statistically received the lowest rate of investment in Algeria but produced the highest profits. He cited its "parasitic" mode of operation to partially account for this, that is, the use of state subsidized inputs, and seeking out only high profit sectors.³⁶ As only the minimum of its profits are declared and taxed, this private/informal represents substantial wealth outside state control with a strong interest in decreasing state control over economic decision making. Invested in politics, private wealth contributed to the social welfare organizations that undergird Islamic politics. If we believe half of what was printed in Algerian newspapers, the informal has funded armed resistance to the state. The hostile discourse about the informal reveals deep ambivalence about wealth, moral worth, the concealed, and the private sector.

Until the 1980s, the private sector was linked closely to the state, needy of subsidized inputs and personalized connections, without public legitimacy. The new, albeit often contradictory, policies of liberalization have operated to change the balance of power between the state and private wealth, and within the category of private wealth. The expansion and political visibility of private wealth accompanied increasing external pressure on the state to privatize its vast public economic enterprises, pressure in the form of IMF and World Bank

135

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

³⁶ Diilali Liabes, Capital privé et patrons d'industrie en Algérie 1962-1982.

advice. Private economic organization would be more effective and efficient, and the privatization would enhance state effectiveness as well. The state would shift from the role of public employer to tax collector.

This role is not seen as a loss of state power, but instead as the shedding of a burden the state is not equipped to carry. It is not the goal of creditor consulting that private wealth fund determined political opposition that could seriously challenge existing power arrangements. And the private sector in most of these states remains linked and leaning on the state, vulnerable to state action. Egyptian private sector managers have named 80% as the appropriate share for the public sector, evincing many years of accommodation and reliance on the state's role.³⁷ In Algeria, the large scale of public sector firms has effectively excluded the Algerian private sector from "privatization." Algerian expatriate capital is also excluded from discussion of privatization, while the inadequacy of the Algerian banking system drove Algerian capital into informal arrangements.³⁸

Politically marginalized while it was permitted to operate, the Algerian private sector, especially small merchants, has been constrained and

³⁷ Mustapha Kamil Al-Sayyid, Paper on Egyptian views of the appropriate publicprivate balance, Unpublished ms, Presented at ARCC, Cairo, October, 1992.

³⁸ Clement M. Henry, <u>The Mediterranean Debt Crescent: Money and power in</u> <u>Algeria, Egypt, Morocco, Tunisia, and Turkey</u> (Gainesville: University of Florida Press, 1996.

harassed.³⁹ To operate a private business of any size was to constantly skirt the margin of the law, to evade a state claiming economic hegemony and practicing continuous administrative penetration. The liberalization measures of the 1980s were often accompanied by administrative constriction that effectively negated any ostensible opening.⁴⁰ Hostility to private enterprise, state control of credit, and state-dominated banking and financial structures drove private operators into parallel networks of finance, credit, and investment. Redha Hamiani, minister for small and medium industries since 1992, deplored and excused the mixed character of private capital in October of 1994, insisting that decent business people had been driven into illegal circuits by an unreasonable and inadequate system.⁴¹

Especially striking is the slippage in elite and popular discourse between the private sector and informality, between legal commerce and unethical connections. The private sector includes the informal, the parallel; skirting administrative regulation or evading border police. Private wealth can be hoarded, spent in consumption, reinvested; or invested in politics, or stockpiled as we say of weapons.

³⁹ Jean Leca and Nicole Grimaud, "Le secteur privé en Algérie"; Djilali Liabes, Capital privé et patrons d'industrie en Algérie 1962-1982.

⁴⁰ Abdelhamid Brahimi, <u>L'Économie algérienne</u>; Dirk Vandwalle, "Breaking with socialism."

⁴¹ Redha Hamiani, "Investissements: le gage de liberalisation," interview by Arezki Benmokhtar<u>, Algérie Actualité</u> (October 5-10, 1993).

Private capital has been cast into a residual category from which it is emerging with difficulty, a category that it shared with the non-modern, the nonorderly, the non-rational of a relentlessly modernist statist vision. It is extremely difficult to chart the wealth and strength of new social formations whose holdings are concealed, while Algerian politics is conducted in chronic violence and closed negotiations. But we can see clearly how an enchantment with an abstract notion of a "modern economy" has created ideological alliances in an underground economy, and examine the composite character of negative values embodied by the informal economy.

An Economic Aesthetic

The dominant economic discourse that valorized central planning and large scale enterprise is acceding to an acknowledgment of the economic virtues of private investment and entrepreneurial management. But the dominant model of "the economy" still privileges a vision of factories and rationalized management practices. The new official vision of the market economy is strangely reminiscent of the old vision in its emphasis on orderliness, production, and transparency to state gaze. This economic aesthetic relegates small-scale commercial activities to a non-modern, archaic and traditional realm, the "folklorique," as Algerian economist Ahmed Henni has termed it. It is the modernist vision of a planned economy, according to Henni, that has categorically relegated all other forms of economic and social activity to the informal. The same conception of development thus rejects the traditional social practices: they are, from the beginning, condemned to disappear or to exist under the form of the "informal." ... The informal is as old as economic science, or as science altogether. It becomes almost its bad conscience.⁴²

Because much of this commerce evades customs, it is illegal. Because much of the trade is in consumer goods it is regarded with contempt by socialist-based intellectual elites. Because the trade sends hard currency abroad and theoretically displaces a domestic product, it is regarded as unpatriotic. Because the trade in smuggled consumer goods is accused of financing Islamist politics, it is considered transgressive and anti-state. Because these primarily distribution networks do not "contribute to development," it is considered parasitic. Goods are sold in open air, on streets and sidewalks. They recall to Algerians the idea of the traditional suq (of which there are virtually none of the classic, elaborate, covered variety after French

⁴² Henni, <u>Essai sur l'économie parallèle</u>, 147,151.

war/urban planning). In a well-ordered, modern economy, Algerian state elites believe, this sector would not exist.

In the early 1990s, as the "économie de marché" is considered both desirable and inevitable, an orderly, sanitized vision of the market has emerged, abstracted from a dense collection of commercial and speculative practices as if there was only one kind of market. A cartoon from <u>L'Opinion</u>, demonstrates this tension. It shows a customs official barring passage a motley-looking group representing the informal economy, an old man, an old woman, and a young man who probably did not pass his baccalaureate exam, all carrying messy parcels. "Halt," he cries, "We are going to a market economy." "But the market economy, that's us!" they call back, nevertheless unsure of themselves against officialdom.

Because of the depth of this vision of modernity that is planned, largescale, ordered, and "modern-looking," the informal sector is cast by default with all of the "non-modern." This too has its icons and its myths. In the spring of 1993, one Hajj Betoutou was arrested for his role in directing a smuggling ring in the south east. A now iconic Hajj Betoutou wears the loose robes of the desert, a turban, and a Rolex. Not thin, he is pictured sitting on the floor on a sheepskin, a kind of Jabba the Hut of the Other Algeria. Hajj Betoutou is not included in the modernist vision of the future. Yet he does belong, through a curious chain of associations made credible by the structures of the dominant discourse, to the West. In a cartoon from the naughty humor page of <u>Le Matin</u> (where he makes frequent appearances) Hajj Betoutou is identified as "Barry White, le chanteur Americain."

The identification depends for its humour on a sense that underlies the absurdity. As a smuggler, Hajj Betoutou is foreign, working against the interests of the anticolonial Algerian state, selling at high cost state-subsidized staples. As a scion of the other Algeria he is also outside the dominant culture, a member of a minority. He belongs (in his smuggling and in his traditionalism) to the same realm as popular music, another suspect syncretism. He is inherently ludic and transgressive, at the same time threat and mascot for Algerians disgusted with their government.

Intelligent young journalists who had interviewed customs officials on the Algeria/Morocco border spoke to me of vast donkey caravans smuggling grain or drugs over the border. So as to save on labor and avoid the expenses of donkey attendants, each donkey was fitted with a Walkman. Each cassette was programmed with repetitions of "Rah, Rah, Rah," to keep the donkeys moving. One doesn't need much familiarity with donkey psychology or the labor market for unskilled male labor in North Africa to see that this is an absurd story. While patently false, it is a Tall Tale that evokes the alliance of technical sophistication (the Walkman) and traditional methods (those donkeys) to evade the control of the state.

An Economic aesthetic...with an Ethic

The dominant discourse on economics and society in Algeria tells us little of substance about this other Algeria; how large is it, who does it comprise, what does it believe? But it tells us much about how this other Algeria is perceived from the center. The other Algeria is traditional, superstitious and uneducated. The other Algeria is also criminal: selfish and corrupt, fleecing the consumer and evading just regulation by the state. It consumes, but does not produce.

The economic elite that emerged through private entrepreneurial activity (legal and illegal) was thought to be comprised of those who were not eligible for bureaucratic jobs, who did not constitute the socialist intellectual elite. They have money but no education, goes the complaint, they are not worthy. If they have meretricious Westernized habits, they are the *tchi-tchi*, if they are conservative they are assumed to support some version of Islamist politics.

Because of the gravity and intensity of the Islamist challenge to the state, the underground economy that contributes to its domestic funding (as it contributes to most aspects of Algerian life and economics) is considered a menace to the state, partly simply because it is concealed. Because access to networks of bureaucratic influence increases one's ability to exploit parallel sources of income, the informal reeks of corruption. Not every expensive wedding is financed by *trabendo*, to use the popular Algerian term for black market goods, from the Italian for contraband. Not every boy selling notebooks

or underwear on the sidewalk is an Islamist pledged to an Islamic state. But the conjunction of these attributes forms a large dark cloud over all these activities. The informal economy thus takes on enormous symbolic importance, as "the bad conscience of modernity."

A bad conscience, or an economy with attitude. With this menace comes elan and courage. Smuggling of any kind has its romantic appeal. In a state still bound by bureaucratic regulations and infuriating shortages, trabendo can stand for evading a corrupt and efficient state. Thus the trabendist may seem richer and freer than he is. Journalistic accounts of the black market by people who see young men hawking their goods, hour after hour on the sidewalk, nevertheless emphasize "enrichessement facile" and the romance of illegal smuggling. An aura of romance is inscribed even over the most dispiriting vistas of urban commerce. An account in a Moroccan economic journal described a damp and depressing pedestrian underpass in Algiers filled with imported and domestic consumer goods as an "Ali Baba's cave" of merchandise. The prowess of smugglers is romanticized as well as condemned.

In the small villages in the interior and the important suburbs of Algiers, the reputations of trabendists can ascend no higher. In the hierarchy of important people at a wedding, they arrive just after rai singers and soccer stars, well- separated from unemployed university graduates.⁴³ They symbolize ambition, audacity, and the future of a certain generation, lucid and pragmatic about the real possibilities of social mobility.

Why is this parallel economy considered so antithetical to a "modern" state and society? Why do cartons of Marlboro cigarettes confiscated on the border figure prominently on the evening news? Why do leftist newspapers scream with headlines that connect illegal smuggling with Islamist violence? It is difficult to believe that every old woman in a cream haik selling gold in front of the baroque, French built headquarters of the former ruling party in Algiers, challenges Modernity and the Algerian state. Part of the nature of the challenge is determined by the particular relationship between state and economy in Algeria.

An Economic aesthetic with an ethic...And a History

At independence, Algerian nationalists felt their nation was industrially underdeveloped and saw heavy industrialization as the most important development priority. Like other newly independent nations, they sought a particular vision of modernity and development, not merely an increase in wealth and prosperity. As an Algerian peasant-fighter explained the goals of the struggle for independence in At-Tahar Wattar's novel, "We shall become

⁴³ Luis Martinez, La guerre civile en Algérie, (Paris: Editions Karthala, 1998).

clean, instructed, modern, like the French.^{#44} The pre-independence Real-Life school of economic education for many Algerian nationalists left them little interested in markets per se and more concerned with the state- and international-level political constraints that shaped markets. In the first years after independence, the French state and major French economic interests struggled to protract their economic control. As we saw in the previous chapter, it was through negotiations with the United States and the Soviet Union and its allies, the Algerian state was able to pressure the French and gain increasing control over the domestic economy. State power, the ability of the state to negotiate at the international level, was crucial to determine Algeria's access to markets.⁴⁵

The economic plan of Algeria's second president Houari Boumedienne was described in his own term as "state capitalism." Self-managed factories and estates, taken over by Algerian peasants and workers from French owners during the war, formally recognized as self-managed during the short, two-year presence of first president Ahmed Ben Bella, came under increasing state control under Boumedienne's government. Whatever their ideological importance, laborers and peasants were not to be managers, self-governed.

⁴⁴ Al-Tahir Wattar, <u>Al-Laz</u> [The Ace] (Algiers: 1974).

⁴⁵ Belaid Abdesselam, <u>Le Hasad et l'histoire</u>.

Nationalists were enraptured by the potential of the state and saw its independence from social forces as a source of its virtue. This is not peculiarly Algerian. The Tunisian scholar Elbaki Hermassi, writing in 1972, considered the Algerian state to have more potential to transform the country than Libya or Tunisia simply because of its independence from social forces.⁴⁶ His views were shared by most social scientists of the sixties and seventies, when scholars of political development, development specialists, and nationalist statesmen concentrated their hopes and expectations on the state. By the late seventies, Indians and Egyptians had begun to see the state as a major part of the problem, but Algerian intellectuals still placed confidence in the state as embodying the nation's collective interest.⁴⁷

Peasants were not the only groups subordinated to a modernist vision, nor were intellectuals the only group seduced by it. Workers remained within the organization of authority that Europe knew; the factory remained a site of discipline and enforcement of hierarchies. Although the war had not destroyed indigenous Algerian elites, they did not command the same wealth and social prestige they retained in Tunisia, Morocco, Egypt, or India. The political field was smaller in Algeria, colonization had been longer and harder, the war more

⁴⁶ Elbaki Hermassi, Leadership and development in North Africa.

⁴⁷ Observation by senior Algerian economist on a third world economic development conference held in Algiers in the late seventies. "International views? Well, the Indian and the Egyptian economists had come to see the state as part of the problem; in Algeria, we had not seen that yet. We still had faith in the state."

intense. Algerian wealth was also politically marginalized; after all, what kind of Algerian could come out of a grueling, internecine seven year war with his wealth intact? Post independent Algeria remained relentlessly populist even if Algerian industry was spared a complete nationalization.

The state moved dramatically to occupy most aspects of society and economy. The private sphere was not completely nationalized; textile factories, the most conspicuous example, remained in Algerian hands, the French Michelin factory with its secret formula was not nationalized. But the general picture was one of relentless state intervention, including the nationalization of movie theaters. Even cafés were rolled into the giant food production enterprises.

The policy of heavy industrialization was pursued by an aggressive minister of industry with the full support of the president. It included many turnkey operations based on exclusively imported technology and it is difficult to ascribe blame to too much central planning or not enough, as seen, for example, in factory complexes built with inadequate transportation networks or worker housing, or in the location of manufacturing operations far from those areas which would utilize their products. Hirschman's remarks on bottlenecks are only halfway realized. To take advantage of the inevitable developmental bottlenecks, there has to be a response, market or state, to the problem. Algerian industry experienced its shares of bottlenecks that should have pointed to the next necessary step. But state industries continued to operate

inefficiently, sometimes by taking on heavy welfare functions for state employees, other times by displaying flagrant disregard for employee needs. And in the gap between demand and production arose a parallel market in distribution, outstripping any underground production because of the state's firm control of the means of production.

Public sector industrialization, seen as the driving engine of development, certainly grew at the expense of social demands, especially for housing and consumer goods. Ali El-Kenz's study of the steel plant at El-Hajjar, a large works built by French, American, Russian, and German engineers, documents such incongruity between social spending and capital spending for industry that the industry itself can hardly function. Workers have little housing and inadequate transportation. Late buses leave without the night shift, supervisors without housing sleep in hammams and hotel lobbies. The high level of absenteeism measures the cost for the industry of inadequate social infrastructure and poor worker-management relations. The facility has never operated at capacity and has been plagued by chronic strikes since its inception. Only by bending the rules, leaving work, being absent, working every connection possible, could workers meet their social needs.⁴⁸

Agriculture, despite its pre-independence importance, received little investment in keeping with the early romantic vision of that gave priority to

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

⁴⁸ Ali El-Kenz, <u>Le complexe sidérurgique d'El-Hadiar</u>.

industry. In 1974, an Agrarian Revolution was launched to redistribute land and modernize agriculture. It is usually evaluated by a failure, except by landowners who lost their land. Algerian critics feel that it was corrupted, as local elites manipulated their way around land redistribution requirements. Its foremost American analyst insists it was doomed to fail in its expressed goals because it was really part of a project to create a bourgeoisie. But rural landowners opposed the measures as if they were seriously intended, and several prominent Islamist figures ran afoul of the state by organizing rural groups against the reforms. Although the state was cautious not to nationalize the land of powerful religious orders, neither did it give them a public role. Religion, too, had been ostensibly nationalized, even as the persistence of these independent religious orders and the political activism of other Islamic figures speaks to the early inability of the state to maintain its hegemony in that field. But a warning shot had been fired over a battle between the state and a dissident Islam over private property.

The Agrarian Revolution is difficult to evaluate because whatever its meaning at the site of its inception, it unfolded at the local level where local assemblies, landholders of various sizes, students, peasants, and Islamist organizers met, clashed, or formed alliances. But a few certainties emerge. The instability of land tenure and the inflexibilities of state marketing boards, seed supply, and credit, as well as very low investment in agriculture, led to low agricultural yields. The model of agricultural development was based less on

indigenous conditions than some model of European agriculture. For example, cattle imported to improve the breed came from France, not India or Texas. Fruit trees for orchards were more symbolic than practical. Traditional agricultural practices of mixed land use and transhumanant migration were marginalized whether or not they were efficient. Although agriculture began to be re-privatized, the inflexibilities of state marketing boards and state-controlled credit persisted and the general incentive structure made agriculture less attractive. Marnia Lazreg notes an Algerian employment survey upon in which peasants working on the land report their job status as unemployed, reflecting the unsatisfactory nature of their work in this traditional and undervalued area.⁴⁹ The project of modernity had a place for them, but not one they could be proud of.

A grain exporter before the war, Algeria was importing 80% of its food by the late 1970's. Although the exigencies of land and population make it unrealistic to expect Algeria could be self-sufficient for food, there is no doubt that Algerian agriculture is underproductive. Factories remain unable to deal with agricultural surpluses when they do exist (For example, 1993 witnessed a bumper crop of tomatoes but canning plants could not process it). Chronic shortages make it worthwhile to sell vegetables in urban areas from the backs of small trucks and avoid urban farmers' markets. Most food, whether basic

⁴⁹ Marnia Lazreg, "Gender and politics in Algeria: Unraveling the religious paradigm," <u>Signs: Journal of women in culture and society</u> 15:1 (1994), 773-774.

products or luxury items, is imported, and both luxuries and staples move on the black market, both to insure availability in Algeria and to gain better prices in Morocco, Tunisia, and subsaharan Africa. In the '80s, Algeria "consumed" more sugar per capita than any other nation, but the subsidized product was being resold out of Algeria for consumption elsewhere.⁵⁰

The state has imported and subsidized milk, sugar, semolina, couscous, oil, and other products such as potatoes on a variable basis. Other products are subsidized indirectly. Despite border surveillance in the east, farmers herd their sheep, fed on subsidized grain, into Tunisia for sale at a higher price than they could receive in Algeria. Although they are paid in Tunisian dinars, these can be spent on clothes in Tunisia, of local manufacture or imported from Asia and Turkey, which are then brought back into Algeria legally or illegally. Algeria's extremely long borders and extensive desert regions, and the mountainous or desert quality of much of the border, provide a geography well suited to smuggling.

By the early '80s, Algeria had an industrial infrastructure that might have been on the edge of being performative. It lacked management expertise, labor cooperation, concern for profitability, and had little ability for independent decision making. It did have an enormous physical plant intact, machines, engineers, managers, and a skilled workforce. But funding priorities shifted

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

⁵⁰ An Algerian economist within the government, speaking off the record.

with new president Chedli Ben Jedid and criticism of non-performative enterprises and the inadequate social spending was making itself felt. The post-independence baby boom and twenty years of pro-natalist policies found Algeria with 75% of the population under thirty and inadequate jobs and housing to meet a rapidly maturing population. As oil prices rose dramatically, Algeria borrowed more and imported massively. Some Algerian analysts point to this period of subsidized imported consumer goods as whetting a pent-up demand for consumer goods. Equally plausible is the sense of expectation and entitlement the younger generation might have; why should they not have the housing and employment opportunities that their parents had?

The housing crises has been acutely felt, as little housing has been built since independence. Although Algerian planners insist this was "left to the private sector," state control of land, credit, and priority over building materials effectively stunted building activities. New building projects moved forward erratically, constantly halted for lack of materials, poorly designed to take advantage of local building materials, not able to rely on sufficient domestically produced concrete or even reinforced steel rods for concrete. (Recall that steel plant, on constant slow-down or strike.) But funds were spent and spent and housing projects were as expensive as they were uncompleted. More funds were spent on importing food and consumer goods, less allocated for industry.

The forms of liberalization in the '80s have had long term effects, quite unintended. Import licenses were easier to come by, and for a short time

Algerians were able to exchange dinars for hard currency prior to foreign travel. Algerians without import licenses brought in smaller amounts of clothes illegally, not paying customs duties, and resold them. We see in the eighties greatly increased income flows: increased government funds through petrodollars and borrowing, increased government subsidies for food and consumer goods, increased income to consumers from subsidies, increased income from legal importation licenses, increased income from illegal imports, increased income from illegal exports of subsidized goods, and increased agricultural income from loosened control and gradual privatization. A private sector, formal and informal, legal and less so, long-rooted and totally parvenu, expands.

The change in leadership at the end of the 1970's and a period of more open ideological and policy debate opened discursive space for sharp criticism of past policies. The early eighties also saw some rhetorical space opened for private capital, and bursts of political activity from Berbers and Islamists as well as from the ruling party and intellectuals within and outside of the FLN framework. Through the '80s, this space was successively expanded until liberalization and the importance of profitability became open topics for newspaper and academic discussion. The collapse of oil prices, with heavy costs for Algeria with its dependency on hydrocarbon exports and heavy borrowing, only served to increase the importance of private, semi-legal economic activity and the critical re-examination of the government's economic

policies since independence. While government policies and the public sector were delegitimized in both popular and academic circles, the flourishing parallel economy looked unattractive as well, in terms of all public values of modernity, order, and education.

Private wealth, private power?

Increased income streams and increased operating space for private funds, even if that space was semi-legal, led to the development of new private wealth and new opportunities for older private wealth. This is seen more clearly in Egypt, where political liberalization and friendlier environment towards private capital has made the process easier to observe. Rapid development is usually accompanied by greater inequality,⁵¹ and most criticisms of *infitah*, indigenous or Western, emphasize the rich getting richer.⁵² But analysts less concerned with the upper classes found that lower income groups are able to expand their incomes significantly when commercial regulation is lifted.⁵³

There are several interesting observations to be drawn from Egypt. First, liberalization of even an unsystematic sort can offer economic opportunities to those other than those poised to benefit most, that is, preexisting elites. Second, the political effects of liberalization may include not

⁵¹ Samuel Huntington, "Will more countries become democratic?" Political <u>Science</u> <u>Quarterly</u> (Summer 1984): 193-218.

⁵² Robert Bianchi, "Egypt's infitah bourgeoisie," MERIP (Summer 196): 429-44.

⁵³ Peter Von Sivers, "Life within the informal sectors: Tunisia and Egypt in the 1970s." In <u>Mass culture, popular culture, and social life in the Middle East</u>, ed. George

only elite pressure for a greater political role, but may also fund a broad, diffuse network of political activism generally. This is especially important where an existing social-political network, organizations, and ideology exist, as the increasing importance of Islamist activity attests. In China, for example, where liberalism as a political force includes heterogenous and recent combination of mixed political urges⁵⁴ with little history of even semi-independent political organization, there is no comparable challenge to the state, certainly not one with the organizational and ideological coherence as Islamist politics in Egypt.

Finally, we might pay more attention to domestic capital, in large units or accumulated tiny amounts. It is present, it is vulnerable to state action, but it can be more vexatious to the state than international finance capital. An IMF committee comes and goes, and much can be gained by promising compliance. But Islamist activitists and their investments, the political investments of domestic capital, the political effects of private, ideologically driven social spending such as Islamist social services -- these people and their influence do not get back on the plane. They are there and must be dealt with, and are more interested in taking power than seeing new economic ideologies promulgated in turn.

Strauth and Sami Zubaida, 243-57. Boulder, Colo.: Westview Press, 1987.

⁵⁴ "We don't know what democracy is but we want it."

And Algeria? On the one hand, we have have more than a decade of uneven liberalization with evidence of new social groups, a change in the distribution of wealth, the hostility between socialist intellectual elite and new economic elites. We have a powerful social movement challenging the state. As Payne noted, elites have endorsed an economic/political strategy that endorsed external capital and a technocratic, managerial state elite that is both an intermediary between the nation and transnational capital. This managerial elite has pushed for greater economic liberalization.⁵⁵

But with the unintended growth of an informal private sector comes increasing pressure for a non-technocratic, domestic political participation. The dominant Algerian economic discourse still invokes an aesthetic ideology that associates the orderly, the planned, the formal, the modern; and places them in a mythic binary opposed to the informal, the traditional, the Islamic. Given this ideational configuration, we should not be surprised to see an Islamist movement against that state that is populist, anti-technocratic, culturalist, Islamist, carefully articulating an Islamist ethic of enterprise, "hurria at-tabadal," freedom of exchange.

A causal argument has seductive appeal, appearing to offer something stronger than the general hydraulic model for social movements that sees

⁵⁵ Rhys Payne, "Economic crises and policy reform," in <u>Polity and society in</u> <u>contemporary North Africa</u>, ed. William Zartman and William M. Habeeb (Boulder: Westview Press, 1993), 166.

expansion in one sphere (frustration, poverty, pent-up consumer demand) spilling over to another (social movement, revolution). We do not have good studies of the social bases of Islamist politics in Algeria, but many Algerian observers insist that its populist base is augmented by those with an interest in private enterprise, petite and not-so-petite bourgeoisie and aspects of the state bureaucratic elite. Because of enormous political and economic uncertainties, there is no reason to assume any of these groups can define a unified collective interest per se. This would depend on the differential trajectories and transformation strategies of individuals.⁵⁶ The extreme unevenness in Algerian economic experience has produced class fractioning rather than coherent class interests.⁵⁷ Astute and culturally aware observers have listed FIS support as petit bourgeoisie, old bourgeoisie, new money, corrupt officials, and opportunistic businessmen. Old money, new money, those who want money... the political weight of those sectors is considerable even if they are internally divided.

The size, and therefore the political weight, of the informal economy in Algeria, is difficult to assess. The IMF and World Bank estimate the parallel economy at approximately 10% of the official economy. But because of the

⁵⁶ Pierre Bourdieu, <u>Distinction</u>.

⁵⁷ Observation of Kiren Chaudhry, personal communication.

greater size of Algerian hydrocarbon revenues, the magnitude is more important and the amount of money more significant in social and political terms.

There is also the problem with an official measure of the informal economy, based on statistics from the Algerian National Office of Statistics, burdened by both technical and organizational inadequacy, and considered significantly weaker than comparable efforts in Morocco, Tunis, and Egypt, which have more bureaucratic depth. Then there is the structural bias. After all, the informal is defined by its very escape from the stat[e]istics of the state.⁵⁸ Indexed as it may be to the formal economy, the informal is constructed specifically to evade state scrutiny. By using a variety of statistics, including the number of expatriate workers, amounts permitted to be repatriated, the parallel rate of exchange, salary statistics, reported private sector income, fraud estimations, bank holdings, and the Algerian money supply, Henni has estimated the parallel economy at as much as 50% of the official economy. Under restrictive control of the means of production, savings can only be invested in consumption, which, he notes, is extremely rational under conditions of scarcity. Even money "banked" in paper bags has entered the informal; it is money that has "voted," so to speak, finding official channels for banking and consumption unattractive or inadequate, money available for

⁵⁸ Henni, <u>Essai sur l'économie parallèle</u>, 9,10.

illegal currency exchange. Indeed, the Algerian informal economy employs francs, dollars and local foreign currency (Moroccan, Tunisian) for borderspanning strategies of investment and consumption. The Algerian dinar is only part of the picture.

The uneven Algerian liberalization, most often carried on not by explicit deregulation but by a de-facto liberalization based on slack and uneven enforcement of existing restrictions, began in the early 1980s. It did distribute income differently, to those with entrepreneurial as well as larcenous skills. Those who could benefit the most were still those close to the state; their information was better, they had better access to funds and contracts, and networks of opportunity and indulgence. "There is trabendo, and then there is legal trabendo. Some people call it the private sector."⁵⁹ For these same reasons, corruption has been an acute concern in Algeria since the '80s. The presidency of Chedli Ben Jedid has been associated with a higher level of corruption in his immediate and extended family. The enormous development loans and hydrocarbon income led to an inevitable increase in the pigs at the trough, to borrow a despairing critique of corruption from another rapidly expanding economy, Jacksonian America. That enormous pipeline of income, goods and services that comes in through the state has produced, Algerians believe, serious corruption at high levels. They refer to this as the Mafia. This

⁵⁹ Analysis by a socialist-minded young man, former proprietor of a small shop.

group already had money and influence, through their privileged status vis a vis the state.

These developments have set the stage for competition and conflict between state elites and new economic elites. Under tight state control of the economy, elites had been intellectual and managerial elites. The state bureaucratic elite was either the nationalist elite, not particularly well educated due to the war. Immediately subsequent cohorts benefited from excellent postindependence education in Algeria and abroad. The New Money, made through exporting and importing, through import licenses or trabendo, through re-acquisition of agricultural land, underground domestic production, and parallel distribution, was not well educated. The bureaucratic elite laid claim to the legacy of the struggle for independence. The New Money was conscious of its uneasy relation to state law, and its distance from state power.

Up through the early eighties, private capital, always vulnerable to political charges of being parasitic, hampered by restrictive commercial laws and administrative persecution, and conscious of the social opprobrium attached to it, had kept its head down. The New Money had a decidedly disrespectful edge. Much of its external face, in the import business, was dominated by young men unable and unwilling to work in available jobs. Their education was considered inferior to that which the older half-generation had enjoyed, when classrooms were less crowded and hard currency made books plentiful, so they found themselves less qualified for bureaucratic jobs. This

young work force was not amenable to the processes of discipline in the workplace, preferring the semi-independence of *bizness* in the informal sector. Henni's study of youth unemployment concludes that significant "unemployment" is the result of young men leaving jobs where they feel they are overly supervised, inadequately treated, aside from issues of compensation or qualification. Youth unemployment is strongly affected by the rejection of the social conditions of employment.⁶⁰

The open, public spaces of the informal economy are dominated by men, especially young men of the import-export business who boisterously crowd any international entry point. Their dangerous boisterousness is a major characteristic. They overwhelmingly formed the major component of the vast crowds that attended popular independent Islamic preachers, they rioted at soccer stadiums and chanted angry expressions of generalized discontent. When the state invited them to demonstrate against state inefficiency in October of 1988, they took to the streets with unexpected gusto and such violence that the army was called in to repress them. The political demonstrations and marches, including both FIS and FFS marches and the funeral of Boudiaf, drew on the same pool of young unemployed, male, political manpower. They filled the streets and menaced the state.

⁶⁰ Henni, "Jeunesse et travail ..."

When the FIS won municipal elections in 1990 and constituted the city government in most large cities, it permitted and encouraged trade on the street. Young people were allowed to set up an sell anything, hand knitted sweaters or illegally imported batteries. When the FIS was banned in 1992 and driven underground, there was a corresponding crackdown on street vending. "The bazaar economy is not going to help Algeria with her economic problems," snapped an Algerian academic, with a modernist contempt for small scale economic activity; do we hear "Iran?"⁶¹ The optimistic modernist vision that placed the private with the traditional is trying to recuperate the market economy for modernity, but the existing "market" may have already begun its assault on the state.

⁶¹ Where the traditional merchants, bazaaris, were an important part of support for those who opposed the Shah.

Chapter V

In the market, on the market: gendered performances in new economic spaces

Despite Hirschman's sense that development studies foundered under theoretical attack and inadequate theoretical underpinning,¹ certain of the empirical associations made in those studies proved resistant to theoretical subversion. The Rudolphs noted in 1967 that modernity included that older men give up some of their power to younger men, and that men give up some of their power to women.² While generational patriarchy has been less salient for studies of development³, the troubled transformation of women's social roles has become a major field of study of its own. The condition of women as a marker of a stage of development has been dramatized as part of a long history; by colonial reformers, anti-colonial reformers, and women's groups with nationalist and post-nationalist agendas. Earlier colonial efforts to uplift native

¹Albert O. Hirschman, "The Rise and Decline of Development Economics."

²Lloyd I. Rudolph and Susanne Hoeber Rudolph, <u>The Modernity of Tradition:</u> <u>Political Development in India</u> (Chicago: University of Chicago Press, 1967).

³A notable exception being Hisham Sharabi, <u>Neopatriarchy: A Theory of Distorted</u> <u>Change in Arab Society</u> (Oxford: Oxford University Press, 1988).

women have been subsequently dismissed as colonial and feminism in non-Western societies may now be permanently associated with colonialism and a neo-colonial agenda.⁴ Nevertheless, a persistent understanding about the relationship between the condition of women and the value of a civilization has been forged that drove the agenda nationalist reformers, men and women alike. The organizations have certainly changed over time from uplifting efforts of elite colonial women or missionary women, to include elite indigenous women, nationalist reformers, women's auxiliaries of nationalist parties, women's organizations as part of the structure of new mass-mobilizing states, and NGOs concerned with various aspects of the lives of indigenous women. With new forms of economic activity and the effects of hardship such as war and labor migration, women in many parts of the developing world found themselves thrust into new social spaces -and struggled into new work placesfor which they no less than male citizens were untrained and underprepared. Thus the issue of women would be continually raised as a problem for economic and political development even if NGOs and international development organizations did not devote large staffs to the concern. Women where they live and work have continued to raise issues of women's rights at work and at home, through political efforts including writing, demonstrations, strikes, political platforms in national parties, by appealing to diverse authorities

⁴Leila Ahmed, <u>Women and Gender in Islam</u> (New Haven: Yale University Press, 1992), 167.

to improve their situation, and by the conscious effort to lead a different life.

This chapter examines issues of new roles and rights for women, new subjectivities and identities, with an understanding that roles for women will be negotiated in a dense economic world where corresponding male roles will be reflexively at stake as well. In addition to examples drawn from economics and politics, this chapter examines the freer play of these issues in a short story and two films.

The issue of women's rights and social roles gains a certain sharpness by its disappointments in the lands of modernity. Persistent salary differentials between equally qualified men and women⁵ and successful corporate discrimination suits involving huge settlements remind us of considerable and resistant gender inequality despite legislated rights and new social norms. Particularly disturbing are historians' documentation of moments when women had greater freedom and independence in their own affairs, such as the considerable commercial freedom enjoyed by women in 17th century Europe only to be lost in the liberal enlightenment of the 18th and 19th centuries. Feminist critics of liberalism suggest that liberalism's subject is invariably white, propertied, and male, leaving women inevitably at odds and alienated in such a system. Other scholars are determined to draw a separation between valorized public values and persistent cultural norms.⁶ With the collapse of the Soviet

⁵Such as the recent MIT study of its own faculty, which examines salary in addition to other forms of reward such as lab space, funding, and leave.

⁶Two works with very different audiences are worth noting here. Rogers Smith's

Union and the end of a particular socialist social model, scholars have noted the restoration of women's issues to a private sphere with less protection for women's rights, especially in the areas of access to abortion and statesupported child care for working women. All in all, the elaboration of rights discourses in the West has not been sufficient to secure women's rights.

While women may be everywhere oppressed and everywhere differently so, the excessive richness of these narratives, or stories, or data does not prevent us from suggesting a broader hypothesis. Social and economic changes that permit or force women into a wider economic realm create social crises in terms of gender identity and performance for both men and women. When those social and economic changes include exposure to a much less regulated market, the crisis is more acute, as women enter the market as actors or workers and yet find themselves on the market as commodities. Workers have found their labor commodified, but male workers seldom find themselves commodified outside labor power, the way women may; as signs that can be exchanged as well as makers of signs.⁷ The explanation for the

⁷Claude Levi-Stauss notes this particularity of women in primitive society; that they are both makers of signs and can be exchanged as signs; .Claude Lévi-Stauss, <u>The elementary structures of kinship</u>, trans. James Harle Ball (Boston: Beacon Press, 1969).

¹⁹⁹⁶ work on liberalism and race outlines an evolving presumption of equality against persistent and permitted cultural and regional ways of life, in Rogers M. Smith, "Beyond Tocqueville, Myrdal, and Hartz: The Multiple Traditions in America," <u>American Political Science Review</u> 87:3 (September 1993). Marnia Lazreg, writing on the rise of Islamist politics and women's rights in Algeria, seeks to separate an Islamic paradigm with considerable room for women's rights, from a cultural paradigm, more conservative and difficult to interrogate: Marnia Lazreg, "Gender and Politics in Algeria: Unraveling the Religious Paradigm."

asymmetry lies in this ambivalence: the feminine condition of being two things at once.

When women enter the market, as both commodified labor and women on the market as women, their relationships to existing social arrangements and identities are disrupted and placed in crisis. It was not a social crisis when thousands of mostly upper class Egyptian women marched in public demonstrations on behalf of Egyptian nationalism in the 1930s; their fundamental relationships to approving or scandalized fathers, brothers, or husbands remained largely unaffected.⁸ Long-term labor migration of Egyptian men to wealthy petroleum-exporting countries in the region, by contrast, has required women to act as heads of families for an extended time.⁹ This time period and this class of Egyptians has been most affected by the new veiling for Egyptian women, which constructs the wearer as a respectable women on the bus and on the street, in her work place, in neighborhoods where she has no reputation.¹⁰ The absence of men, the withdrawal of patriarchal authority, has been accompanied by a new relationship with the world for women and a new form of dress to mediate that relationship. It is less clear what the effects of

⁸See Huda Shaarawi, <u>Harem Years: the Memoirs of an Egyptian Feminist (1874-1924)</u>, ed. trans., and intro. Margot Badran. (London: Virago Press, 1986); Margot Badran, <u>Feminists, Islam, and Nation: Gender and the Making of Modern Egypt</u>, (Princeton, N.J.: Princeton University Press, 1995).

⁹Mervat F. Hatem, "Economic and Political Liberalization in Egypt and the Demise of State Feminism," in <u>Arab Women: Between Defiance and Restraint</u>, ed. Suha Sabbagh (New York: Olive Branch Press, 1996), 178-180.

¹⁰Arlene E. MacLeod, <u>Accommodating Protest: Working Women, the New Veiling</u>, <u>and Change in Cairo</u> (New York: Columbia University Press, 1991).

long-term labor migration are for Egyptian men, who live apart from their paternal or conjugal homes in order to save enough money to marry or support their family. Certainly, their authority and presence is reduced to a remittance dependant on the political climate in the host country that has sometimes evaporated (Libya, Iraq). Despite newspaper editorials that bemoan the materialism of young Egyptians, the remittances are dedicated to conservative, socially validated goals such as marriage, support for family, and small business enterprises. The entry of middle class and lower middle class women in to a vastly different world than their mothers' does is accompanied by echoes of social crisis. It may have been successfully mediated by new forms of dress and by the persistence of larger Egyptian family structures but is surrounded by persistent anxiety.

When looking again at particular conjunctions of economic and social change, now in the West, I suggest that the anxieties about social crises are as important as the subsequent naturalization of changes. What now seems like successive stages was experienced as crises. Writing in the 1950's of Britain's industrial revolution, Karl Polanyi marked the necessary development of a market society along with a market economy in Britain. Enormous strains on newly landless peasants produced the working class family, stripped away from its rural base with an economic base of subsistence sufficiency and larger kinship groups, reduced to a mobile nuclear group with no control over any means of income or subsistence. Parents and children worked for wages,

moving to follow work as the erratic business cycle idled plants and workforces. Polanyi invoked a terrible urgency as the family was stripped of older and unproductive dependents and finally freed from poor laws that tied it to one location. Citing Margaret Mead's studies of indigenous people who have lost the will to live, he insists that social exposure is death.¹¹ The loss of social ties by economic and political forces, without the construction of new ones, leads to social anomie, and in many cases, simple death, through starvation, suicide, alcoholism, child abandonment, violent crime. With the development of new social relations, seen as necessary to ensure the survival of the working class family, we have the inevitable renegotiation of social identities in the new and therefore inevitably treacherous economic space.

Operating in a separate political sphere, far from the grind and scream of new industrial machinery, in the rarified atmosphere of the intellectual salon, we find Rousseau's <u>Emile</u>, or on Education.¹² The <u>Emile</u>, like John Locke's writings on education, is concerned with the creation of a new citizen, a new liberal citizen with rights seen as natural even as his character or identity is particularly constituted as liberal. These texts are not explicitly concerned with issues of political economy but the liberal subject is conspicuously male and propertied, unhampered by physical need or necessity. While Locke is silent

¹¹Karl Polanyi, <u>The great transformation: The political and economic origins of our</u> <u>time</u> (Boston: Beacon Press, 1957 [1944]), 158.

¹²Jean-Jacques Rousseau, <u>Emile, or On Education</u>, Translated by, with introduction and notes by Allan Bloom (New York: Basic Books, Inc., 1979).

on female education, Rousseau explicates a new and constrained feminine subject to companion the new man. These new identities are deliberately manipulated and created: social gardening outside crisis. Polanyi and Rousseau's accounts invoke different aspects of the construction of gendered social relationships, variously urgent, deadly, creative, even playful. A relationship to the market, a relationship to rights; these are different aspects with separate literatures and explanations, but for the bearers of these identities, they are experienced together, at the same time, for an individual. The liberal self, untrammelled by need and necessity, undriven and unshriven by the market, who is he, outside some pure creature of political philosophy?

These identities, always gendered, must be staged in a multisystemic and multilayered political and economic space such as has been presented in earlier chapters of this work. These identities must be performed and negotiated through a density of practices, institutions and structures, multipurpose, multivalent. While Rousseau animated Emile and Sophie like puppets, real characters make their way in the world, negotiating their trajectory, their behaviors, with parental authority and other forms of authority, finding work, locating housing, forming new families. To speak of *negotiation* recalls a dialogic relationship that is uneven and vulnerable to arrest. Negotiating positions may be refused, renounced, destroyed; they are negotiated *with* others, over time, in different places and conditions. That these identities are set out -- discontinuous, over changes through time and space but

not unlinked to socio-economic trajectory -- before others, with greater or lesser degrees of success, suggests the metaphors of staging and performance. There are few who do not have a choice between several roles or modes of being, or have a few alternates. The nationalist Algerian imaginary offered several ways of being a patriot; post colonial Algeria, with its socialism, regional and clan loyalties, modernist aspirations, various Western representations. A differentiated Islamic mobilization offers increasingly diverse and complex material and staging ground for identity performance.

While male identity is usually taken for granted, as an unproblemmatic performance, a closer look at labor conflict and secularist accusations of latent homosexuality among Islamists points to conflict over particular understandings of masculinity, that is, a tension over what are the attributes and proper performances of masculine identity. Analysts of Algerian labor conflict have noted that authority in the workplace has been perceived as arrogant and arbitrary by Algerian (male) workers.¹³ When contemporary young male factory workers resist hierarchical management and bureaucratic remove they do with an accusation of *huqra*, they are mobilizing an popular indigenous Algerian term, in colloquial use since precolonial times, that means inappropriate and unendurable arrogance. It refers to personal and social relations more than to strictly political ones; the arrogance of placing oneself in a position to demean

¹³ Abd Al-Nasr Jabi, "Ash-shab wa al-amal as-sina'i fi al-Jaza'ir" [Youth and industrial work in Algeria] <u>Les cahiers du CREAD</u> 26 (1991); Omar Aktouf, <u>Le travail industriel</u> <u>contre l'homme?</u> (Algiers: Enterprise Nationale du Livre, 1986).

and humiliate others; other men. Algeria, after all, is where unknowns are most often addressed by the equalitarian title of brother. When a labor/management dispute grievance is cast with this term, it is a particular male identity that is being advanced, albeit for an unsympathetic management. This identity is specified by the assumption of *nif*, nose, or honor, placing itself at odds with a presumptory, uncommunicative, distant, hierarchical (and classically French) management style. The critique of *huqra* can accommodate a variety of political glosses, including Marxist or trade-unionist, essential authenticist and idiomatic, but also Islamist, with the contemporary populist Islamist understanding of equalitarian relations between men.

For another example, a current in secularist left thinking has troped the popular class's concern with *redjla* -- masculinity and masculine honor -- as latent homosexual fear and inadequacy, especially before the modern, secular (and more upper class) woman. By this construction-by-contrast, Islamist men are defined as those particularly afraid of women or uncomfortable with women. A secularist position advances a male identity at ease in relations with women. This argument has limited effectiveness, probably because restrictions on women's activities are seen as broadly cultural and not specifically Islamic. Widespread popular support for the revised family law code of 1984, on the one hand, and the very narrow acceptance of a writer with flamboyant sexual concerns such as Rachid Boujedra, on the other, may effectively marginalize the trope of redjla as latent homosexuality.

The critique of hugra in the workplace has also been unsuccessful, but for different reasons. In this case, it is the state and not diffusely and widely held cultural beliefs that denies the claim. The largest Algerian steel complex, in Annaba in eastern Algeria, has been managed by the military for at least five years. That worker identity, male, personalistic, national and indigenous (colloquial spoken Arabic and Berber), and popular versus francophone, organized, homo hierarchicus (le cadre), has not been able to negotiate an effective performance in the face-to-face space of the workplace. To speak of the *constitution* of identity is to reify a fluid process that may suffer reverses, confusions, audience rejection; failure of both the performance and the larger production in which it is embedded. There is the question of audience: the accusation of hugra seeks agreement from management, based on ostensibly shared values. The critique of redila as homosexuality/and misogyny may be seen as a local taunt. But it operates by placing itself in relation to an external, broader, Western-modern, imagined community, claiming access to modernity by a relaxed view of male-female relations. Perhaps successful for the external circle (France), this gendered male identity is less successful nationally.¹⁴

The fact of differentiation of audience or audience affiliation, that there are different audiences, different circles of discourse, is tied to the multisystemic political and economic spaces but not restricted to it. Wealth

¹⁴Note the powerful linkage understood between shared public space and modernity in Jan Goodman, "Berber Associations and Cultural Change in Algeria: Dancing toward "La Mixité," <u>Middle East Report</u> 200 (July-September 1996): 18,19.

accumulated in the private sector disrupts status orders based on education, Westernization, certain occupational hierarchies, or age; disrupts but does not redesign. The previous alignments and orientations persist, especially when people evaluate the gendered performance of identity for validation, repudiation, or dismissal.

The gendered aspect of identity performance is usually silent when it is male gendered identity at stake, as seen in the two examples above. Although in both cases, it is clear that it is men that are under discussion, and a male identity that is being posited, neither is seen as a gender issue. But female gendered identity is heavily politicized; issues concerning the space and place of women in the social world in Algeria are the site of serious debate and political action. That busy, inter-referential debate (a debate that must be understood largely, to include threats, bullets, and bombs) is informed and conditioned by Algeria's Islamic inheritance, its Arab/Berber ethnic constituency, its colonial history, its struggle for independence, its particular development strategy and trajectory. While specifically Algerian, the contestation over the performance of women's roles resonates with similar social arguments, debates, struggles in many other countries, post-colonial, post-socialist, capitalist, industrialized, rich, developing, Arab, Muslim, Western, American, Eastern Europe or Middle Europe. What it means to be gendered male or female in different cultures is, of course nationally, regionally, and generationally specific.

Outside the specifically national, there are zones claimed as nominally universal; dominant representations are often structured as if there was one large circle of discourse in the world. The late and lively Western capitalist ecumene, present and appropriated for national debates, has influence and constitutive effects beyond national boundaries.¹⁵ I have chosen this term, "late and lively capitalist ecumene" in an attempt to describe what is included in this one large circle of discourse, because it is by no means "universal" or totally inclusive. It includes diverse countries but seems to embrace most completely those bound in circles of communication and exchange we could call capitalist, in proportion to the degree of "penetration" or "inclusion." I constitute it roughly by listing, what countries have considerable exposure to media images from outside, what countries receive Disney films or American sitcoms, what countries will feature on NPR, what countries will have their economic policies or drinking customs, discussed in the American press. Lebanon but not Lesotho, Abu Dhabi but not Albania.¹⁶ Why "capitalist?" Communications networks appear to follow lines of investment.

This Western capitalist ecumene serves the world at once as witness, audience, referent, other, and other (self). Attention to the generalized, reiterated themes and images of the ecumenical discourse can contribute to a

¹⁵My use of the term owes a debt to Marshall Hodgson's "oikoumene," which he used to describe the particular discursive unity of the medieval Islamic world.

¹⁶Although ethnic Albanians have come grimly into the ecumene's attention, the New York Times has written little about the place other than it is "Europe's poorest country," mostly Muslim, with a separate language.

broader understanding of gender, exchange, and social space. When I say "broader" I mean, perhaps, what was called "universal" in a less modest moment; the indefensible claim to universality continuously replicates itself through absorbing its critiques. Through television and film, American and European gender construction and gender fantasies reach a wide Algerian audience. Algerian social practices receive French scrutiny, both as practiced in Algeria and as practiced in France. Western "immorality" or Algerian "sexual repression" have thus been subjected to alternate categorization, critiqued through other dualities and in multiple discursive systems. Algerians are also analysts of French interpretations of American and comparative European practices.¹⁷ Algerian social practices, particularly the views instantiated and reified in the Family Code of 1984 (seen as a victory for a activist Islamist politics)¹⁸ are critiqued by Algerians in a discourse unconcerned with authenticity, that evokes universalistic principles derived from French political and social discourse.¹⁹ Sometimes we hear Algerian arguments against

¹⁹Khalida Massaoudi, <u>Unbowed: An Algerian Woman Confronts Islamic</u> <u>Fundamentalism. Interviews with Elisabeth Schemla</u>, trans. Anne C. Vila (Philadelphia:

¹⁷For example, after viewing a French program on the influx of young prostitutes from the former Soviet countries into France and Western Europe, via the ubiquitous French satellite TV in Algiers, an Algerian scholar characterized it as "a typical French analysis of French social problems as resulting from the intrusion of immigrants into France."

¹⁸The Family Code of 1988 authorizes polygamy, facilitates male divorce of women, generally rigidifies Malekite family law that heretofore was enforced in conjunction with conflicting post-colonial law; an incoherent but flexible arrangement. See Marnia Lazreq, "Gender and Politics in Algeria: Unraveling the Religious Paradigm;" 776-77; Mounira Charrad, "State and Gender in the Maghrib," <u>Middle East Report</u> 163 (April-March 1990).

practices and mentalités considered traditional, neotraditional or spuriously neotraditional. These arguments, appropriated with little social grounding, are presented as universal and are claimed as rights through an appropriation or expansion of colonial and development discourse. They employ claims for the determinate, absolute rights of the individual that are strikingly modernist. Nominally universal and, revealingly, nominally "Western" arguments vary widely in those societies considered Western.²⁰

But the spurious universals serve as critique for the failure of the postindependent state and the post-colonial society to meet human needs.²¹ Similarly, we find extravagant claims made for the modernism and progressivism of a sexual freedom (repression is bad, freedom is good),²² again identified as "Western," although their acceptance in "the West" varies widely within country, class, and generation. At the very least, we can say that the virtues of sexual freedom have been sorely tested and subjected to an informal but heavy cost benefits analysis from neo-traditionalists and their opponents.

University of Pennsylvania Press, 1985).

²⁰American rights talk vs. rights in French politics

²¹As seen in Mohammed Chouki's novel, <u>Le pain nu</u>, pleading on behalf of subsistence, kindness, and sexual expression, in a text written for the translation of Paul Bowles. The other who denies these rights is, after all, another Moroccan. See remarks on the other as a fellow citizen in Kevin Dwyer, <u>Arab Voices: The Human</u> <u>Rights Debate in the Middle East</u> (Berkeley: University of California Press, 1991) 124, 125.

²²Jan Goodman, "Berber Associations and cultural change in Algeria: Dancing toward "La Mixité."

In Algeria, these universalist and universalizing arguments are fairly ubiquitous among intellectuals, and share an uneasy space with their attempts to destabilize the dominant Islamist interpretation of Islam. This latter strategy is hampered by the lack of interpretive legitimacy held by intellectuals considered francophone and Westernized, for interpreting Islam outside their circle, as well as what I would characterize as a broad and deep social conservatism about women, public space, and appropriate female behavior, especially outside elite circles.²³

These are the specifically Algerian forms of resistance to an active social-political project to restrict, define, and produce a feminine Islamic subjectivity. This must be seen as part of the performance of a modern, mass, male Islamic identity,²⁴ a project that created acute panic among educated Algerian women broadly considered feminist. It is important to remember that the state seizure of FIS leadership and repression of Islamist political activity in

²³During my first research trip to Algeria in 1992 I met several elite, well-educated francophone women who had formed a study group to look at Islamic sources for women's rights, in recognition of the gaps in their own educations and the political climate that privileged Islamic claims. They saw it a religious project as well as one demanded by the new hegemony of Islamist political speech.

²⁴This Islamist male identity is remarkably undertheorized. It seems to be a man who may not have many material possessions or social capital and privileged connections. He has, though, self-respect, self-control; he has himself. He is ascetic, he studies, he thinks. He is part of a community that respects itself and where it lives. Where he works, he is respected. If he is prosperous, he gives amply. If he is in need, he will receive help from his mosque, from his umma; support to marry, help in school, food, help tutoring his children, help to pay for a funeral, a ram for the Eid, expenses that mark his membership in a human community with its obligations and expectations. If he is not poor, if he does have things or a place, the Islamic identity seems to enhance and sacralize the property and education, turning them into service instead of mere reward.

June 1991 came in response to massive FIS demonstrations in downtown Algiers that blanketed public space visually in a remarkable way that echoes in oral accounts; a sea of white. The male aspect of the public FIS is important; it permitted only a skeleton organization for women. Hamas with its liberal tenets has a much larger participation of women in its majlis ash-shura. The massive demonstrations of June 1991, organized broadly by the FIS, were the performance of an aggressive, Islamic, masculinist identity.²⁵

Elite women, women who lived alone and held jobs, were verbally as well as visually intimidated, their rights to their apartments and their jobs challenged. To live alone and hold a job: she could be a lawyer, with substantial family connections, educated abroad, driving her own car. Or she could be an elementary a school teacher living on her own income in her apartment in a remote suburb, living on her salary, struggling with a long commute on public transportation. Although their privileged access to social and public space, their education and independence are not shared by most women, elite have had an considerable effect in interpreting and presenting the seriousness of Islamist demands and claims about women's roles. We need not find the current Algerian regime or other political actors, parties, FLN, secularists, etc. to be champions of women's rights or interests²⁶ in order to

²⁵Louisa Hanoune, <u>Une autre voix pour l'Algérie. Entretiens avec Ghania Mouffok</u>, (Paris: Éditions La Découverte, 1996).

²⁶ Lazreg, "Gender and Politics," ; Susan Slymovics, "Hassiba Ben Bouali, If You Could See Our Algeria": Women and Public Space in Algeria. <u>Middle East Report</u> 192 (January-February 1995), 12.

acknowledge the importance of Algerian feminist critique and panic in articulating and amplifying an extremely alarmist view of Islamist hegemony, for an international audience as well as a national one. My use of the word "panic" is not intended to denigrate feminist fear, but to call attention to the way feminists were able to convey their fear and communicate information about death threats and assassinations in an effective way that did not eschew affect or emotion. The national "audience" for both critique and panic included male colleagues and relatives who shared their education and social status but had political influence.

In addition to this tense rhetoric surrounding women, claiming modernist and universalist high ground, we find normal talk grounded in everyday experience, a feminism of complaint. Commonplace women's grievances speak to important commonalities between Algerian women and women in other societies. A married woman with children spends enormous amounts of time ferrying her children to child care, and arrives home after work so late that she can barely get dinner on the table. Hardly an exotic or strictly Algerian experience, witness Arlie Hochschild, <u>The Second Shift</u>. "It is very difficult," observes an Algerian student who is interested in labor movement in Arab countries, "for women to be taken seriously when they do research abroad. When a woman enters an office, she is seen first as a woman, secondarily as a researcher." Sophie, of Rousseau's <u>Emile</u>, could only agree that women are women first and citizens or researchers second.

I am not suggesting that to be a woman in, say, the United States, is little different than being a woman in Algeria. Fifty-four per cent of American women work outside the home; in Algeria, less than six percent of women work outside the home. Those broad strokes outline very different spaces where women spend their days, the public or semi-public of the workspace, the private space of the home. While the liberal terms private and public cannot be seen as absolute terms, while they can be seen as state-constituted and subject to political use that privatizes the public and exposes the private to different kinds of public or state scrutiny and regulation, I insist that the terms are still useful to mark deep, idealized notions that structure the social and mark out stages for the performance of gendered identity. We find in Algeria the conjunction of expanding capitalist market, with a relaxation of rules governing the movement and use of private capital and increased freedom of operation for private commercial activities, under a broad international neomonetarist orthodoxy, in the context of the dramatic expansion of liberal public space where subjectivities, identities and roles may be performed on approval; floated, advocated, or refuted. What is missing, in the terms, public and private, is any gualitative understanding of those terms outside their binary opposition. While "private" in Western terms conveys either the intimacy of a nuclear family or conjugal relationship, or more diffusely "privatized" social space, in Algeria the concept includes a much more policed space of family or clan where the

consequences of public performances are assessed or the meaning of private identity negotiated.²⁷

We see this process, in fine, in a melodramatic account that lays out the failure of a particular gendered identity of "an imprudent young girl." The story, published in a weekly francophone newspaper, shows how the performance and assumed socio-economic trajectory are staged for an unknown audience, in this case, the wrong audience. A specific cultural and economic milieu is assumed, in error; thereby showing the continuous, simultaneous operation of competing social worlds, circles of discourse, and circles of silence. By social world. I mean a particular organization of the social, the political, and the economic, with supportive relationships between economic organization and the ways of being a person. These abstractions are made concrete by a close reading of the text, which appropriately takes place in or on various concrete structures; the sidewalk, a well-known, modern, and deluxe concrete shopping center cum agora, and in a modern apartment building, probably somewhat unfinished, its concrete block construction visible to all. The account is presented as a story based on real cases, anecdotes and histories styled into social commentary, a cautionary tale about an imprudent young woman. "A

²⁷See Suad Joseph's discussion of Rola Sharara, a Lebanese feminist, writing about the absence of the state in the lives of Arab woman, where ethnic, religious, and kinbased communities mediate citizenship, "Gender and Civil Society: An Interview with Suad Joseph," Interview by Joe Stork, in <u>Arab Women: Between Defiance and</u> <u>Restraint</u>, ed. Suha Sabbagh (New York: Olive Branch Press, 1996), 206-207.

very imprudent young girl: a story of love and deception," by Malek Gaya."²⁸ The article was written in French, published in the French language bi-weekly soft-news <u>L'Evenement</u> for an educated readership. While the readership is strictly Algerian, the author relies on a larger, universalist reference of modernity and progress.

The female protagonist, young, well-dressed, has just come out of a boutique, and a young man approaches her. She is put on her guard by his casual presumption that she should notice him; she knows a pick-up line when she hears it. He claims to be warning her against theft. He teases her, noting the ostentatious way she wears her handbag, the careless way she stuffs her wallet into her purse as she comes out of the boutique onto the sidewalk. There is a social world invoked here by markers of her affluence and social position, her shopping in a boutique, that she is alone, ostensibly able to hold her own in this space and manage the backchat. I present you not only a young woman of the educated, Francophone Algerian elite, probably of the bureaucratic elite, but liberalism itself, with its demarcation of public and private space and problematique for feminine liberal identity. She performs a liberal feminine identity, moving freely in public space to contribute to what socialist economic planners and IMF analysts call excessive consumer spending. The

²⁸Malek Gaya, [A very impudent girl: A story of love and deception], <u>L'Evenement.</u> <u>Hebdomadaire national independent</u> 145 (October 20, 1993).

curse, the partiality of women's liberal citizenship.²⁹ It is staged in a particular space, with other social logics; the band of brothers of Pateman's and Freud's imaginary has its own culture in Algeria.

The uneven liberalization in Algeria, with increased availability of consumer goods, the pent-up consumer demand, the rise of new monied elites, and the large percentage of the population under thirty, all contribute to an imagined social world of consumption, affluence, and liberalization as modernization. The rapidly expanding market is situated in a public space, not the area of the state, but the privatized "public" of a society of consumers. By her presence in this public space, she herself is *on the market* when she is in it, reduced from citizen/shopper to her sexuality, and, as it were, consumed. Her precarious hold on the status of citizen/shopper in the liberalized public space is paralleled by her precarious hold on her wallet.

What kind of identity performance is suggested, made possible, within an expanding modernity, with its privileging of the national and universal, or within liberalism, with its glorification of the public and its sequestering of the private? As noted above, we see a particularly sharp conflict over the appropriate roles for women that masks changes and conflicts in male identity. Men have become variously mujahideen, Algerians, husbands and fathers, citizens, moderns, workers or employees, voters, consumers, and Muslims. Women's identities relative to these male roles are particularly constrained.

²⁹Carole Pateman, <u>The Sexual Contract</u> (Stanford: Stanford University Press, 1988).

Women did not become freedom fighters or Algerian citizens without gendered specificity and marked limitations, especially the limited national cultural acceptance of that performance.³⁰ Their role as workers has also been shadowed by limited employment opportunities, especially when compared to other Arab Islamic countries, and wide popular censure of working girls or working women. As voters, Algerian women may be subsumed by their husbands, who may cast their vote. As Muslims, Algerian women have remained in home worship until very recently, and Algerian Islamist organization of women is limited when compared to Egypt and Iran.

Férial, stepping out a boutique with her wallet not properly protected by her handbag, performs a feminine liberal subjectivity with a loose grip on her rights. It is not only the gendered demarcation of public and private spheres which is at issue here. This all-too -privatized public space is the terrain of exchange and consumption, of buying power and its potential theft: the territory of a destablized and destabilizing consumer capitalism. Whatever Férial's unnamed purchase may be, what ever she bought before she left the boutique and entered our story while she was stuffing her wallet back into her handbag, we can probably all agree that it was not an item of national production, but something imported; not a good necessary for subsistence, but a luxury, an ornament: something to enhance her own commodification. The silence regarding the specificities of the commodity calls attention away from the thing

³⁰ Lazreq, "Gender and Politics," 769-770,778; Boutheinia Cheriet, "The Resilience of Algerian Populism," <u>Middle East Report</u> (January-February 1992).

itself and to exchange and consumption specifically, an exchange between women and other objects of exchange. Irigaray calls such exchange "pure enticement, folly," the newspaper calls it "imprudent."³¹

To better place her, let us look at a woman with a fixed attachment to the property that is proper to her as a woman. In Tunisian folk stories when a woman becomes disoriented or faints because of an alarming plot development, those trying to restore her senses press the keys of her house and cabinets into her hands.³² The sharp feel of those metal edges helps recall her to herself, her role, her responsibilities and her possessions, a material smelling salts. Women with safsaries, in Tunisia, or abayas in Algeria, those long pieces of covering fabric, who have not adopted a handbag for money and personal impedimenta, negotiate public space with the edge of their veil in their teeth and their keys clenched in their hands. They are marked not by consumption but by possession; holding property is a site of strategies in the Certeauian sense, a place where gains may be accumulated. Consumption as a tactic in performing identities places Férial the young modern [woman] at risk

³¹Luce Irigary, <u>Ce sexe qui n'en pas un</u> (Paris: Editions de Minuit, 1977), 105.

³²This is a common event in the stories of Abd al-Aziz al-Irwi, who collected and popularized Tunisian folk stories for a Tunisian readership and television audience. The large ornate key to traditional door locks is even considered effecatious when men or women have been possessed by jinn. The key, called the "male key," (<u>miftah thikr</u>) is turned in the had of the possessed person.

when compared to these older woman of an older order who hold tight to what they have.³³

Our protagonist, Férial, is not the only vulnerable one. The young man, Akli, admits he has come close to losing and has lost. He lost a wallet that was found on the stairs of his building, and to having lost a whole apartment of furniture to thieves. But it is his private interiority that has been violated via the loss of furniture within his apartment, not money with its transactional sphere outside of the private. This foreshadows what we later learn of him.

After meeting on the sidewalk, the young man manages with considerable charm sustain the conversation. They find themselves at Riadh EI-Feth, watching the video screens with music videos. Riadh EI-Feth is a large shopping complex, concrete, multi-level, with escalators between levels, an enormous promenade. It is across a busy street from a second large concrete memorial, a monument to those who fought in the revolution, and a park with more shops and restaurants. Built in the late eighties, at considerable expense by a Canadian firm, Riadh EI-Feth can be seen as representing a site of Western shopping, entertainment, and leisure. Although there are shops that sell Algerian handicrafts, carpets, jewelry, and antiques, it is associated with Westernized life-styles and has been the target of Islamist bombings. The story notes that Férial enjoys watching dancers, on the video screen, the women, but today only the true dance of joy resonates within her, joy at having

³³Thanks to Sara Tlili for her information on Abd Al-Aziz Al-Irwi and her discussion on keys, fainting, possession, and the male key in Tunisian stories and practices.

met this handsome young man. Her identification with the women who dance marks her own performance of herself as on display, graceful, available, dancing across the public sphere.

Not only do they share a meal at one of the outdoor pizzerias, but they confide their future aspirations as privileged young moderns. Férial is destined for further exposure; she has some certification in foreign language, she wishes to work for a foreign company. (It would probably pay her in hard currency, deposited in a bank account in France.) But Akli is concerned not with exchange but with removal; his work is preoccupied with openings, opening the body, and removing from it. He is a dentist. When Férial visits him at the hospital where he works, he is arguing with an old woman who wishes to preserve her half-perfect tooth, tradition and accommodation versus modernity, perfection, and authority.

Their friendship proceeds rapidly, so rapidly that when they are on their way in his car outside the city for a day trip, Akli wants to show her the apartment that he hopes will be their home in a few years. An apartment of their own is no small thing in Algeria, with its acute housing shortage. These young people are extremely privileged. Furnished or not, the apartment proves so seductive that the visiting young people are consumed by passion and Férial loses her virginity. This does not trouble her too much, because a pregnancy would only accelerate the marriage.

But when Akli drives Férial home, he tells her that his object is complete. Her brother, Zineddine, also a dentist, has seduced Akli's sister, Wassila. When Zineddine repairs his fault, Akli will remedy his. The negotiation between the young man and the young woman is suddenly cast into a different mode of exchange, in which women's honor is men's property, the unmarried women representing their brothers' dishonor. After six years, our narrator tells us, neither man has addressed his fault and the two young women "continue to pay" for having loved with sincerity. They mistook men's privatized public space of revenge for a public space they would dance across, like the dancers on the video screen, for display and negotiation of an emotional economy. The narrator tells us that this story, this récit, has been inspired by true facts, and that Férial and Wassila are among thousands in the same situation.

The narrative evokes an epidemic of misreading, misuse of this public space. The sidewalk outside of the boutique where young women walk with their handbags carelessly slung across their bodies is the site of a kind of collision of social logics, a collision occasioned by the presence of unwary private individuals in a public space where their public character can only be partial and their femininity, their privateness, is only vulnerability. The new public space does not sever sisters' dishonors from their brothers; the girls stand not as individuals but represent men. Freud's story of the fraternal politics that predated the liberal order, was, after all, a metaphor. Like Certeau's

metaphor of immigrants become consumers, the struggle of brothers twists away from imagery into the concrete, a plain, if uninteresting fact.

The newspaper presents this story as we may be initially inclined to read it: as a story embedded in historically and nationally specific -- a distinctively Algerian -- context. Yet this all-too-Algerian story expresses not only the central logic but the telling details of the capitalist ecumene. The discourse of this ecumene embeds a popular American movie like <u>Pretty Woman</u>,³⁴ a French feminist like Luce Irigaray, and fictionalized account in <u>L'Evenement</u> in a common circle of discourse that characterizes the problematic performance of feminine liberal identity in any specific setting.

The ending of the story leaves us waiting. There have, apparently, been no pregnancies, and the girls are waiting on, waiting for, their brothers. The post-script tells of no subsequent suitors or hasty operations Egyptian-style to repair the sign of revenge if not its accomplishment. After six years, it might appear that the girls' fate is rather on the side of the brothers' concern, a symmetrical revenge having been exacted.

In this brave new world, brothers are more important than fathers; in the generational politics of Algeria it is the younger generation that makes the moves if the older still holds the state. In this staging of gendered identities, Férial presented a performance of a liberal, modern, educated but romantic

³⁴ <u>Pretty Woman</u>, Film, Touchstone Productions, 1991.

young woman to an audience / counter performance of a non-liberal, antimodern masculine identity, fraternal honor. Akli did not mis-read her performance, but staged his own performance, counting on hers to make his possible. The mis-reading was hers, of course, but in the six-year wait we see a strange open time in which nothing has changed. There is no trajectory of social change; the performative identities were staged and risked, and in the girls' case, refuted. Perhaps they voted HAMAS if they wish to temper liberalism with family values and protection for women, perhaps FIS, if they sought more effective brothers. There is an abrupt discontinuity between future performances and the identity permitted to Férial at Riadh El-Feth, dancing under admiration across the open space. The public space proved to be a "privatized" public space where operating rules of civility and disinterest were stalking horses for private vengeance and fraternal honor, from that other Algeria.

While the very imprudent young girl stages her identity unsuccessfully and the brothers have exacted their revenge well, other presentations of masculine performance indicate it is no less a precarious project. Merzak Allouache is a prominent Algerian film maker currently residing in France, as his film <u>Bab-El-Oued City³⁵</u> brought the ire of both Islamists and the government for his unflattering depiction of a local Islamist bully and the cruel machinations of a government agent-provocateur. Secularist and modernist in his views,

³⁵ Merzak Allouache, <u>Bab El-Oued City</u>, film, 1995.

Allouache nevertheless confines his films to the characters of his youth, <u>owlad</u> <u>al-houma</u>, sons of the neighborhood: homeboys. His favored characters, as seen in <u>Bab- El-Qued City</u> and his earlier classic, <u>Omar Gatlato</u>³⁶ are neither political entrepreneurs nor upwardly mobile, but honest and troubled young men of juvenile appearance. Neither politically active or criminal, they have friends and yet suffer from a lonely marginality, a personal post-adolescent isolation comforted by popular music and an idealized romantic attachment. They are unable to realize their hopes and understand, "confusedly, that they do not have the answer to their problems, and organize their own universe."³⁷

The full name of the earlier film, as depicted in the Arabic credits at the beginning, is "Omar Gatlato Ar-redjla," literally, "Omar, masculinity killed him." The film is always presented as "Omar Gatlato," as if the second part is merely his family name. The longer and symbolically resonant form is no extrapolation; the character explains it to us himself in the opening scenes of the film. As we watch him get dressed and hear about his family and his world, he lays it out:

My name is Omar. The guys in the neighborhood and some friends -the real ones -- at my job, named me Gatlato, which means pretty much that <u>redila</u>, virility, or masculinity, or something like that, will be the death of me, will kill me. They're right. Every day, morning and night, a man must show his honor. I don't like the squeaky-cleans and ass-kissers who take any affront. Every man's equal and has to defend himself, hold

³⁶ Merzak Allouache, <u>Omar Gatlato</u>, film, 1976.

³⁷ Merzak Allouache, "Libre-propos/ Extraits de scenarios de Omar Gatlato et Bab El-Oued City," Interview by Ghania Mouffok, <u>Mediterraneans</u> 4 (Summer 1993), 61.

his head high. I live with my family, in a large city high up in Bab Al-Wad, in a neighborhood called Climat de France....³⁸

He is certainly an Algerian without options. In his late twenties, he lives in a crowded, crumbling cement block apartment with his mother, his grandfather, his divorced older sister, her six children, and his younger sister, about seventeen years old. The five children, all small, and the younger sister share Omar's room, a situation he does not appreciate since she's a woman now. The children, well, they wake at night, pee on the mattress, and tend to get into Omar's things. He doesn't have very much; the bare room and small cache of personal possessions reveal the narrowness of his situation. Most important to him are his small cassette recorder and his tapes, mostly of an Algerian popular form called *shaabi*, literally, "popular." Earlier and simpler than the later rai, shaabi was performed by a male singer accompanied only by an stringed musical instrument, the oud. It featured strong rythmns and simple lyrics, but lacked the elaborate courtly embellishments of ancient Andalusian music, currently popular with intellectuals who disdain the electrified, syncretic bad-boy music of rai. Omar has a friend who is a shaabi musician and tapes his performances on the simple, hand-held recorder. Another friend has engineering skills and arranges the speakers and monitors the sound quality when the musician performs.

³⁸From the part of the screenplay as published, Merzak Allouache, "Extraite de scénario d'Omar Gatlato," in <u>Mediterraneans</u> 4 (Summer 1993), 65-66; and my own translations from the film, in colloquial Algerian arabic, Allouache, <u>Omar Gatlato</u>, film, 1976.

Omar's days are spent not in pursuit of music but in an anti- fraud service concerned with economic crimes, particularly gold-selling. He and his co-workers, all young-men, make raids on the women selling gold in front of the elaborate, French baroque headquarters of the ruling party, the Front de Liberation National. As Allouache remarks, nothing has changed. In Omar's time, in the late seventies, the women who sold gold wore creamy pale *haiks*; now they wear *hijabs*, but still sell gold in the same place.³⁹ Omar makes his raid with the rest of them but he is not particularly brutal or unkind. Later, alone in the office, he is confronted by a pompous business man involved in the gold trade. The man tries to intimidate him and Omar stands his ground and drives the man out. A few nights later, he and his friend the engineer are set upon by thugs and Omar loses his cassette player.

After some difficulty, he obtains a replacement. It came with a blank tape that is not blank after all. It has a few sentences from a young woman, talking into the tape, describing her room and the noises outside. She begins, "one, two, three," obviously testing the tape recorder, and her questioning voice goes on speaking to herself. Her voice is unaffected, a little husky, wellmodulated, appealing. Her words are self-conscious and strained but nevertheless convey a thoughtful and passionate intelligence.

Formerly Omar exchanged silent glances with a woman he sees at her window when he goes to work but did not devote much attention to the ascetic

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

³⁹Allouache, "Propos-libre," 62.

flirtation. Now he plays the tape over and over, listening to the voice and falling under its spell. He appeals to the friend who sold him the recorder, Moh Smina, to get him her telephone number and tell her a little about him. She works in the same office as Moh Smina and he thinks well of her; he is reluctant to facilitate the connection, a matter of pride, of redjla.⁴⁰ Her name is Selma. Moh finally gives him the number and tells Selma about him. Omar gets up his courage, talks to her on the phone in the crowded post-office where the rows of pay phones offer little quiet or privacy. He speaks to her. She is a secretary and a member of the union, probably better off than Omar, undoubtedly more connected to the spirit of the age. They speak only a little and she agrees to meet up at noon outside her office building.

Omar prepares for this meeting. He has his hair cut, goes to the baths, dresses in a smart black suit, dusts off his narrow shoes. Moh Smina waits with him to point her out and encourage his friend. When Omar sees her across the square, first with her co-workers, then waiting alone, he cannot go to her.

She stands alone, waiting. In her short orange shirtdress she looks crisp and modern but she is a beauty. She has long, dark-lashed eyes and black hair in short cut to her jaw. Her skin is a dusky beige and her mouth is full and sensual. She is a young woman and Omar, across the square, seems younger than his years, scrawny and unappealing. He cannot cross the square. He

⁴⁰Ibid., 65.

imagines himself reaching her and taking her hand. His exasperated friend exhorts him to go but he remains paralyzed. There is an imaginary sequence of his friends from the houma appearing suddenly before him, pulling him back, calling to him, "Omar, stay with us." He turns to his mocking friends in the dream sequence and is almost run over by a real truck. Selma waits, holding her handbag to her chest, unaware of the commotion across the square or its relation to herself.

The next morning, we see Omar at home, in his room, waking up uncomfortably. We notice that his shoes have holes in them.⁴¹ He tells us he did not sleep well. They have a raid at work today, "the whole country seems to be running late." His mother seems unwell. In a little while, he tells us, will call Selma. He goes to work, on his way again expressing his interest in calling Selma.

But we know he will not, and that he has failed, or he has recognized that he already failed. He will remain one of the boys in the neighborhood, trapped in his constructed world of little opportunity that can afford him no real emotional life. While we could say that his world of his friends and his music constitute a real emotional life, that is not the view of the director, who shows us repeatedly that the young men's lives of work, home, the bar, the sports bar, the musical event, is an empty, repetitive cycle. But it is their universe, and what is outside that world is alien to them. When they attend a wedding

⁴¹Allouache, "Extraite de scénario d'Omar Gatlato," 65,71. Noted in the screenplay.

celebration, they are preoccupied with the musical performance. The young groom, holding a pink satin embroidered pillow, wearing a traditional white garment over his shoulders and a red felt hat, waiting nervously as an older man paints a finger with henna, then carrying a large candle; in his dress, by the traditional accessories he carries, and his own dazed expression, appears as if in a dream, in a separate world. The boys from the houma remain in their own world of music, sound systems, the free meal -- the possibilities of marriage are closed to them. They do not complain to each other but offer loyal affection and taken-for-granted support, whether the project is drinking in a bar or walking at night on dangerous streets. Omar's redjla is manifest in his

loyalty to his friends as well as his resistance to challenge.

Allouache speaks frankly about redjla as both a control over homosexual

attraction and a carrier of it, in a diffuse but suggestive account.

Redila; it's there, in my opinion, where there is a contradiction which is not a contradiction.....I think than in redila there is a certain part of homosexuality. Today, when you see the groups of young men with their kamis (a robe worn by Islamists, which is such a homosexual garment), their beard, their khol around their eyes; when you see the affection [l'amour] they have, you know very well what is going on.... At that time, in Omar Gatlato, there is a group of friends who do not want to let him go to the meeting with a girl. It's the group of boys, it's the quarter which does not want to let one of theirs escape. It's a blockage. That's why when I hear it said, we love the youth, we presume they love their quarter, I want to say they have already regrouped, they have already created their own universe. We are not able to bring them to another; they are fine in that universe. They have found the mosque, the warmth; I have the impression that all that happens outside is artificial. One finds oneself at the last limit, and the only thing that we can do is repression. I ask myself even if this repression does not deal with the political problem; very well, I ask my self if it doesn't deal with [règler]

their problem of homosexuality. You bring together the sensi -bilities which find themselves and which together cultivate redjla....⁴²

While Allouache's own account does not articulate clear connections between boys of the houma and their perhaps homosexual attachement to each other that precludes a relationship with a woman outside their constructed world, he suggests that there is a recurrent association, a persistent homoerotic undercurrent. At the same time, the constraint on their world is not only their own exclusiveness and redila-homoerotic bond, but a material exclusion from any notion of national progress. Poverty and marginality enforce this narrow redila, or this protective redila insulates the boys in their world from the disappointments they face outside. Allouache compares these young men of the 1970s to the contemporary hittists, a more recent name for the young men on street corners, "holding up the walls," hit in Arabic.⁴³ Their local understanding of the masculine bond is part of the world they have created to compensate themselves for what they lack: opportunities, futures, authority, women and families of their own. They are not fathers and patriarchs, but always boys. Allouache notes that he was at the time a committed communist, not by intellectual conviction but from a drive to protect his class, understood as "the people;" ordinary people like those in Omar Gatlato.⁴⁴ While he felt a certain pressure to make a film about mobilized,

⁴³lbid., 61.

⁴²lbid., 62-63.

⁴⁴Allouache, "Propos-libre," 63.

committed, engaged youth, he found himself drawn to examine the lives of young men excluded from the nation's development push, excluded from the national imaginary.

Omar is certainly a child of the revolution. He tells us at the beginning of the film, when he introduces himself and his neighborhood, of the war-time battles in Bab al-Wad. The talks about the gunfire at night when people defended their quarter against the killers of the Organisation Armée Secrète, the terrorist organization of French settlers. His father, a dock worker, was killed by an explosion at the docks and buried with the flag.

Omar is well-aware of the heroic past even as it has little implications for him now. He listens, tolerantly, to the war stories of a somewhat crazy uncle, before escaping to his room and his music. But the revolution has not secured for him much future and the film constantly notes his poverty and lack, doing without, counting cigarettes, living in the most narrow of apartments, with the bleakest of futures. His world is a repetitive cycle; he is not going anywhere but the same places he goes everyday: to work, the bar, the sports bar, the civic center for music, the streets, the stadium, the narrow apartment. The public spaces afford entertainment and distraction as well as danger but offer little escape.

Unlike the privileged young people in the story above, there is no drive out of the city, no private apartment that represents a future, no possibility of working for a foreign firm with a salary in hard currency. For Omar, the performance of his masculinity is a straightened and disappointing affair, heavily conditioned by his grim economic marginality? But is it futile? Despite Allouache's glosses, Omar's daily courage might well balance his failure with Selma.

Against this stoic performance of a particular masculine identity in a closed and claustrophobic economy, the protagonist of Nouri Bouzid's film <u>Bezness</u>⁴⁵ finds himself almost hysterical in a crisis of masculinity and masculine authority in a wide-open internationalized market. Bouzid is Tunisian and his film is set in contemporary Sousse, a Tunisian coastal town with a considerable tourist industry. Despite the change in venue, it offers an appropriate contrast and amplification for the Algerian examples because Algerians understand Tunisians as being more deeply linked with the world market, more sophisticated in commercial terms, and yet, at the same time, having preserved their culture, their interiority, against French colonialism.⁴⁶

An Algerian friend, of an Algerian Tunisian family, explained to me her younger sister's remarkable and successful acquisitiveness (the woman held down three jobs, one of which paid her in hard currency in France, one which paid her in plane tickets on a foreign, Arab airline).

⁴⁵Nouri Bouzid, <u>Bezness</u>, film, 1992.

⁴⁶French colonial power came later to Tunisia, left earlier, and rested more lightly. Algeria was the social disaster and negative example against which French colonial policy was explicitly charted. The colonial experience privileged financial control and indirect rule instead of a settler economy and military domination, as in Algeria.

My sister was born when the family lived in Tunisia, you see, and our mother is Tunisian. Our mother would make up a little mix of honey, ground almonds, rose water and ground gold -- a little bit of ground gold or silver, do you understand? All ground up in a paste and dabbed on the baby's mouth, so the baby gets a taste! A taste for wealth! So she finds it instinctively. I was born in Algeria; we don't do that here.

Despite the commercial virtuosity of Tunisians, it is nevertheless considered a Magrebi country with deep similarities; the colloquial Arabic is closely related, many Algerians have relations in Tunisia, Tunisia has been an emigration destination in the past and since the civil war. Perhaps less preoccupied with a heroic past or more attuned with the ambivalence of stability, Tunisian films have dealt more frankly with difficult social issues and sexuality. Nouri Bouzid's film <u>Bezness</u> examines strains on gendered performance in a commercialized social space, amplifying both the aspects of commercialization and the crisis.

The title comes from the colloquial Arabic appropriation of the English word, "business," used throughout North Africa. The conventional Arabic word for trade is *tijara*. Bezness or bizness means, at the least, an affair based on little capital, and is usually applied to slightly shady import-export deals, deals done without benefit of a fixed location. While it is often referred to with a raised eyebrow, it should not be confused with exclusively illegal or transgressive activities such as prostitution or drug-dealing. The raised eyebrow, though, conveys both Algerian suspicion of the non-transparent, non-sanitized private sector, and a Tunisian suspicion of the operator who is not a member of the establishment.

The film Bezness, though, deals with issues of the sex trade, the West, and the market. The main character, Roufa, is a young man making the transition from boy prostitute for gay male European tourists to gigolo to female European tourists. This transition in no way represents his own changing identity, but an understanding of the market. He is too old to be a boy prostitute and can do better as a gigolo. Although his photographed image, provocative and half-dressed, is still marketed in Europe as a gay commodity, he has transferred his major expatriate client to a younger boy. This is Roufa's occupation, not his identity.⁴⁷ His fiancée, Khomsa, lives in the old center of the city, one of the best examples of a traditional North African walled city. She lives a secluded life behind the house's high, thick walls. While Roufa has in the past kept his work separate from his private life, the nature of the market and the nature of the trade in bodies ruptures spatial boundaries. Roufa usually works in tourist hotels, bars, and on tourist beaches. But he brings a customer, an older European tourist, to Khomsa's traditional home. The servicing of male customers was less demanding; the female tourist seeks more ambience, the exoticism of the old city, and privacy.

⁴⁷See Stephen O. Murray, "The Will Not to Know: Islamic Accommodations of Male Homosexuality," in <u>Islamic Homosexualities: Culture, History, and Literature</u>, ed. Stephen O. Murray and Will Roscoe (New York: New York University Press, 1997) 14-42. While searching for patterns for homosexual identity, Murray effectively documents a dominant masculine identity that emphasizes penetration, not sexual object, as the marker of identity. See also Fatima Mernissi, <u>Beyond the Veil: Male-Female Dynamics in Modern Muslim Society</u>, revised edition (Bloomington: Indiana University Press, 1987): 100-101. Mernissi documents a variety of sexual practices by young men who consider themselves heterosexual and wish very much to be married.

Roufa violated the private space of the family, making the traditional home a place for commercialized sex. Angry and upset, Khomsa seeks revenge by taking up with a French photographer, a pornographer who has been trying to photography Arab couples in sexual situations. In his apartment Khomsa is shocked to find pictures of herself as well as provocative, posed pictures of Roufa. While the pictures of her were secret photographs, Roufa's are obviously made for the trade. Her attempt to anger Roufa has revealed to her a more frightening expansion of the market: she herself has been inexplicably included; Roufa's infidelity and disrespect is shown to be part of a larger system of commercialization.

Not only does she flee from Roufa as well as Fred, she finds refuge in an emotional, expressive, sensual and sexual venue that is not commodified, commercial, or open to the West; a women's zaar cult. The zaar is a mystic and ecstatic ritualized practice whereby women find themselves possessed by various spirits. In their spirit persona, within the parameters of the space of the ritual and the time of the drumming performance, the women may make demands upon their husbands and kin and express themselves forcefully, even aggressively. While some of the possessing spirits are traditional jinn, there are also historical figures, such as an Ottoman pasha or a British doctor. While addressing the immediate emotional and social needs of its participants, the

zaar cult operates as a means for interpreting and mediating foreign contacts.⁴⁸ In several senses, then, as a retreat and avenue of expression for women, and as a historically rich mediation of difficult and disruptive outside contact, the zaar is an exemplary and resonant refuge for Khomsa.

Roufa, too much of the market, habituated to violating private and public spaces by his commodification of the intimate, breaks into the zaar. He insists that Khomsa return, exerting his authority inappropriately in a private, traditional place for women. The movie ends with his pursuit of the French photographer Fred, ironically on a motorcycle given to him by a gay customer. But he does not harm Fred, merely circles around him furiously, as Fred photographs him. Roufa is locked into the market, his rage as commodified as his sexual services and his now photographed fiancée.

Not every contact with the West or with the market demands sexual commodification. The extreme vision of the market in <u>Bezness</u> justifies describing the relationship between individuals and the market as crisis that expands relentlessly. Gary Menicucci emphasizes the economic and cultural logics that drive tourism and cultural contact to a market of commodified sex.

Modern hotel complexes and private beaches where Europeans can sunbathe nude are not enough to attract wealthy tourists The townspeople of Sosse must appeal to prurient European interest in the supposed eroticism and sensuality of the Arabs. The suq and traditional handicrafts cannot compete for the francs and deutschmarks being spent for young bodies. For the unemployed male youth of the town, the most profitable jobs are those as hustlers, pimps, and prostitutes.

⁴⁸Janice P. Boddy, <u>Wombs and Alien Spirits: Women, Men, and the Zar Cult in</u> <u>Northern Sudan</u> (Madison, Wisc.: University of Wisconsin Press, 1989).

Traditional gender rolls and notions of public versus private space are thrown into disarray.⁴⁹

The market expanded through all private and traditional spaces, destroying the traditional relationships but offering Roufa no emotional connections or support for his own identity. His relationship to Khomsa had been the site for his performance of a traditional, dominant masculinity, a site he destroyed and which was destroyed for him by the expansion of his market practices.

In these three accounts, the particular economic setting and the metaphoric and material space it constitutes are very important for the specific gendered performance. The audience is often an imagined one, not merely local, but of a universalist, modern ecumene. The imprudent young girl is operating in the space of liberalism, in the open public spaces of the sidewalk and the shopping center. Her imagined future includes not only her own apartment, husband and family, but a job with a foreign company which will afford her a bank account abroad. Her vision is one of increasing expansiveness and openness; she sees herself as a young modern, in terms understandable in London, New York, Tokyo. Her crisis is the privatized public of male revenge; the transference of a specific traditional male performance into the new space with little difficulty. Unlike primitives of the countryside or mountains, the two brothers did not go to avenge their sister's dishonor with a

⁴⁹Gary Menicucci, review of <u>Bezness</u>, film by Nouri Bouzid, In <u>Middle East Report</u> 192 (January-February 1995): 30.

rife, killing both sister and ravisher. They offered instead an exchange, one dishonored sister for the other. Férial's modernity, as a stage for her to dance across, did not preclude other logics, other performances.

For Omar, his gendered performance of redila in the constrained and austere environment of the houma brought him the loyalty and security of his friends. But it was a performance only appreciated by a narrow audience; a performance whose narrow scope was enforced by the demands of those friends. Omar is bound the the houma, unable to leave, unable to form an independent attachment to a woman, unable to support a family of his own. The constraints of what Allouache would call homosexual attachment are bound with economic restriction. Allouache invokes the modernist ecumene, asking us to note Omar's blockage, his social and psychological stagnation; a notion of separation from the peer group and bonding to a mate. He has a strong notion of what constitutes a fulfilled, modern individual that wars with his own presentation of the strictures of poverty.

Roufa as well is bound within an economic logic for his own performances. He has tried to maintain the liberal separation of public and private, with the private being a cultural hinterland pace Rogers Smith.⁵⁰ But like the presumption of an evolving and expanding liberalism central to the thought of liberal theorists, the market expands and public performances are privatized. The separation of his market activities and his private patriarchal

⁵⁰ Rogers Smith, "Beyond Tocqueville, Myrdal, and Hartz."

real is collapsed. It is the private realm that sustains the damage; Roufa's future as a gigolo is not hampered by the loss of his fiancée. But he has lost his fiancée as well as his standing in that world of marriage and family; his identity is narrowed to his performance in a marketplace of commodified sexuality. The market and its spaces do not produce gendered performances, but they provide a particular theater and audience that evaluates and conditions what is possible. These accounts, more interested in failure than success, suggest the difficulty and precariousness of new gendered performances playing to the liberal ecumene or on the market, or performances in new spaces for new audiences, for both masculine and feminine identities.

Chapter VI

Liberalization during wartime

This chapter recurs to idea of the informal, because it maintains two concepts that are prone to escape political and economic analysis during times of civil strife and war. First, we are recalled to the importance of the formal if evaded boundaries of rules, laws, states, in demarking and constituting economic fields. Second, we are reminded of the density of economic practices, many of which work around rather than within established economic fields and legitimate categories. When regimes are politically challenged as the Algerian state has been, when large-scale economic change is being implemented via liberalization planning, and when political contestation involves the articulation of cultural identity and interest, these two aspects of the informal are especially important. They point both to the center(s) furnished in boundary and rule setting with their concomitant bannings or exclusions, and away from such center(s) to economic practices and moves which express interests or demands not necessarily confined within boundaries. Economic practices, which include the informal, thus stand for the undefined social; especially social needs and social identity as expressed in spending and saving.

208

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

In wartime, through restructuring and liberalization, and through political contestation, interest and identity are shifted and reconstituted, moving through formal and informal modes. The economic is channelled by the political and prescribed by the administrative. Althusser's formulation that places the economy at the center in the end we never reach, can be interpreted this way as well; the preserved, empty space of the economy at the end -- but we are never at the end -- represents the constellation of desire and identity that is related to available political and economic choices but is not reducible to them. This is clearer when we think of how identity and interest are altered through war and the political contestation of identity, or how the possibility of emigration necessitates the re-structuring of identity and interest. In the end, those boundaries of states and agencies, political and administrative power, shape political and economic strategies, but it is never the end. Every new set of boundaries makes new evasions possible, partly in response to the newly drawn boundaries, partly through mis-recognition of those boundaries, and partly through the productive, interpellative, presence of different agendas.

Is the end, or an end, something easier to conceptualize during wartime? Contingency can be finally and fatally resolved in war. The trajectories of war elevate, alter, or damage interests, sectors, regions and identities, just as individuals survive, thrive, are remade, damaged or destroyed. The conflict that is so severe as to result in war will be reinterpreted and reconstituted in a new order, especially by the victors. War makes an end for some and gives a new

direction to others. In Algeria, the conflict can be fairly said to have aspects relating to disagreements over the distribution of goods, services; to disagreement over the prevailing identity of society, and a conflict over the concentration of power. It would be surprising if the process of the war did not remake those conflicts, and redraw the lines of conflict conclusively.

War and economic liberalization are not usually linked conceptually; while economic liberalization is often carried out with some political turbulence, civil war makes normal economic activity difficult if not impossible. The limitations and restrictions of the market and exchanges may become more arbitrary. The state may lose control of particular areas or regions and be unable to impose law or policy. The exigencies of military law arrogate increasing civil power to the state and military authorities. All these have been true, unevenly, in Algeria. French space is also very much a part of Algerian economic strategies, for individuals, families or interests. That space has been materially and politically affected by the security crises in Algeria and substantially altered.

The direction of political and economic changes appeared more ambivalent in 1995; now certain tendencies are more marked. The shifting terrain, so to speak, has been remade. Certainly the terrain of politics has been reconstituted: parties banned, driven underground and abroad, no longer participating in elections or public discourse. If liberalization and restructuring plans and demands have had any effect, the shifting terrain of economic

boundaries and borders should also have been substantially altered. Analyzing the terrain must include an assessment of these economic reforms whose grip has increased considerably since Algeria sought IMF assistance in 1989 as well as a discussion of the course of the war.

The war itself, as a particular form of the state,¹ and in terms of the war's particular trajectory, has enhanced the power of regime and state. Separate events, isolated assassinations, linked massacres, coordinated waves of arrests, and military campaigns alter relationships between larger structures and remake those structures themselves. The decision centers of state power in Algeria, always something of a black box, became even more so as military men constituted its core more conspicuously. From the original coup in early in 1992, when the regime of President Chedli Ben-Jedid was displaced by a military coup under the apparent leadership of General Khaled Nezzar, through the brief presence of Mohammed Boudiaf as President, then Ali Kafi, the return of Abdesselem Belaid as prime minister, to the rule of General Liamine Zeroual,² the appearance of military rule has been increasingly conspicuous. In 1998, with the restoration of an elected parliamentary body, the military center is no less important: it determines the legality of parties, political inclusion and

¹Charles Tilly, "War Making and State Making as Organized Crime," in <u>Bringing the</u> <u>State Back In</u>. Edited by Peter Evans, D. Reuschmeyer, and Theda Skocpol, 169-191 (Cambridge: Cambridge University Press, 1985).

²Nominated and sworn in as president on Jan. 31, 1994; elected to the position November 16, 1995.

exclusion; it is both dominant in the assembly through its party³, dominant behind the party, and active throughout the city and country with military maneuvers.

How can we speak of a "military," if the military, no less than the regime, is not a unitary actor? Military service is compulsory and the military reflects the political diversity of Algeria. For the officer corps, regionally-based loyalties remain important, as do social and career trajectories from the Algerian war of independence and World War II.⁴ The military hard-line against Islamists, characterized in its extreme form as "eradicator,"⁵ casts the military as the strongest opponent of an Islamist political force. This should not be understood as identifying the military with a pro-democracy, liberal position. As Benjamin Stora notes, there is no secular, republican tradition in the Algerian army. On the contrary; its ideological roots are Ba'athist.⁶

The core of the military has been held in some awe, fear, and contempt since the October 1988 riots, when the military intervened in street-fighting with

³Rassemblement nationale démocratique (RND).

⁴I. William Zartman, "The Algerian Army in Politics," in <u>Man, State, and Society in the</u> <u>Contemporary Maghreb.</u> Edited by I. William Zartman, (New York: Praeger, 1973); William B. Quandt, <u>Revolution and Political Leadership in Algeria 1954-1968</u> (Cambridge, Mass.: M.I.T. Press, 1969); Robert Merle, <u>Ahmed Ben Bella</u> (Paris: Gallimard, 1965).

⁵Hugh Roberts, "Algeria Between Eradicators and Conciliators" <u>Middle East Report</u> 189 (July-August 1994): 26.

⁶Personal communication. By Ba'thist, he means a military elite that embodies but does not articulate an Arabist, Islamic, nationalist identity, underwriting an authoritarian regime.

young men and boys, and torture entered the quotidian political imagination for the first time since independence.⁷ After that bruising encounter with public opinion, the military appeared to retreat more or less from politics until it revealed itself to be back at the center in June 1991, countering the FIS's spreading presence. The FIS did, after all, challenge the authority and morality of the military elite; Abbassi Madani of the FIS explicitly targeted their luxurious lifestyles and power.⁸ While far from unitary, the military nevertheless has an identity, as a kind of ur-Algeria, a black box protector of the status quo, a ballast against an Islamist sweep, embodying contradictions expressive of the country: the generals at the head of the state, the corporal who shot Mohammed Boudiaf on behalf of Islamists.

Beginning with the arrest and imprisonment of FIS leadership and sweeps of the rank-and-file in June of 1991, the military/state has effectively driven the more popular and radical elements of the Islamist movement underground, out of the country, and increasingly out of public and international discourse. The FIS party was declared illegal and dissolved in January of 1992, when despite its crippled structure it had managed to carry the December elections. It became the ex-FIS, the members ex-FIS, as if a political movement could be erased with the name.

⁷Interviews in Algiers. See also Louisa Hanoune, <u>Une autre voix pour l'Algérie.</u>

⁸These are not public lifestyles; they are assumed or known to live well, with villas and access to hard currency. See Roberts, "Algeria between eradicators and conciliators," 26.

Activities and processes move from a political theater to a military one, transforming state-society relations, changing the state, remaking politics. Fighting began almost at once, here and there, in remote rural areas, in urban centers of Islamist strength. The Mouvement Islamique Armée, a violent group targeted highly placed government officials and operated between 1982 and 1987, resumed activity after the FIS political experiment was shut down. It absorbed FIS members who saw the need for military action and regained former members who had joined the FIS for the political effort.⁹ By 1994, the Armée Islamique du Salut was formed, directly tied to the FIS and seeking its legalization. But it did not benefit from the initial waves of recruitment as did MIA, which predicted and prepared for the annulment of the electoral process. Neither of these politically-based armed groups has been able to develop much contact or presence in the national or international media. Both these groups carried out attacks on military convoys, sabotage and bombings of state buildings; the post office, the telephone centers. They sought to pressure the regime and demonstrate the cost of abrogated elections. The GIA, by contrast, is a barely connected network of armed bands, emirs, and local warlords, with considerable diversity, strong local orientations and local ambition. It clearly lacked a coherent and integrated leadership but included a younger cohort and a considerably less politically oriented group. By its

⁹Martinez, <u>La guerre civlile en Algérie</u>,113-117; Roberts, "Algeria between eradicators and conciliators," 24,25.

dramatic massacres has monopolized all media attention and come to stand for armed Islamic resistance to the state, despite and because of its success over its political/military rivals. This success itself became suspect, leading observers to make connections between the military/state and the GIA, discussed below. The Algerian press claimed it was funded by the CIA, said to include soldiers returned from fighting in Afghanistan and alien, exaggerated, Eastern notions of jihad; anything to render it more foreign because it seemed to horrible to be owned as national.

From 1993 on, the military presence in Algeria increased considerably; combing and searching operations were accompanied by retaliations and collective retribution. Special security forces began to operate veiled; in their masks and black uniforms they are referred to as Ninjas. Normality was destroyed by the obscure logic of local grudge-settling, exemplary killings, paramilitary patrols, the killing of simple policemen, the killing of journalists associated with the state media, foreigners, intellectuals associated with the state, francophone journalists, beauty shop operators, unveiled girls, veiled girls, and so on. Constant, separate assassinations of individuals who represent the state were common; a police woman or a policeman facing the wrong way. Death threats against vocal feminists and leftists were commonplace; intellectuals who oppose the military's role received threats as well, as do French scholars working in France who object to the eradicator position. And there were the assassinations that made no apparent sense; a

pious young man, a teacher of Arabic, never affiliated with any party, beloved of all his students at a university in a Berber area. Although we know that there is no "senseless" action in social terms, the pattern of killing began to elude the Algerian imagination.

Massacres of 10, 40, 20, 30, 400 accumulate. Official death tolls are always lower than what the cautious Algerian press reports, a few days later, with the help of inofficial contacts and hospital reports. Journalists are extremely circumscribed in their physical activities and their work monitored under a state security act. Previous censorship was intermittent, with journalists harassed after publication.¹⁰ Several Algerian papers have been shut down, for failure to pay their bills, while other journalists pointed out that the financial situation of many papers was extremely precarious. This is generally a francophone press that is in conflict with the authorities, and includes francophone Islamic papers such as Horizon. The foreign press has been extremely curtailed since 1993 and between security concerns of their own and the denial of visas, information has been scarce. The main channel of information has been from Algerian journalists to foreign journalists, mostly French, German, Irish, and British, and Algerians writing in France.

¹⁰For example, in 1993, a young journalist described to me what happened after he wrote a story on an attack on a police station very close to the house of a high-ranking police officer. He lived nearby and witnessed the attack and gun battle. After the story ran, he was threatened with prosecution for printing a false and damaging account. He argued his point and was left alone, but he admitted that the experience left him shaken and much less willing to take risks as a journalist.

In the second half of 1997, after a series of village massacres took place despite the villages' close proximity to military bases, the old rumor returned: that army itself, on orders from above, was implicated in the massacres. This rumor had circulated since 1992, at least, but now achieved a higher level of credibility. One of the most coherent series of arguments came in an account printed in the French paper, <u>Le Monde Libertaire</u> (Paris). It is worth presenting at some length because of its calculation of state interest and state role.

It was claimed that the article had been written by a journalist from one of Algeria's important daily newspapers, and not unreasonably signed with a pseudonym.¹¹ His argument is based on analyzing well-credited information. He notes that the rumor, initially held by the *le petit peuple* who are suspicious of any official version, has come to be increasingly credible as official explanations have become less believable. It is now reasonable to believe that the army has organized a counter-maquis as the GIA, to discredit the Islamists. He asserts that the majority of Algerian journalists believe that the GIA is an arm of the security services, directed by the Minister of Defense. His reasons begin with the identity of the victims; they are almost all le petit people, including intellectuals who live on their small salaries in lower class and lower

¹¹The pseudonyme is an interesting one, "Larbi Ait-Hanlouda." "Larbi" is a reasonably common North African name derived from al-arabi, or "the arab"; a name that made sense in the multi-ethnic precolonial social milieu. The "Ait" prefix means "son of," the Berber equivalent the arabic "Ibn" and the North African variant "Ben." The name combines a Berber base, ostensibly more hostile to the Islamist position, with claim to be arab. "L'opacité du drame algèrien," <u>Le Monde Libertaire</u> (Paris), no. 1098, Oct. 30 - Nov. 5, 1997.

middle class areas. On the other hand, the GIA has never assassinated any substantial political figure of the regime, many of which have a body guard of two, or are protected only by family members.¹² This, he feels, is unreasonable when the GIA has apparently mounted spectacular and ambitious attacks.

Second, the GIA apparently has logistics and means of communications that are very sophisticated for a country *quadrillé* by the army. Mobile telephones are forbidden to citizens, held only by high officials. It is apparently easier for the GIA to send a fax to Paris or London, than it is for an Algerian bank whose fax is often broken because it, like the rest of the country, relies on the unreliable national system. In a country where private and administrative activities have to cope with an unreliable phone system, the GIA's apparent sophistication is unbelievable unless it has access to Ministry of Defense resources.

Third, while the GIA has operated for about five years and killed thousands of people, no member of the organization has been arrested alive and publicly tried.¹³ Those responsible for an attack appear only in announcements that they have all been killed, in a military operation against them. As for the few names of GIA commanders, executed or killed in attacks, journalists have come to the conclusion that they are imaginary characters.

¹²There is a notable exception, Kasdi Merbah, a former prime minister, assassinated in August 1995.

¹³It was reported late in 1997 that a few closed trials had been held.

"No one has ever heard of them, nor where they worked, nor where they lived. Did they have families?," wonders the journalist. "No information has ever come forth." After six years, this inability to place prominent members of the GIA renders them suspect.

(In contrast to this complaint of no information available on GIA figures, what is well-known of Mustapha Bouyali, leader of the MIA , the violent Islamic group active in the eighties mentioned above. The group successfully targeted high state functionaries. He worked for the national electric company, a simple employee, not very well educated; he is remembered as listening attentively and humbly in discussion circles in the mosque where more eloquent and educated men prevailed. His brother was killed in demonstrations; his own effort was seen as sincere and desperate by those barely sympathetic to Islamic politics¹⁴. After his death, his children's education was taken into hand by Abbassi Madani, the senior leader of the FIS, now ailing and under house arrest. The children went to a French lycée, "as all children of functionaries," Madani responded to his critics. Algeria's journalists may be harried and censored, but they know things. If they cannot place a man, after five years, they do not believe in him.)

Finally, the intensification of GIA violence comes after the FIS unilaterally declared a cease-fire, asking all Islamist forces to lay down arms so

¹⁴"A simple man, desperate; a civil employee, who could not bear the huqra (overweening arrogance) of the state that we Algerians suffer." A description from a

that the authors of the massacres would be isolated, no longer identified with the Islamist movement. The GIA apparently has redoubled its violence. European military analysts have reviewed official Algerian military accounts of why they were prevented from reaching a village being massacred, and pronounced the official accounts indefensible.¹⁵ In late October, the Algerian military journal <u>Al-Djeich [The Army]</u> contained an interview with the National Popular Army chief of staff Mohammed Lamari¹⁶ that claimed responsibility for atrocities and admitted failure to intervene. Although several "individuals acting on their own" were to be tried by the military [not openly], the general claimed that these were only a very few cases and did not represent the military as a whole.¹⁷

In Paris, <u>Le Monde</u> carried an account from an Algerian senior security officer that claimed Algerian security agents were responsible for two bombing attacks in the Paris underground. <u>The Observer</u> in London published a similar report.¹⁸ When we look at the weapons involved in the massacres, where knives, axes and rifles have figured most prominently, the strong association of

secular democrat.

¹⁵MEED, 7 November 1997, p. 20.

¹⁶ An officer of French experience and eradicator position.

¹⁷ MEED, 14 November 1997, p. 20.

¹⁸ MEED, 21 November 1997, p. 9.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

the kalashnikov with the GIA points elsewhere.¹⁹ In a civil war, we must expect the violent and extreme expression, but the importance of knives and axes is an underinterpreted theoretical and empirical question.²⁰ As the GIA has fetishized the klesh, the proliferation of knives and axes appears as overacting, impersonating an Islamicist terrorist other. While it is unlikely that all the massacres are driven by a military policy to impersonate an Islamic barbarism, human rights analysts are disturbed by incidents such as a series of massacres in the same area, or in the same village. The so-called "Triangle of Death" east of Algiers is rural, but well provided with military installations and barracks. Martiniz reports that security forces operating in commercial areas to shake down merchants, with the cooperation of youth gangs sometimes considered part of the GIA.²¹

Because of the GIA's limited interest in expressing a political position and its decentralized mode of operation, it is a convenient "organization" to pin

²¹Martinez, <u>La guerre civile en Algérie</u>, 123-125.

¹⁹ "From that moment, he was never seen, even for a moment without a kalashnikov on his shoulder." Description of how a former merchant marine sailor, the apolitical and often drunk younger brother of a FIS militant, became the leader of an armed Islamist group when he returned home in 1993 and found his brother had disappeared in the mass arrests of FIS leadership and rank and file. Martinez, <u>La guerre civile en</u> <u>Algérie</u>,157.

²⁰ Fatima Oussadik, an Algerian sociologist formerly of the University of Algiers, analyzes this phenomena in terms of Bourdieu's conceptualization of Mediterranean dualisms; women shed blood in giving birth, men shed blood to defend their communities. Shedding blood is of ritual as well as practical use. The failure of the Algerian state, she argued, was in its failure to create new rituals whereby young men shed blood. "Sexuial identities and violence in Algeria today." Paper presented at Princeton University, November 12, 1998.

blame for massacres. Luis Martinez, perhaps the most acute analyst of the war in Algeria, insists on the GIA's local goals and operations, and absence of any national political ambitions. His field research identifies the groupement as composed of military entrepreneurs, interested in local resources and local power.²² It has been least active in urban areas, where poverty and high population density present little scope for resource extraction, and most active in rural areas of prime agricultural land or where commercial activity offers opportunity for protection rackets.

Despite the evolving consensus on state involvement, intense international criticism, and extreme turbulence from the newly elected Algerian lower house elected in July 1997, the regime has hardly blinked. On the contrary, the state seems still strong, if not stronger. Although the 380-seat Assemblée populaire nationale (APN) is dominated by the regime's party, 23% of the seats are held by the two legal Islamist parties. The two Berberist parties²³ have also opposed the government's policies towards Islamists and its military policies, albeit from different points of view. These parties strongly opposed the results of the 1977 October presidential elections that confirmed

²² lbid., 153-264.

²³FFS; Front des forces socialists, headed a historic figure from the revolution, Hocine Ait-Ahmed, which is in favor of a democratic, pluralist state; its interpretation of berber identity is nationalist, and rather arab-muslim. It supports the St. Edigio accords which include FIS participation; and has supported FIS participation since the party was first excluded. Not to be confused with the RCD, or Rassemblement pour culture et la démocracie, which is virulently anti-Islamist and Berberist with a separatist streak.

Gen. Zeroual in his role. With coordination from Algeria's unusually independent labor union, the UTGA, they mounted large demonstrations against electoral abuses. There have been extremely sharp debates in parliament, attacking the regime's inability to defend people. Despite this vocal and mobilized opposition and threatened strikes from Sonatrach workers,²⁴ President Zeroual rejected demands from the military commander of the first military region (including Algiers) to impose a state of emergency and cease any contacts with FIS, replacing the difficult general. He went on to dismiss from the government other generals holding eradicator positions, mostly "those officers who served in the French Army and held significant positions in Algeria since 198.¹²⁵

This resistance to a more extreme anti-Islamist general did not bode any public softening toward the FIS. International pressure about the massacres (seen as a human rights issue) from both the European Union and a group of European parliamentarians tip-toed around the determination of the Algerian regime to dominate the agenda. The restriction of discussion was striking. Early in 1998, European Union representatives met with the Algerian Prime Minister, Foreign Minister, members of the opposition parties in the Assembly, the Algerian Observatory of Human Rights, the Algerian Red Crescent, and

²⁴Sonatrach, the state energy company, has long been immune from strikes because its workers are well-rewarded.

²⁵Roberts, "Algeria between eradicators and conciliators," 26, 27; MEED.

four newspaper editors. Subjects for discussion included the regime's irritation with what it sees as illegal fundraising by the FIS in Europe, and Algeria's interest in increased economic ties in the Euro-Mediterranean partnership. The mission head, Derek Fatchett, UK Foreign & Commonwealth Office Minister of State, emphasized in a BBC report that there was no evidence that the regime was behind some of the violence.²⁶

The subsequent delegation of European parliamentarians went further, demonstrating "the West's predisposition to appeasement of the regime by theatrically tearing up a letter from the FIS unread.²⁷ It was felt by the committee that to read the letter would be to damage the assurances they had made to the Algerian government before the visit. Although one member of the delegation disagreed vehemently, he had no scope of movement or access to information outside the officially determined visit. The Algerian regime suffered no revelations or abuse; in fact, the delegation itself reproved its difficult member. In spring of 1998, the U.S. State Department rejected a U.N. resolution concerning the massacres because it might cause the regime to "close itself off.²⁸ Despite the international attention, the military/ state was able to gain official recognition of its control and right to closure.

²⁶MEED, 30 January 1998, 14.

 ²⁷ Economist Country Report, Algeria, 1st quarter 1998, p. 16. Not an Islamist voice!
²⁸ New York Times, Friday, April 17, 1998, editorial, p. 26.

Information travels and circulates promiscuously, but an information blackout remains. The information travels as print, from unnamed sources, written by unknown sources, and is thus easily dismissed as "no evidence," and easily manufactured. There are the bodies from massacres, and bodies provide a kind of ultimate authentication. But there are no authors or individuals, no persons, no histories, no accounting, behind the accusations which circulate in print.

Using a national sovereignty position, that mode of being constantly suggested as suspect in a "global" world, the Algerian regime has leveraged²⁹ itself to a position apparently inviolable. Fear of Islamists in power encourages Western governments to see the Algerian state and military in favorable term, and to reinforce the legitimacy of state and regime by acceding to its sovereignty arguments. If the Algerian (military) regime is incompetent to defend its citizens, if it is unable to satisfy the Weberian criterion of maintaining a monopoly on violence, we would expect its power to be deeply compromised. But the circulating allegations that it is connected to this violence reinforce its power. The state benefits whether it is seen as a bastion against armed Islamist terrorists, or whether it deploys the GIA itself. The trajectory of the war has reinforced state power.

²⁹I use this word from the world of finance to suggest the aspect of borrowing; that apparent weakness (debt) that conveys power (credit, purchasing power).

The military aspect, or the realm of force, has been effective in increasing state power, or if you wish, in rendering the state's reach more effective. Whether it has eliminated FIS and AIS power through its own use of the GIA, or whether it has withdrawn out of incompetence or unwillingness, the state has benefitted enormously from the GIA's role in massacres. And whether or not it controls or pursues the GIA, its willingness to survey and control citizens who are not in any underground is enhanced in the militarized, patrolled environment. The heightened military presence, the arrest of political actors, and the destruction of parties show the importance of state force for setting political boundaries, policing the space of politics and dominating its practice.

This is no less important in electoral politics. In 1991, the electoral process was seriously compromised when the regime swept up the FIS leadership to prison. Over the next six months, the regime re-tooled electoral districts and fine-tuned electoral laws to make a FIS victory more difficult. When the FIS managed, nevertheless, to win a slight majority in the first round of the December elections, the regime lost its military backing and was deposed as the FIS was dismantled. Not surprisingly, elections were cancelled indefinitely.

Elections were resumed two years later, in a presidential election in which Liamane Zeroual sought validation of his presidential rule. The notion of "free and fair" was severely strained. In the wreckage of the St. Egidio peace

conference, the most powerful opposition parties of 1990 and 1991 (FIS and FFS)³⁰ both chose to boycott the elections. The regime, which had refused to have anything to do with the Rome-based conference where almost all opposition parties had brokered an agreement, standing on claims of sovereignty and accusing international interference, sailed ahead into the presidential elections while most observers shook their heads.

Perhaps not so surprisingly, the vote supported the President. How to interpret these election results, in the middle of a civil crisis, or a civil war? They have been interpreted as a vote less in favor of the candidate than a vote against the past, a vote expressing a willingness to go forward, to reject the violence that seemed in danger of engulfing the country.³¹ In other words, the elections were a vote against war, in favor of politics, even if that politics is constrained. Especially striking is the way the result gained increasing credibility, as if the result that emerges from ambiguity becomes automatically the voice. From Germany, Rabah Kebir, the FIS's most prominent European spokesman, issued a cautious, regretful statement that conceded the elections. As the elections were pondered, in France and Algeria, and even in

³⁰Boycotting elections has been a common opposition strategy in Algeria. When I arrived for the first time in Algiers, in 1992, there were FFS posters all over downtown repudiating the elections, "Ana mavotish," using a French verb in arabic grammar, "I didn't vote [signed] FFS."

³¹Daho Djerbal, "The 1997 parliamentary elections in Algeria: the search for an end to the slaughter and the rebuilding of civil society." Paper presented the American Political Science Association Annual Meeting, Washington, D.C., August 30, 1997.

Washington, it was as if the regime's control was consolidated by being translated, however awkwardly, into the language of choice.

In June 1977, the regime opened the electoral field again, for the first parliamentary elections. The regime appeared to take more risks with this general election, subjecting itself to verbal abuse from the newly elected lower house. In October, a presidential election was held, with Zeroual receiving a considerable majority. This victory took some political knocks: there appeared to be disputes among the military elite, and illegal demonstrations led to fighting between the police and demonstrators. The elections were criticized in terms of the filing of complaints with the national monitoring board, by international electoral observers, and by a considerable demonstration involving most parties and the Algerian labor union, the UGTA.

At the same time, the President's party remains dominant, despite all the grievances. We could say it shows the strength to disregard the objections of others, in other words, hegemony. It has gained both the votes that give it numerical control in the lower house and the legitimacy of elections to underwrite its position as representing the nation internationally. Although the politics of the president's party are vague beyond their support of Zeroual, and although this party (RND) includes most of Algerian's political currents in some form, the straightforwardness or simplicity of its support for Zeroual renders it more of an auxiliary to the state than a party. Their support for him as a *rassemblement* or *tejema'a* evokes a nationalist front around a simple point,

"Algeria first and before everything,"³² as the late President Boudiaf expressed it not long before he was shot in 1992. This vision of the unified nation, its differences submerged in the nationalist struggle, recurs. While the presence of real difference within Zeroual's RND gives the isomorphic appearance of disagreement and diversity, the operating dynamic of the tejema' watani [national unity] renders disagreement moot, disloyal, antinationalist. The electoral process is one of isomorphic liberal form while the dominant effects are reconsolidation and reinscribing of state power.

We will turn now from massacres and demonstrations to the relative serenity of the economy. Despite the importance of the informal economy, it is at the state-international level that important financial and economic relationships with international organizations and foreign governments are mediated. The regime is the only party authorized to negotiate at the international level. Through out its political and security cries the Algerian state has sought to negotiate international debt and facilitate international investment and the war has strengthened its position.

³² "Al-jaza'ir owlan wa qabl kul isshay." Not long after Boudiaf's death, an Algerian sociologist noted, in private conversation, the narrowness of Boudiaf's national strategy. The sociologist found this theme of unreflective, unnegotiated unity recurrent in modern Algerian politics. Effective in an anti-colonial struggle, he felt that its usefulness was past and Algeria needed more complex forms of social and economic cooperation. He hoped that with Boudiaf's death, and the subsequent absence of great figures, that a more complex and less grand politics would emerge. The war and political crisis have instead revived the importance of the tajama'a watani, "national unity," that must override a variety of political, economic, and social issues.

It is at the international level of relations with states and international organizations that the Algerian state has been most successful. The state's efforts to negotiate its international loans through the London and Paris Clubs have been generally successful and its relationship with the International Monetary Fund has been a supportive one. Algeria's security, political, and social pressures have been acknowledged by the IMF in its establishment of adjustment expectations and goals, and in their generous reassessments.³³ The initial IMF standby loan was larger than expected and apparently accommodated the demands of the UGTA. The IMF agreement put the state in a better position to grant the UGTA's demands for an increased basic wage. The removal of subsidies on basic food goods, heralded and advanced intermittently since the eighties, may finally have arrived and with little social resistance.³⁴ The constant invocation (of the end of subsidies) may have prepared consumers along with continuing price increases.³⁵ The constant

³⁵Since the early nineties, the business-oriented economic analyses (MEED, Economist, MEES) have announced that the end of subsidies is imminent. In 1997, the remaining subsidies were to have been removed. In their hey days in the late eighties, subsidies fueled massive illegal exports; in the early nineties they had become bizarre symbols because scarcities of subsided goods made more expensive black market products necessary. One stood in line for bread, vast lines circling around the corner, and bundles of stale bread appeared on doorsteps, wasted, unwanted, but it's a sin to waste (throw out in the garbage) food (as opposed to placing it neatly on the doorstop).

³³Economist Intelligence Unit Country Report for Algeria, 4th quarter 1995, 15; Middle East Economic Survey 39:19, 5/1/96, A5.

³⁴An economist and former member of the President's council of economic advisors under liberalizing prime minister Mouloud Hamrouche stressed the importance of the domestic scarcity that accompanied subsidies, and the subsequent black export market in subsided goods. Interview in 1993.

scarcities certainly demonstrated the problems with subsidies and have contributed to a constituency for market prices. The UGTA strikes of 1995 notwithstanding, the union, for its part, cooperated with the government to achieve the \$1.8 billion IMF funds (EIU op.cit. 29). In the absence of any normal political processes and regular consultative practices, the UGTA's effectiveness is particularly significant. It can be read narrowly as pressure from labor which makes adjustment more difficult, or as a step toward that corporate and concerted consultation without which programs of economic reform often falter.³⁶ If the notion of "the economy" is to have meaning beyond the interests of international creditor organizations and elite commercial interests, social contracts and welfare issues are no less important than technocratic orthodoxy. The success of this cooperation indicated persistent networks of cooperation between the state and the UTGA. Also in 1995: the remarkable head of the union, Abdelhamid Benhamouda, was assassinated by Islamist forces after several unsuccessful attempts. The UTGA's continued effectiveness after this loss suggests institutional depth, always a consideration where many political positions and even institutions appear to be carried by individuals.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

The glacial slowness of subsidy removal shows the power of the UTGA and the serious concern the regime(s) have had for social demands.

³⁶ Luis Carlos Bresser Pereira, José Maravall and Adam Przeworski, <u>Economic</u> <u>reforms in new democracies: a social democratic approach</u> (New York: Cambridge University Press, 1993), 208; Haggard 1994.

Continuing the theme of international legitimacy and credibility, the Paris Club³⁷ finally accepted Algeria's wishes (and effective negotiation) that debt restructuring include the interest as well as the principle; the London Club group³⁸ of creditors reached agreement with Algeria in negotiation and confirmation from individual banks has proceeded with a firm secondary debt market and confidence in Algeria's credit worthiness.³⁹ This level of international accommodation and the tacit conferral of orthodoxy on Algerian policy/practice enhanced the perception of the state's activities as effective and appropriated and enhanced state legitimacy internationally, that is, the state's credibility internationally. This is also true internally, with regards to economic matters, given the increasingly technocratic mode in which economic decisions are presented in the elite Algerian press and the legitimacy conferred by economic expertise.⁴⁰

The agreements have rescheduled Algeria's debt, easing the strain between income and debt servicing, and permit state investment and cash

³⁷public creditors

³⁸private creditors

³⁹Algeria, despite the notoriety it received for sheltering a few Black Panthers and its role in the establishment of OPEC, has regarded its repayments as a matter of honor and stood for responsible (conservative) oil pricing; national-capitalist third-worlder Bournedienne more so than liberal Chedli Ben Jedid, who had to cope with oil and currency shocks and was more aggressive about pricing.

⁴⁰ Deborah Harrold, "Economists Circle the State," in <u>North Africa: Development and</u> <u>Reform in a Changing Global Economy</u>, ed. Dirk Vandewalle. New York: St. Martin's Press, 1996.

purchases of imports as well as debt repayment. Other effects of restructuring are as yet unclear. It is state debt which has been refinanced, privatization is still in the planning stage. The status of the debts of Algeria's large and sad public enterprises has not been resolved and continues to plague discussions of how to manage the enterprises' future. While privatization has been heralded since the early nineties, only a few firms have been privatized. The large state firms have not been privatized, and Algeria is only beginning to contemplate stock sales. While the IMF and the World Bank have advanced joint-stock offerings as an effective way to privatize state firms, the stock market in Algeria has moved slowly and unclearly. Since the early nineties, the presence of a stock market has been a strange vanguard of privatization. The market's inactivity -- that is, it was not open at all -- did not seem to diminish its importance as a marker of the liberalization process. Its first offering was to be Sonatrach stock early in 1998, but after an apparent orgy of nationalist remorse, this was set aside by Presidential decree. It was then altered to a bond offering to other state firms, fully subscribed within six weeks,⁴¹ the bond issue was subsequently increased for a second issue.⁴² While the market at this point is restricted to Algerian state institutions, the anticipated major player is Algerian expatriate capital.

⁴¹EIU Country report, Algeria 1998, 19.

⁴²MEED, 27 February 1998, 21.

Algeria's accommodation and orthodoxy in terms of international financial norms and the consequently enhanced legitimacy and credibility the state has acquired at the international level have done little to attract the hoped-for international investment outside of hydrocarbons despite the regime's promotional efforts which continually downplay the danger of the security situation. International energy companies have continued to invest heavily and successfully in Algeria, in energy exploration and processing. But this continued success in the hydrocarbons sphere has not translated into increased attractiveness for other kinds of investment. The Algerian state continues to seek international investment in productive and manufacturing enterprises, especially to privatize state holdings by block purchase, but the security situation has repulsed international capital, European as well as Arab.⁴³ The state persists in preferring international capital to domestic capital, as seen in its wishes to privatize large public holdings to larger (read "international") purchasers.

But Algerian "national" capital, especially as represented by expatriate Algerians in Europe, retains a sharp interest in investment in Algeria despite the war, uneven liberalization, and state ambivalence. For example, Algerians and expatriate Algerians formed the bulk of a conference held in June 1994 in Algiers on the subject of international investment in the absence of sought-after

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

⁴³Economist Intelligence Unit Country Report, Algeria, 17.

foreign investors. While the state planned conferences for foreigners in Algiers, the Islamist resistance emphasizes that foreigners of all sorts are very much at risk.⁴⁴ There is a willful refusal on behalf of the regime to acknowledge the unacceptable risks perceived by foreign capital as well as the daily insecurity of living and working that affects Algerians and foreigners alike. However hegemonic it appears in the abstract, "international capital" is represented on the spot by people whose bodies are no less fragile that the some eighty thousand Algerians who have lost their lives. We have an appeal for business as usual without any semblance of the usual, assurances for property that are meaningless when persons remain vulnerable.

The targeting of foreigners by Islamist armed groups was read metonymically by foreign capital as an Islamist threat to foreign investment as well as "the West," and as an index of the future policy of an Islamic state. While this author finds little evidence that an Islamist state in Algeria would produce a significantly different policy towards foreign investment or domestic economic policy,⁴⁵ business analysts may prefer the ex-socialist security state.

⁴⁴And if the GIA is indeed attached to the Ministry of Defense, would this make sense? Perhaps, in light of the Presidential decree to keep Sonatrach national. The Algerian military, despite its elitism and supposed Western orientation, appears to have few international ties. According to the Economist Intelligence unit, most military equipment is older Soviet or East German.

⁴⁵See Hugh Roberts analysis, which sees the political cooperation between the FIS and the liberal Chedli regime as political opportunism and the complete absence of a thoughtful Islamic economic policy. Hugh Roberts, "Doctrinaire economics and political opportunism in the strategy of Algerian islamism," in <u>Islam and secularism in North</u> <u>Africa</u>, ed. John Reudy (New York: St. Martin's Press, 1994) 123-147.

MEED's Charlotte Blum reported that "Oil companies and Algeria's creditors have breathed a sigh of relief" at Zeroual's first electoral success in November 1995. "Creditor nations, the Washington-based multilateral financing institutions and commercial banks have staked everything on Zeroual."⁴⁶

The economic field again has been politically structured. This position represents fear of Islamists in power, not confidence in the current regime's ability to deliver security. It also reflects the wishes of international organizations to avert further state de-stabilization; to name problems is to amplify them. This is not to say that the Algerian state is in a military crisis. But terrorism and sabotage against "soft targets" such as factories, warehouses and schools are disproportionately inexpensive and easy means of warfare. Pipelines are long and vulnerable and the conditions of intermittent warfare may prove increasingly unattractive to foreign hydrocarbon investment; in 1997 there are rumors of pipeline attacks.

Creditor concern about an Algerian Islamist economic policy also reflects a reading of the social bases of Islamist political force as well as an unfavorable assessment of the technical economic expertise it could command. Populist support for the FIS was read as a predisposition to fiscally extravagant social policies despite the general tendency for Islamist economic views (in Algeria) to favor the private sector, with released controls on private trading activities and a

⁴⁶MEED 1/12/95, 3.

preference for volunteeristic charity over state action. While this association with the private sector is no news in Algeria, where so many journalists were members of the Algerian communist party and remain deeply suspicious of private wealth, it has been little remarked outside of the country, where popular mobilization is equated with popular mobilization against elites in terms of wealth.⁴⁷

If international credibility is essential to the regime and if international economic conventions and structures have an important role in the outcome, this particular marginalization and exclusion of Islamist thinking has important consequences. The structure of international economic system is certainly a persistent one in both its economic and political aspects. The third-world debt crisis of the eighties did not lead to a reorganization and restructuring of the rules of international lending despite the advantages of collective action that were presented to debtor states.⁴⁸ The current U.S. campaign of sanctions against various states, where the U.S. perceives both terrorism and an Islamic orientation, emphasizes the importance of political weight in structuring the international economic field for a country like Algeria.

Despite the difficulties, petty and monumental, that accompany armed conflict, campaigns of sabotage, and uneven liberalization, several factors

⁴⁷ Hugh Roberts, "Doctrinaire economics and political opportunism in the strategy of Algerian islamism."

⁴⁸ Miles Kahler, "Politics and international debt: explaining the crises," <u>International</u> <u>Organization</u> 39 (Summer 1985): 357-382.

continue to make some form of Algerian investment attractive for Algerians. First, there is the rest of the field. Opportunities for investment in Europe are less attractive. While financial institutions are indifferent to the Algerian deposits, it is unescapable that Europe and France have become less attractive to Maghribeens than five years ago. As Europe knit itself together, non-Europeans have less social and political space. The prescription of European subjects proscribes the non-European. The more traumatic subway and café bombings in France have contributed to what can only present, from an American point of view, a civil crisis, a crisis of citizenship. To protect the fragile bodies of French citizens, the category of citizen is revealed as fragile, and is put in question. By 1997, it is virtually impossible for Algerians to enter France and Algerians in France find themselves subject to all manner of scrutiny and political efforts at containment, expulsion, and marginalization.⁴⁹ The economic field is effectively channelled as the political subjectivity of Algerians in France is formally scrutinized and the French citizenship of those of Magrebi or Muslim origin is reconstructed in political debate. Administrative and policing practices likewise proscribe and prescribe the social and economic life of these increasingly problematic actors.

Despite the armed conflict in Algeria and the inconveniences it must occasion, Algeria remains attractive to Algerians both as a place to do business

238

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

⁴⁹ After 1995, the number of French visas for Algerians was reduced from 100,000 per year to 40,000.

and a potential site for longer-term social investment. We see this demonstrated in open, formal channels, such as the heavy Algerian and expatriate participation in the conference mentioned above, and in the proliferation of speculative get-rich-guick projects that hover around the formal/informal boundary as legitimate enterprises move in unevenly into what remains profitable in the informal. For example, the removal of subsidies on basic food goods renders those prices closer to global market prices and no longer attractive for illegal export and resale in Morocco, Tunisia, and subsaharan Africa. The liberalization of trade, though, allows legal businesses to assume the profit of consumer good trade without the risks formerly born by the informal. As reform measures open the economic field, projects are proposed formally. According to the Algerian agency for the promotion and support of investment, over 6,700 new investment projects were presented for authorization through September 1997 [presumably, for that year].⁵⁰ Still, it seems that local investment is more governed than international banking; new banks and financial institutions may be set up with only two months notice to the central Banque d'Algérie,⁵¹ while local investment requires authorization.

What interests me here is the importance of Algerian borders as a site or base for economic strategies, even if that conception of a base includes

⁵¹lbid.

⁵⁰EIU Country report, Algeria 1st quarter 1998, 18.

essential use of French financial institutions and relies on the acquisition and maintenance of liquid resources in hard currency, uninvested and ready to use to move people and goods. We may further divide these plans into tactics and strategies, following Certeau: strategies include those projects that operate from legitimate and institutionalized space, within proper demarcations. Tactics, moving across borders, do not have their own proper site, operate in isolated actions; opportunistic, deceptive, even witty.⁵²

Despite Certeau's valorization of tactics, Algerians seek to collapse this theoretical division. However weak an actor, he seeks some means of "stockpiling his winnings"; to have a proper location. Be she ever so precariously situated in a changing economy there is a combination of strategy and tactics, direct application and subsequent informal negotiation. Whatever is legal and permitted offers leverage for subsequent projects. For example, a job in a public sector company, even if that company is endangered, if the salary is frozen or unpaid, still offers access to other, informal economic activities, access to goods and services, networks. The legitimate post is a proper site from which to practice informal tactics. Algerians working for foreign firms, as noted, are often paid via hard currency accounts in France. Their management of this money uses a variety of forms, legal and less so, for investment, repatriation, consumption, for investment in exit options. Algerian

⁵²Certeau, 34-39.

barriers and inadequacies make access to French financial services and consumer goods more important.

A multiple base for Algerian investment, using the financial services of non-Algerian banks, is extremely important to informal and formal sectors of Algerian private enterprise, although there are certainly business which are able to manage only with dinars. Most enterprises need some hard currency to purchase machine parts or some raw materials for their projects; a manufacturer of simple meringue cookies must import cream of tartar from France, and travel there to purchase it if his shipment is not to languish in customs.

After years of limited usefulness, Algeria's banks have become much more useful to local business and local customers because they now accept deposits in foreign currency without certification of the currency's origin.⁵³ Foreign banks have been allowed to set up branches in Algeria and have done so slowly; they offer Algerians a more conventional banking system instead of a banking system tied to the scrutiny and surveillance of the state. The devaluation of the dinar in 1994 closed the considerable gap between state value and street value, and made official channels more attractive for workers remittances.⁵⁴ But convertability is extremely limited and the black market in

⁵³As of 1994.

⁵⁴The FIS economic program of 1991 included 'l'uniformisation" between the exterior and interior value of money.

currency, poorly organized and very risky, is still important for shifting currencies. Despite the recent trade liberalization, currency adjustment, and new commercial code (October 1993), the yet ambiguous regulatory mechanisms and legal uncertainties, the shortages of hard currency, and poor banking and credit services, and intense regulation of formal economic activities continue to force most enterprises to operate at least partly in the informal. The national economic field remains tightly constrained and channelled through political and administrative means.

The armed conflict has created its own opportunities underestimated in more state-oriented assessments. As noted above, the larger movements or gestures of the state (policy pronouncements, government reshuffling, etc.) are easier to track than local practices and strategies. Here I must move in a realm of limited and very partial information. Several reports and possibilities suggest interesting trajectories.

Some kinds of privatization have taken place, produced by the specific nature of Islamist opposition to the state's economic dominance. Drivers of state-owned trucks have been extremely vulnerable to assassination, especially on long-distance routes.⁵⁵ Drivers of privately owned vehicles do not represent the state; ergo, privatization by gunpoint of the very large domestic transportation industry, including increasing privatization of commuter buses.

⁵⁵Luiz Martinez, "Les groupes islamistes entre guerrilla et negoce. Vers une consolidation du régime algérien?" Paris: Les études de CERI (Centre d'etudes et de

This was an acceleration of an existing trend of the extension of private enterprise in transportation, not its initiation, as private firms have been permitted to augment inadequate public transportation.

This ad hoc and violent privatization was certainly not prefigured by any orthodox or Islamist plans. A 1995 promulgation of a kind of amnesty for deserters of armed Islamist groups offered short prison sentences in exchange for information. Former FIS officials have received government jobs, ministerial positions and the ambassadorship to Saudi Arabia. With the intervention of friends in official positions, former Islamist political figures have recovered shops, established import-export firms, and established bus companies in Algeria.⁵⁶ While the ministerial and ambassador positions are few, the proliferation of commercial opportunities reintegrates the formerly criminalized, offers them a place to "stockpile" their earnings; a future base for social and political life. None of these individuals would have been able to go to France, but they are working, investing, and operating in Algeria.⁵⁷

Official unemployment is 28% and state-owned companies account for 70% of the work force. Workers are laid-off as factories close, workers are not

recherches internationales), Foundation nationale des sciences politiques, No. 3, 1995.

⁵⁶Mina Bakri, "L'art de recuperer les islamists," <u>L'Express</u> (November 13, 1997).

⁵⁷ Compared to Tunis and Morocco, Algerian Islamists serve light sentences. Shortly before the FIS's high leadership was sentenced to 12 years in prison, Tunisia sentenced a group of Islamists to 65 years hard labor. Algeria's prisons have known both mass escapes and at least one mass killing of prisoners.

paid salaries by bankrupt public firms, or their salaries are withheld for unknown reasons. The new discourse of profitability is employed abusively where worker/management relations are hierarchical and demeaning. Workers are "punished" for managerial incompetence by the withholding of salaries.⁵⁸ And workers may being offered stock ownership of their ailing firms.⁵⁹ In March 1998, MEED reported that workers' groups have received state authorization to purchase over 300 small state-owned companies.⁶⁰ While all these companies are in the process of being shut down, they are mostly in the building sector, transportation, agriculture, and trade; all potentially extremely profitable.

The UTGA has been successful with a few firms, turning immediate layoffs into slower, voluntary layoffs, and gaining a pay raise of over 12% for state workers in the face of a steadily declining standard of living. Although the UTGA opposes privatization, it opposes shut-downs and lay-offs more, and the state management of Algeria's public firms has been an unqualified disaster. The sale of the Sonatrach bond issue to other Algerian state firms reinforces the layered and elitist management structure that has characterized Algerian economic governance from its inception. The market economy as it presents in

⁶⁰MEED 13 March 1998

244

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

⁵⁸ Charlotte Blum, "The struggle to win investor confidence," MEED, 7 November 1997, 8.

⁵⁹EIU Country Profile, Algeria, 1997-1998, 16.

Algeria is well on its way towards replicating an insider's state of interlocking forms of economic and political power.

But like the liberal state, the Algerian state will not be diminished by a consolidated capitalism, either in its financial aspects, or in the form of a "market-driven" plans to discipline and control a work force. Although worker ownership of small business may offer some Algerian workers and escape from poor management and precarious employment, their possibilities do not threaten the state in any way. On the contrary, they are authorized by the state. While the market provides a space for movement and possibility, within and around state borders, these kinds of markets do not threaten states and certainly not this one. The process and practices of war have expanded state power even as it is dispersed, the electoral politics have recast political clout into the legitimizing language of choice, and the process of economic reforms has increased international credibility through the application to orthodoxy.

The processes and activities of the war have contributed to great unevenness in costs and opportunities, through the destruction of property, the seizure of property of Islamists, the appropriation of property of those who have emigrated, flight from the countryside where massacres have taken place, and emigration generally. Markets for labor, capital, and goods are policed and organized by political means at the national border and structured by the rules of international and national institutions even as demands and desires articulated into economic form are structured more autonomously and ambivalently.

The market itself has been marked as a space where certain social transgressions are permitted.⁶¹ Economic agents, aka people, have long recognized various incentives to reduce compliance or observance of regulation to the a minimum, whether they are investment bankers or black market operators of bizness, trabendo, or appropriators of state-subsidized "surplus." While the state seeks to control national markets, regulate or permit them, or deregulate with new commercial codes, economic operators calculate the costs of operating this way or that way under changing rules. The war has effected the economy in ways that do not enhance the state's power nor follow the plans of restructurers. These effects are local and difficult to trace

Algeria's Islamist thinkers have, however, left their vision of the economic less articulated and elaborated. They generally adopt views of moderate austerity, and a relaxed combination of technocratic and Islamist expression, and nationalist sentiment.⁶² The Algerian critique of Islamist economic thinking that it is neither very much nor anything different. The first point in incorrect, there is a lot of Islamist economic writing, but what it shares

246

⁶¹ Deborah Kapchan, <u>Gender on the Market: Moroccan Women and the Revoicing</u> of <u>Tradition</u> (Philadelphia: University of Pennsylvania Press, 1996).

⁶² Brahimi, <u>L'Économie algérienne; Justice sociale et developpement en economie islamique;</u> Hamas, Legislative program, 1991; Qadi, <u>Al-Islahat al-iqtisadia fi al-Jaza'ir;</u> Al-Ahnaf, Botiveau, and Frégosi 1991).

with Algerian economic thinking generally is more important than where it differs. Post-socialist economic nationalists and Islamist thinkers share a resistance to borrowing on nationalist as well as fiscal grounds. There is a consensus over major economic principles and agreement that economics is a positive science despite its application in different cultural and political systems.⁶³ It was the liberalizing regime of former president Chedli Benjedid which sought to include Islamist political power. Liberal economists have been excluded from the state's economic councils and have found it prudent to leave the country. Economic policy directions laid out under liberal economists, and with IMF and World Bank guidance, have continued to liberalize in Algeria's slow and uneven fashion. The contribution Islamist politics and their liberal economist associates or allies made to that liberalization effort has been obscured.

⁶³ Harrold, "Algerian economists circle the state."

Chapter VII

Conclusion

Polanyi evoked a metaphor of railroad tracks to suggest the way economic forces move in history and society.¹ Writing of fascism, he notes, "The failure of the international system let lose the energies of history -- the rails were set by the tendencies inherent in a market society." While economic forces are given their due by Polanyi, economic systems, market society, and national markets figure in this analysis as built things: institutional constructions of rules and expectations, established through politics, laws, and sometimes violence. By this reasoning, a strictly economic explanation is partial, since it elides the political and social construction of the economic. We slip from economic explanations to assume the social logic that organizes economic activities. At this juncture is another explanatory collapse captured by Polanvi's metaphor of railroad tracks: there is a relentless, Juggernaught quality to economic rationality. We see, for example, the collapse of Asian financial markets spreading as regional and extra-regional economic depression. We can step back again, noting the linkages between laws, rules, expectations, practices, and decisions that contributed to such an event. The

¹ Polanyi, <u>The great transformation</u>, 328.

automatic or relentless quality of events is again mediated by the construction of rules, discourses about practices, decisions about interest.

The theoretical trajectory of this dissertation has been the mapping of linkages and disruptions within an economic continuity, disruptions and mediations that nevertheless sustain a powerful economic discourse. The economic discourse is an argument about development, modernity, and globalism. It is carried by diverse and often opposed systems and actors: Islamic politics, state managers and smugglers, nationalists and expatriates. The conceptions of economic discourse as an argument, a system for the circulation of knowledge, and as a map for which there is no original (perhaps a procession of shifting maps), provide a framework of analysis that links cultural conflict, the struggle over a regime's resources and power, specific strategies of interest, and the performance of gendered identity.

Foucault has noted the circulating quality of discourse and how the appropriation of vocabularies and grammars may bestow inclusion, participation, and authority on those who use them. Algerian economic discourse demonstrates acute awareness of dominant trends in economic thinking and the sense that these arguments convey a conclusive or final authority. Whether Islamic opposition to the state is criticizing previous state development models as ineffective socialism, or whether elite economists are

249

presenting policy and statistics to an IMF visiting committee, the language of economics conveys authority to its users.

That a discourse circulates and provides authority does not prevent it from offering, at the same time, an argument against other positions, as noted by Said. A critique of privatization policy for facilitating private profit and leaving public debt is no less an economic critique than that which stresses the inefficiency of the public sector. Perhaps most important, the dominance of economic discourse lies in its claim to present an authoritative map that spans and connects villages, nations, worlds, and different realms of activity. The price of petroleum on the world market is connected to national debt service ratio and the availability of subsidized food for the poor. The repatriation of capital depends on external labor markets. The market in arms for armies and oppositions is connected to conflicts in other places.

Yet these maps have a partial quality. Their connections are abstracted from dense networks of other facts connecting these events and phenomena. To pull out the economic aspect of price as a connecting network that ties consumers to smugglers to currency exchangers to manufacturers is to lose sight of the social and political relationships between smugglers and their states, manufacturers and the legal regimes under which they operate, food subsidies and discourses of citizenship or restructuring. The economic map is not a copy but a simulacrum, and as such it may call what it maps into being.

250

While Baudrillard appropriates from Borges the vision of a simulacrum as a map for which there is no original, he infuses the term with his own vision of trajectory and transformation. When Freud borrowed the geographic layers of an archeological site for a metaphor of the mind, he noted that all layers of the mind, from the earliest to the most recent, were alive. Pace Baudrillard, the progression of the simulacra is ever disrupted by political conflict, immigration, new science, new production, new people, new laws. Periods of economic change, more specifically, reopen the possibility and visibility of primitive accumulation, destabilizing understandings of law, property, and citizenship. When George Soros averred that rapid capital flight should be restricted, and took his profits nonetheless, he called attention to the constructed quality of economic norms and the primacy of appropriation. Economic restructuring, with its requirements for a different allocation of state spending, new taxes, and privatization of the public sector, demands in the name of economics a variety of political transformations that enable primitive accumulation and call in question all previous social contracts.

The importance of economic discourse and the simulacra is not at all diminished by these qualifications and disruptions. As the transformations are being wrought in the name of an economic order, the simulacra of the economy becomes increasingly important. While primitive accumulation evokes robber barons and political entrepreneurs, less exalted operators have strategies as well. The struggle for economic survival in a changing, complicated, and contradictory economic field places social identities and roles at risk and requires people to think and operate in multiple contexts; the local, the national, the global. Their political identities, social situation, and class are at stake in the economic "maps" they construct for themselves, their vision of what is there, its tendencies and trajectory.

While central planning is seldom evoked outside economic history, except within the context of American urban policy as an "empowerment zone," dominant economic thinking certainly has a vision of development. Privatization and liberalization are to transform poorly governed public sectors into smaller, private, usually publicly held enterprises where transparency and efficiency will create jobs and attract outside capital. This expanding private sector, freed from inefficient over-regulation and provided with modern commercial codes, will produce both profit and tax revenue. A smaller state bureaucracy will cost less to run, and political liberalization will permit the new middle class to participate in government. The private economic sector will be separated from political power, and the national border will be more porous to international capital, repatriation of capital, and imports. That is the "all good things go together" model of economic liberalization that operates on the assumption that transparency in economics and politics are goods in themselves that produce other goods, such as efficiency and freedom.

252

What this vision neglects is the importance of partial strategies and particular advantages for economic profit. While the discourse of economics emphasizes general rules, economic profits rely on advantages, particularity, differentiation, and partial information. Every economic system has its informal aspect which evades or eludes the gaze of the state or inclusion in economic theory; smuggling, insider trading, side payments, price setting, appropriation of state subsidized inputs, the importance of political connection to obtain contracts. All these practices are conventionally banned or chronic problems within their economic systems, rational in economic terms but irrational in the sense of a larger systemic notion of efficiency. While this dissertation has focused on particular economic practices in Algeria that constituted a large and diverse informal sector that reflected the nature of the state, the modernist value of transparency in economic and political practice is accompanied by its own informal of exclusion. Political liberalism collaborates with these exclusions by ostensibly removing some kinds of economic decisions and practices from state concern and effective transparency. Beside the apparent transparency of public ownership we have Microsoft's contested business practices; beside future privatization of the Algerian public sector we have black-box military politics and ornamental elections. It is not clear that we can consider informal that which is marginal or outside; the informality of evasion and escape persists in different economic systems as counter-practices and

submerged knowledges, a reflection or commentary on the nature of the state, a counter-structure formal structures make necessary.

While few would contest the importance of economics as a metadiscourse for organizing political and economic worlds, liberal economics has reached much further. The model of the free and fair election appears to follow the model of the market where efficiency is displayed by rapid clearance. The candidates are ostensibly equal, voters vote, and the market clears. While intimidation is a fault, it is not a problem if other forms of power are embodied by the candidate. He may be backed by the military or the labor union. The fair election is the election involving those candidates, not the nonelection of candidates now in exile or in prison.

While elections are episodic, identity is a daily project or performance. If emigration is easy, one can be an expatriate worker; if there are foreign companies paying in hard currency, one can operate in a second economic and social space. If there is work for women, different social relationships become possible for them. While there are brute realities in laws and visas, social realities are seldom less effective in constructing an economic field. Open markets for women's economic and social participation carry the tendency for women to find themselves on the market, while the explicitly sexual market may draw on a predominantly male labor market. Or, to escape this economistic language, we could say, women in liberalism do not escape Levi-Strauss's analysis that they make signs and are signs, exchanged and exchanger. On the contrary, liberalism enhances and exemplifies this anthropological-semiotic presentation. But male identity may be thrown more severely into crisis by economic logics. Literature has a way of capturing the symbolic order at the expense of other practices. Omar Gatlato is in crisis while Selma is a member of the union, decorates her room, and expresses herself effectively on tape. Khomsa flees to the zar cult while Roufa loses his profession and his fiancé, circling around on his motorbike. He has no refuge.

Neither does anyone else, really. While economic logics are socially installed, while national markets are built by states, while global economic forces are composed of specific normative practices, the smallest practices carry the claims of science and the IMF; the most comprehensive claim interest as natural and markets as efficient. While the economic field is socially and politically constituted, while causality is disrupted and mediated, economic discourse is installed as a metanarrative of social and political interpretation.

Bibliography

- Abdesselam, Belaid. <u>Le Hasard et L'Histoire. Entretiens avec Belaid</u> <u>Abdesselam.</u> [Chance and History: Interviews with Belaid Abdesselam.] Ed. Mahfoud Bennoune and Ali El-Kenz. Algiers: ENAG, 1991.
- Abu-Lughod, Lila, ed. <u>Remaking Women: Feminism and Modernity in the</u> <u>Middle East</u>. Princeton: Princeton University Press, 1999.
- Abun-Nasr, Jamil M. <u>A history of the Maghrib in the Islamic period</u>. Cambridge: Cambridge University Press, 1990 [1987].
- Ahmed, Leila. <u>Women and Gender in Islam</u>. New Haven: Yale University Press, 1992.
- Althusser, Louis. Pour Marx. Paris: F. Maspero, 1968 [1965].
- Amin, Husain Ahmed. "At-tatarruf ud-dini fil Jaza'ir," [Religious extremism in Algeria]. In <u>Fi beit Ahmed Amin wa magalat ukhra</u>. [In the house of Ahmed Amin and other articles.] Cairo: Maktaba Madbouli, n.d.
- Aktouf, Omar. Le travail industriel contre l'homme? [Industrial work against man?] Algiers: Enterprise Nationale du Livre, 1986.
- Alexander, Christopher. "State, Labor, and Reform in Contemporary Tunisia and Algeria." Ph.D. diss., Duke University, 1995.
- Allouache, Merzak. "Extraite de scénario d'Omar Gatlato." In <u>Mediterraneans</u> 4 (Summer 1993): 64-71.
- _____. "Libre-propos/ Extraits de scenarios de Omar Gatlato et Bab El-Oued City." Interview by Ghania Mouffok. <u>Mediterraneans</u> 4 (Summer 1993) 59-74.

_____. Omar Gatlato. Film. 1976.

Amin, Galal. "Migration, Inflation and Social Mobility: A Sociological Interpretation of Egypt's Current Economic and Political Crisis." In Egypt <u>Under Mubarak.</u> Edited by Charles Tripp and Roger Owen, 103-121. London: Routledge, 1989.

256

Amin, Samir. <u>Accumulation on a World Scale: A Critique of the Theory of</u> <u>Underdevelopment</u>. Translated by Brian Pierce. New York: Monthly Review Press, 1974.

_____. <u>The Arab Economy Today</u>. Translated by Michael Palles. London: Zed Press, 1982.

. <u>Delinking: Towards a polycentric world</u>. Translated by Michael Wolfers. London: Zed Press, 1990.

Anderson, Lisa. <u>The State and social transformation in Tunisia and Libya</u>, <u>1930-1980</u>. Princeton: Princeton University Press, 1986.

- Appadurai, Arjun. "Introduction: commodities and the politics of value." In <u>The</u> <u>social life of things: commodities in cultural perspective</u>. Edited by Arjun Appadurai. Cambridge: Cambridge University Press, 1986.
- Arafa, Sharif. <u>Al-Irhab wal Kebab</u> [Terrorism and Kebab]. Film, 1992.
- Badran, Margot. Feminists, Islam, and Nation: Gender and the Making of Modern Eqypt. Princeton, N.J.: Princeton University Press, 1995.
- Baker, Raymond William. Egypt's uncertain revolution under Nasser and Sadat. Cambridge: Harvard University Press, 1978.
- Baron, Beth. <u>Women's Awakening in Egypt.</u> New Haven: Yale University Press, 1994.
- Bataille, Georges. <u>The accursed share</u>. Vol. I and II. Translated by Robert Hurley. New York: Zone Books, 1988.
- Batatu, Hanna. <u>The Old Social Classes and the Revolutionary Movements of</u> <u>Iraq: A Study of Iraq's Old Landed and Commerial Classes and of its</u> <u>Communists, Ba`thists, and Free Officers</u>. Princeton Studies on the Near East. Princeton: Princeton University Press, 1978.
- Bates, Robert H. "Social dilemmas and rational individuals: an assessment of the new institutionalism." In <u>The new institutional economics and third</u> <u>world development</u>. Edited by John Hariss, Janet Hunter and Colin M. Lewis. New York: Routledge, 1995.

- Baudrillard, Jean. For a critique of the political economy of the sign. Translatedby Charles Levin. St. Louis, Missouri, 1981.
 - _____. <u>Simulations</u>. Translated by Paul Foss, Paul Patton, and Philip Beitchman. New York: Semiotext(e), 1983.
- Bédrani, Slimane. "Bilan et Perspectives de l'Agriculture Algérienne." [Assessment and perspectives on Algerian agriculture.] In <u>L'Algérie et la</u> <u>Modernité</u>. Edited by Ali El-Kenz. CODESRIA Book Series, 150-177. Dakar, Senegal: 1989.
- Bekkar, Rabia. "Taking Up Space in Tlemçen: the Islamist occupation of urban Algeria." <u>Middle East Report</u>. (November/December 1992), 12-14.
- Benachenhou, Abdellatif. "Rente minière et développement agricole." Preface to <u>Les politiques agraires en Algérie.</u> Edited by S. Bedrani, M. Bourenane, and J. Molina. Algiers: C.R.E.A, ca. 1980.
- Benachenhou, Mourad. Inflation, devaluation, marginalisation. Algiers: Dar Ech'rifa, 1993.
- Benhassine, M.L. <u>Deux études sur la pensée économique d'Abderahmane Ibn</u> <u>Khaldoun dans "Al Muqaddima."</u> [Two studies on the economic thought of Abderahman Ibn Khaldun in The Muqaddima.] Batna: A. Guerfi for Al-Adib - Chihab, 1991.
- Benhassine, M.L, M. Medjitena, and M. El-Faiz. <u>Essais de pensé économique</u> <u>arabo-musulmane</u>. [Essays on Arab-Muslim economic thought.] Algiers: Éditions El-Adib, Éditions Aurès, 1991.
- Benilhashimi, Ousdiq Fowzi. <u>Muhatat fe ta'rikh. Al-harakat ul-islamia fi il-jaza'ir.</u> <u>1962-1988</u>. [Stations along the road: The Islamic movement in Algeria.] Algiers: Dar ath-thaqafa, 1992.
- Bennoune, Mahfoud. <u>The making of contemporary Algeria</u>, <u>1830-1987</u>. New York: Cambridge University Press, 1988.
- Bernard, Chantal. <u>Nouvelles logiques marchandes au Maghreb. L'information</u> <u>dans les années 80</u>. [New commercial logics in the Maghreb: news of the eighties.] Paris:Centre National de la Recherche Scientifique, 1991.

_____. "Une rationalité réappropriée par un autre? L'Économique et le socioculturel dans la recherche sur le travail/développement. [One rationality reappopriated by another? [The economic and the sociocultural in research on work and development] <u>In Nouveaux enjeux</u> <u>culturels au maghreb.</u> Edited by Jean-Robert Henry. Paris: Centre National de la Recherche Scientifique, 1986.

Bianchi, Robert. "Egypt's infitah bourgeoisie," <u>Middle East Report</u> (Summer 196): 429-44.

. <u>Unruly Corporatism: Associational Life in Twentieth Century Egypt</u>. New York: Oxford University Press, 1989.

Binder, Leonard. In a Moment of Enthusiasm: Political Power and the Second Stratum in Egypt. Chicago: University of Chicago Press, 1978.

<u>Islamic Liberalism: A critique of development ideologies</u>. Chicago: University of Chicago Press, 1988.

- Bird, Graham. <u>IMF Lending to developing countries: Issues and evidence</u>. London: Routledge, 1995.
- Boddy, Janice P. <u>Wombs and Alien Spirits: Women, Men, and the Zar Cult in</u> <u>Northern Sudan</u>. Madison, Wisc.: University of Wisconsin Press, 1989.
- Boudersa, Maâmar. <u>La ruine de l'économie algèrienne sous Chadli</u>. [The ruin of the Algerian economy under Chedli.] Algiers: Rahma, 1993.
- Bourdieu, Pierre. <u>Distinction: A social critique of the judgement of taste</u>. Translated by Richard Nice. Cambridge: Harvard University Press, 1984.
- Bouaziz, Yahya. <u>Al-mujaz fi tarikh al-jaza'ir</u>. [Outline of Algerian history.] Vol. 1. [Algiers]: Algerian National Press, 1965.
- Bouyacoub, Ahmed. La gestion de l'enterprise industrielle publique en Algérie. [The management of public industrial enterprises in Algeria.] Algiers: OPU, ca. 1988.

Bouzid, Nouri. Bezness. Film. 1992.

Brahimi, Adelhamid. <u>L'Économie algérienne: Defis et enjeux</u>. [The Algerian economy: Challenges and stakes.] Algiers: Dahlab, 1991.

. <u>Justice sociale et développement en économie islamique</u>. [Social justice and development in Islamic economy.] Paris: La Pensée Universelle, 1993.

- Brahimi, Brahim. "Le Droit à Information en Algérie: Principes et Réalités." [The right to information in Algeria: principles and realities.] In <u>L'Algérie</u> <u>et la Modernité</u>. Edited by Ali El-Kenz. Book Series of CODESRIA, 240-264. Dakar, Senegal: 1989.
- Bucaille, Laetitia. "L'engagement islamiste des femmes en Algérie." <u>Magreb-</u> <u>Machrek</u> 1994, 144.
- Bugra, Aysa. <u>State and Business in Modern Turkey</u>. Albany: State University of New York Press, 1994.
- Burgat, François. <u>L'islamism au Maghreb. La vois du Sud</u>. Paris: Karthala, 1988.
- Charrad, Mounira. "State and Gender in the Maghrib." <u>Middle East Report</u> 163 (April-March 1990).
- Cheriet, Boutheinia. "The Resiliance of Algerian Populism." <u>Middle East</u> <u>Report</u> January-February 1992.
- Chikhi, Saïd. "L'Ouvrier, la Vie et le Prince ou la Modernité introuvable." [The Worker, Life, and the Prince, or Unattainable Modernity.] <u>In L'Algérie et</u> <u>la Modernité</u>, Edited by Ali El-Kenz. Book Series of CODESRIA Dakar, Senegal: 1989, 178-212.
- de Certeau, Michel. <u>The Practice of Everyday Life</u>. Berkeley: University of California Press, 1988.
- Clancy-Smith, Julia A. <u>Rebel and Saint: Muslim notables, populist protest,</u> <u>colonial encounters (Algeria and Tunisia, 1800-1904)</u>. Berkeley: University of California Press, 1994.
- Clark, Janine A. "Demystifying Islamic social-welfare activities: Islamic associations and the state in Cairo." Unpublished ms.

_____. "Islamic social-welfare organizations in Cairo: Islamization from below?" Unpublished ms.

Cornia, Giovanni Andrea, Richard Jorill and Frances Stewart, eds. <u>Adjustment</u> with a human face. Oxford: Clarendon Press, 1987.

Colonna, Fanny. "Cultural resistance and religious legitimacy in colonial Algeria." <u>Economy and Society</u> 3:3 (August 1974) 233-252.

_____. "La répétition. Les tolba dans une commune rurale de l'Aurès." <u>In</u> <u>Le maghreb musuiman en 1979</u>. Edited by Christiane Souriau, et al. Paris: Éditions du CNRS, 1981, 187-203.

_____."The transformation of a saintly lineage in the northwest Aurès Mountains (Algeria): Nineteenth and Twentieth Centuries." In <u>Islam,</u> <u>politics, and social movements</u>. Edited by Edmund Burke, III, and Ira Lapidus, 81-96. Berkeley: University of California Press, 1988.

Coase, Ronald H. "The nature of the firm." <u>Economica</u> 4, 16 (NS) 1937 386-405.

_____. "The problem of social cost." <u>Journal of Law and Economics</u> 1960 3,1: 1-44.

- Daly, Glyn. "The discursive construction of economic space: logics of organization and disorganization." <u>Economy & Society</u> 20: 1, February 1991, 79-102.
- Dazi, Mehdi. "Informal economies in Algeria and Egypt: Path and pattern." Manuscript prepared for Conference on informality in North Africa, Harvard University, February 1995.
- Deheuvels, Luc-Willy. <u>Islam et pensée contemporaine en Algérie. La revue Al-Asala (1971-1981)</u>. [Islam and contemporary thought in Algeria: The review "The Foundation"...] Paris: Éditions du CNRS, 1991.
- De Soto, Hernando. <u>The Other Path: The invisible revolution in the Third World</u>. Translated by June Abbott. New York: Harper and Row, 1989.
- Dillman, Bradford 1994. "The Political Economy of structural adjustment in Tunisia and Algeria in the 1980s and 1990s." Paper presented at the 1994 Annual Meeting of the Middle East Studies Association, Phoenix, AZ, November 19-22, 1994.

Djerbal, Daho. "The 1997 parliamentary elections in Algeria: the search for an end to the slaughter and the rebuilding of civil society." Paper presented the American Political Science Association Annual Meeting, Washington, D.C., August 30, 1997.

The Economist Intelligence Unit. EIU Country Reports, Algeria.

_____. EIU Country Profiles, Algeria.

- Escobar, Arturo. <u>Encountering development: The making and unmaking of the</u> <u>Third World</u>. Princeton: University of Princeton Press, 1995.
- Elshtain, Jean Bethke. <u>Public man, private Woman: Women in social and</u> political thought. Princeton: Princeton University Press, 1981.
- Etzioni, Amitai. <u>The moral dimmension: Toward a new economics</u>. New York: The Free Press, 1988.
- Evans, Peter. <u>Dependent Development: The Alliance of Multinational State</u> and Local Capital in Brazil. Princeton: Princeton University Press, 1979.
- Ferguson, James. <u>The Anti-Politics machine: "Development," depoliticization,</u> <u>and bureaucratic power in Lesotho</u>. Minneapolis: University of Minnesota Press, 1994.
- Fontaine, Jacques. "Les élections locales algériennes de 12 juin 1990. Approache statistique et géographique." <u>Maghreb-Machrek</u> 129 (July-September 1990): 124-140.
- Foucault, Michel. <u>The Order of Things: An Archaeology of the Human</u> <u>Sciences</u>. New York: Vintage Books, 1973.
- _____. <u>Power/Knowledge</u>. Brighton, Sussex: The Harvester Press Limited, 1980.
- Gacemi, Baya. <u>Moi, Nadia, femme d'un émir du GIA</u>. [I, Nadia, wife of an emir of the GIA.] Paris: Editions du Seuil, 1998.
- Gal, Susan. "Language and political economy." <u>Annual Review of</u> <u>Anthropology</u> 18 (1989) 345-67.

- Gaya, Malek. "Une jeune fille imprudent: Récit inspiré de faits véridiques." [An impudent girl: An account inspired by real events.] <u>L'Evenement.</u> Hebdmadaire national independent 145 (October 20, 1993).
- Al-Ghazali, Zainab. <u>Return of the Pharaoh: Memoir of Nasir's Prison</u>. Translated by Mokrane Guezzou. Leicester, U.K.: The Islamic Foundation, 1994.
- Goodman, Jan. "Berber Associations and cultural change in Algeria: Dancing toward "La Mixité." <u>Middle East Report</u> July-September 1996, 16-19.
- Goytisolo, Juan. "Constructing Europe's New Wall: From Berlin to the Strait." Translated by Marisa Escribano and Peggy Hutchison. Reprinted from El Pais, March 30, 1992. <u>Middle East Report</u> 178 (September-October 1992): 17-19.
- Ellis Goldberg, "Muslim union politics in Egypt: Two cases." In <u>Islam, politics,</u> <u>and social movements</u>, ed. Edmund Burke III, and Ira Lapidus, 228-243. Berkeley: University of California Press, 1988.
- Gramsci, Antonio. <u>Selections from the prison notebooks</u>. Edited and translated by Quintin Hoare and Geoffrey N. Smith. New York, International Publishers, 1971 [1929-1935].
- Groult, Benoïte. "Night Porters." [Les portiers de nuit.] In <u>New French</u> <u>Feminisms</u>, ed. Elaine Marks and Isabelle de Courtivron. New York: Schocken Books, 1980.
- Habermas, Jurgen. "The Public Sphere." In <u>Jurgen Habermas on society and</u> <u>politics: A reader</u>. Edited by Steven Seidman. Boston: Beacon Press, 1989, 231-236.
- Hadj-Nacer, Abderrahmane Roustoumi. <u>Les cahiers de la reforme</u>. [The notebooks of the reform.] 5 vols. 2nd edition. Algiers: ENAG Editions, 1990.
- Haggard, Stephen, and Steven B. Webb, ed. <u>Voting for reform: democracy.</u> <u>political liberalization, and economic adjustment</u>. New York: Published for the World Bank, Washington, D.C., Oxford University Press, 1994.
- Hale, David D. "The IMF, Now More than Ever: The Case for Financial Peacekeeping." <u>Foreign Affairs</u> November/December 1998, 7-12.

- Hall, Peter A., ed. <u>The political power of economic ideas: Keynesianism across</u> <u>nations</u>. Princeton: Princeton University Press, 1989.
- Hamiani, Redha. "Investissements: Le gage de liberalisation. Interview by Arezki Benmokhtar. <u>Algérie Actualité</u>, October 5-10, 1993.
- Hanoune, Louisa. <u>Une autre voix pour l'Algérie. Entretiens avec Ghania</u> <u>Mouffok</u>. Paris: Éditions La Découverte, 1996.
- Harrold, Deborah. "The menace and appeal of Algeria's parallel economy." Middle East Report 192:25 (January-February 1995), 18-22.
- . "Algerian Economists Circle the State." In <u>North Africa:</u> <u>Development and Reform in a Changing Global Economy</u>, ed. Dirk Vandewalle. New York: St. Martin's Press, 1996.
- Harvey, David. <u>The condition of postmodernity: An inquiry into the origins of</u> <u>cultural change</u>. Oxford: Blackwell, 1989.
- Hatem, Mervat F. "Economic and Political Liberalization in Egypt and the Demise of State Feminism." In <u>Arab Women: Between Defiance and</u> <u>Restraint</u>. Edited by Suha Sabbagh, 171-193. New York: Olive Branch Press, 1996.
- Haykal, Muhammed Hasanayn. <u>Autumn of fury: the assassination of Sadat</u>. New York: Random House, 1983.
- Henderson, Willie, Tony Dudley-Evans and Roger Backhouse. <u>Economics and</u> <u>language</u>. New York: Rouledge, 1993.
- Henni, Ahmed. <u>Essai sur l'économie parallèle. Cas de l'Algérie</u>. [Essay on the parallel economy: The case of Algeria.] Algiers: ENAG, 1991.

_____. "Informel et sociétés en voie de développement." [The informal and societies on the path of development.] Algiers: <u>Les cahiers de CREAD</u>. No 30, 2nd trimestre 1992, [1988], 65-77.

<u>. Le cheikh et le patron. Usages de la modernité dans la</u> <u>reproduction de la tradition</u>. [The sheikh and the boss: uses of modernity in the reproduction of tradition.] Algiers: Office des Publications Universitaires, 1993.

- Henry, Clement M. <u>The Mediterranean Debt Crescent: Money and power in</u> <u>Algeria, Egypt, Morocco, Tunisia, and Turkey</u>. Gainsville: University of Florida Press, 1996.
- Hermassi, Elbaki. <u>Leadership and national development in North Africa. A</u> <u>comparative study</u>. Berkeley: University of California Press, 1972.
- Hijab, Nadia. <u>Womanpower: The Arab debate on women at work</u>. New York: Cambridge University Press, 1988.
- Hirschman, Albert O. <u>The Strategy of Economic Development</u>. New Haven, Conn.: Yale University Press, 1958.

. <u>Bias for Hope: Essays on Development in Latin America</u>. New Haven, Conn.: Yale University Press, 1971.

<u>The passions and the interests: Political arguments for capitalism</u> <u>before its triumph</u>. Princeton, N.J.: Princeton University Press, 1977.

_____. "The Rise and Decline of Development Economics." Chap. in <u>Essays in Trespassing: Economics to Politics and Beyond</u>. Cambridge: Cambridge University Press, 1981.

<u>Rival views of market society and other recent essays</u>. New York: Viking Penguin, Inc., 1986.

- Huntington, Samuel. "Will more countries become democratic?" <u>Political</u> <u>Science Quarterly</u> (Summer 1984): 193-218.
- Hopwood, Derek. <u>Egypt: Politics and Society 1945-1984</u>. Boston: Allen & Unwin, 1985.
- Irigary, Luce. <u>Ce sexe qui n'en pas un</u>. [The sex that isn't.] Paris: Editions de Minuit, 1977.
- Irwin, Douglas A. <u>Against the tide: An intellectual history of free trade.</u> Princeton: Princeton University Press, 1996.
- Issawi, Charles P. <u>An Economic History of the Middle East and North Africa</u>. New York: Columbia University Press, 1982.

- Jabi, Abd al-Nasr. "Ash-shab wa al-amal as-sina'i fi al-Jaza'ir." [Youth and industrial work in Algeria.] Les cahiers du CREAD. 26:1991,195-214.
- Joseph, Suad. "Gender and Civil Society: An Interview with Suad Joseph." Interview by Joe Stork. In <u>Arab Women: Between Defiance and</u> <u>Restraint</u>. Edited by Suha Sabbagh, 194-210. New York: Olive Branch Press, 1996.
- Ka, Samba and van de Walle, Nicholas. "The political economy of Adjustment in Senegal, 1980-1991." In <u>Voting for reform: Democracy, political</u> <u>liberalization, and economic adjustment</u>. Edited by Stephan Haggard and Steven B. Webb. New York: Oxford University Press, 1994.
- Kahler, Miles. "Politics and international debt: explaining the crises." International Organization 39, Summer 1985, pp. 357-382.

- Kapchan, Deborah. <u>Gender on the Market: Moroccan Woman and the</u> <u>Revoicing of Tradition</u>. Philadelphia: University of Pennsylvania Press, 1996.
- Kapil, Arun. "Algerians elections show Islamist strength." <u>Middle East Report</u> (September/October 1990), 31-36.
- Khelladi, Aïssa. Les islamistes algériens face au pouvoir. [The Algerian Islamists confront the state.] Algiers: Editions ALFA, 1992.
- El-Kenz, Ali. <u>Le complexe sidérurgique d'El-Hadjar: Une expérience</u> <u>industrielle en Algérie</u>. Paris: Editions CNRS, 1987.

_____. "La société algérienne aujourd'hui - Equisse d'une phénomélogie de la conscience nationale."[Algerian society today – Outline of a phenomenology of national conscience.] In <u>L'Algérie et la modernité</u>. Dakar: CODESRIA, 1989.

Kepel, Gilles. <u>Muslim Extremism in Egypt: The Prophet and pharaoh</u>. Trans. Jon Rothschild. Berkeley: University of California Press, 1986.

- King, Robert 1994. "The restructuring experience in Algeria and Tunisia." Paper presented at the 1994 Annual Meeting of the Middle East Studies Association, Phoenix, AZ, November 19-22, 1994.
- Khouri, Dina Rizk. "Drawing Boundaries and Defining Spaces: Women and Space in Ottoman Iraq." In <u>Women, the Family, and Divorce Laws in</u> <u>Islamic History</u>. Edited by Amira E Azhary Sonbol. Syracuse: Syracuse University Press, 1997.
- Klamer, Arjo. <u>Conversations with economists: New classical economists and</u> <u>opponents speak out on the current controversy in macroeconomics</u>. Totowa, N.J.: Rowman & Allanheld, 1984.

______. "Negotiating a new conversation about economics." In <u>The</u> <u>consequences of economic rhetoric</u>. Edited by Arjo Klamer, Donald N. McCloskey and Robert M. Solow. New York: Cambridge University Press, 1988.

_____. "As if economists and their subjects were rational." In <u>The Rhetoric</u> of the human sciences. Edited by J. Nelson, A Megill and D.N. McCloskey. Madison, Wisconsin: University of Madison Press, 1988.

_____. "The textbook presentation of economic discourse." In <u>Economics</u> <u>as Discourse</u>. Edited by W.J. Samuels. Boston: Kluwer Academic Publishers, 1990.

- Kohli, Atul. "Interpreting India's deomocracy: A state-society framework." Introduction to India's Democracy. Edited by Atul Kohli, 3-17. Princeton: Princeton University Press, 1988.
- Kuran, Timur. "The Genesis of Islamic economics: A chapter in the politics of Muslim identity." <u>Social Research</u> 64:2 (Summer 1997) 301-338.
- Labat, Séverine. "Islamism and islamists: the emergence of new types of politico-religious militants." In <u>Islam and secularism in North Africa</u>. Edited by John Reudy, 103-121. New York: St. Martin's Press, 1994.
- Lazreg, Marnia. "Feminism and Difference: The Perils of Writing as a Woman on Women in Algeria." <u>Feminist Studies</u> 14:1 (Spring 1988).

_____. "Gender and Politics in Algeria: Unraveling the Religious Paradigm." Signs: Journal of Women in Culture and Society 15 (1990): 755-780. _____. <u>The eloquence of silence: Algerian women in question</u>. New York: Routledge, 1994.

- Leca, Jean, and Nicole Grimaud. "Le secteur privé en Algérie." <u>Magreb-Machrek</u> 113 (1986): 102-119.
- Leca, Jean, and Jean-Claude Vatin. <u>L'Algérie politique: institutions et régime</u>. Paris: Presses de la Foundation nationale des sciences politques, 1975.
- Lévi-Stauss, Claude. <u>The elementary structures of kinship.</u> Translated by James Harle Ball. Boston: Beacon Press, 1969.
- Liabes, Djilali. <u>Capital privé et patrons d'industrie en Algérie 1962-1982.</u> <u>Propositions pour l'analyse de couches sociales en formation</u>. [Private capital and owners of industry in Algeria 1962-1982: Propositions for an analysis of social class in formation.] Algiers: CREA, 1984.

_____, "L'Enterprise entre Economie, Politique et Societé." In <u>L'Algérie et</u> <u>la Modernité</u>. Edited by Ali El-Kenz. Book Series of CODESRIA, 213-239. Dakar, Senegal: 1989.

- Luciani, Giacomo. "Introduction." In <u>The Arab State</u>, ed. Giacomo Luciani, xviixxxii. Berkeley: University of California Press, 1990.
- MacLeod, Arlene E. <u>Accommodating Protest: Working Women, the New</u> <u>Veiling, and Change in Cairo</u>. New York: Columbia University Press, 1991.
- Maghraoui, Abdesselam. "Algeria's battle of two languages." <u>Middle East</u> <u>Report 192</u> (January-February 1995) 23-26.
- Maloney, John. <u>The professionalization of economics. Alfred Marshall and the</u> <u>dominance of orthodoxy</u>. New Brunswick, New Jersey: Transaction Publishers, 1993 [1985].
- March, James G., and Johan P. Olson. <u>Rediscovering institutions: the</u> <u>organizational base of politics</u>. New York: Free Press, 1989.
- Marcus, George E., and Michael M. J. Fischer. <u>Anthropology as Cultural</u> <u>Critique</u>. Chicago: University of Chicago Press, 1986.

Martinez, Luiz. "Les groupes islamistes entre guerrilla et negoce. Vers une consolidation du régime algérien?" Paris: Les études de CERI (Centre d'etudes et de recherches internationales), Foundation nationale des sciences politiques, No. 3, 1995.

<u>La guerre civile en Algérie</u>. Paris: Editions Karthala, 1998.

Marx, Karl. <u>Capital</u>, vol. 1, <u>A critical analysis of capitalist production</u>. Edited by Frederick Engels. New York: International Publishers, 1967 [1890].

Massaoudi, Khalida. <u>Unbowed: An Algerian Woman Confronts Islamic</u> <u>Fundamentalism</u>. Interviews with Elisabeth Schemla. Translated by Anne C. Vila. Philadelphia: University of Pennsylvania Press, 1995.

McCloskey, Donald N. <u>If you're so smart: the narrative of economic expertise</u>. Chicago: University of Chicago Press, 1990.

. <u>The Rhetoric of Economics</u>. Madison: University of Wisconsin Press, 1993.

- Mekideche, Tchirine. "Jouer dans la rue ou espaces d'enfants dans la ville." Les cahiers du CREAD 26 (2nd trimestre 1991) 179-193.
- Menicucci, Gary. Review of <u>Bezness</u>, film by Nouri Bouzid. <u>In Middle East</u> <u>Report</u> 192 (January-February 1995): 30-31.
- Meuret, Denis. "Political geneology of political economy." <u>Economy & Society</u> 17:2 (May 1988) 225-250.
- Merle, Robert Merle. Ahmed Ben Bella. Paris: Gallimard, 1965.
- Mernissi, Fatima. <u>Beyond the Veil: Male-Female Dynamics in Modern Muslim</u> <u>Society</u>. Bloomington, Ind.: Indiana University Press, 1987.

Middle East Business Weekly (MEED)

Middle East Economic Survey (MEES)

Mimouni, Rachid. <u>L'honneur de la tribu</u>. [The honor of the tribe.] Algiers: Editions Laphomic, 1990.

- Mitchell, Richard. <u>The Society of Muslim Brothers</u>. London: Oxford University Press, 1969.
- Mitchell, Timothy. <u>Colonising Egypt</u>. Cambridge: Cambridge University Press, 1988.

_____. "The Limits of the State: Beyond Statist Approaches and their Critics." <u>American Political Science Review</u> 85:2, 77-96.

_____. "At the edge of the economy." Unpublished ms. [1994].

- Robert Montagne. <u>The Berbers; their social and political organization.</u> Translated and with an introduction by David Seddon. Pref. Ernest Gellner. London: Cass, 1973.
- Mouffok, Ghania. "Bab-El-Hadid." Translated by K. Brown and H. Davis. <u>Mediterraneans</u> 4 (Summer 1993) 55-58.
- Murray, Stephen O. "The Will Not to Know: Islamic Accommodations of Male Homosexuality." In <u>Islamic Homosexualities: Culture, History, and</u> <u>Literature</u>. Edited by Stephen O. Murray and Will Roscoe, 14-54. New York: New York University Press, 1997.
- Nelson, Joan, ed. <u>Fragile coalitions: The politics of economic adjustment</u>. Princeton: Princeton University Press, 1990.
- Naylor, R.T. "The Insurgent Economy: Black Market Operations of Guerilla Organizations." <u>Crime, Law and Social Change</u> 20 (1993): 13-51.
- Nomani, Farhad, and Ali Rahnema. <u>Islamic Economic Systems</u>. London: Zed Books, 1994.
- North, Douglass C. <u>Structure and change in economic history</u>. New York: Norton, 1981.

_____. Institutions, institutional change and economic performance. New York: Cambridge University Press, 1990.

North, Doulas C. and Barry W. Weingast. "The evolution of institutions governing public choice in 17th century England." <u>Journal of Economic</u> <u>History</u> 49, 1989, 803-32.

- Oussadik, Fatma. "Sexual identities and violence in Algeria today." Paper presented at Princeton University, November 12, 1998.
- Owen, Roger. State and Power Politics in the Making of the Modern Middle East. New York: Routledge, 1992.

_____. "The transformation of systems of economic and political management in the Middle East and North Africa: The lessons so far." <u>Review of Middle East Studies</u> 6:1993, 15-34.

- Owen, Roger, and Sevket Pamuk. <u>The Ottoman Empire and European</u> <u>Capitalism 1920-1973: Trade, investment, production</u>. Cambridge, Mass.: Harvard University Press, 1998.
- Pateman, Carole. <u>The Sexual Contract</u>. Stanford: Stanford University Press, 1988.
- Payne, Rhys. "Economic crises and policy reform." <u>In Polity and society in</u> <u>contemporary North Africa</u>. Edited by William Zartman and William M. Habeeb. Boulder: Westview Press, 1993.
- Peneff, Jean. Industriels algériens. Paris: CNRS, 1981.
- Pereira, Luis Carlos Bresser, José Maravall, and Adam Przeworski. <u>Economic</u> <u>reforms in new democracies: a social-democratic approach</u>. New York: Cambridge University Press, 1993.
- Pfeifer, Karen. <u>Agrarian reform under state capitalism in Algeria</u>. Boulder: Westview Press, 1985.

Perspective." In <u>State and Society in Algeria</u>. Edited by John Entelis and Philip Naylor. Boulder: Westview Press, 1992.

- _____. "Algeria's implicit stabilization program." In <u>The politics of</u> <u>economic reform in the Middle East</u>. Edited by Henri J. Barkey. New York: St. Martins Press, 1992.
- Polanyi, Karl. <u>The great transformation: The policial and economic origins of</u> <u>our time</u>. Boston: Beacon Press, 1957 [1944].

- Portes, Alejandro, Manuel Castells and Lauren A. Benton. <u>The informal</u> <u>economy: Studies in advanced and less developed countries</u>. Baltimore: Johns Hopkins University Press, 1989.
- Procacci, Giovanna. "Social Economy and the Government of Poverty." In <u>The Foucault Effect: Studies in Governmentality</u>. Edited by Graham Burchell. Chicago: University of Chicago Press, 1991.
- Prochaska, David. <u>Making Algeria French: Colonialism in Bône 1870-1920</u>. Cambridge: Cambridge University Press, 1990.
- Qadi, Abd al-Mujid. "Al-Islahat al-iqtisadia fi al-Jaza'ir." [The economic reforms in Algeria.] In <u>Al-Jazair wa al-muamara ala al-islam wa ad-dimocratia.</u> <u>Al-qissa al-kamila li-drub al-islam wa al-hurriyat</u>. [Algeria: The conspiracy against Islam and Democracy. The complete story of the blow against Islam and Freedoms]. Written and edited by Ahmed As-Siyufi. Cairo: 1993.
- Quandt, William B. <u>Revolution and Political Leadership in Algeria 1954-1968</u>. Cambridge, Mass.: M.I.T. Press, 1969.
- Richards, Alan and John Waterbury. <u>A political economy of the middle east</u>. Boulder: Westview Press, 1990.
- Roberts, Hugh. "Doctrinaire economics and political opportunism in the strategy of Algerian islamism." In <u>Islam and secularism in North Africa</u>. Edited by John Ruedy, 123-147. New York: St. Martin's Press, 1994.

_____. "Algeria Between Eradicators and Conciliators." <u>Middle East</u> <u>Report</u> 189 (July-August 1994): 24-27.

- Roberts, John. "Power of place and political transition in Jordan." Paper presented at the Annual Meeting of the Middle Eastern Studies Association, Washington, D.C., December 1995.
- Roitman, Janet. "Objects of the economy and the language of politics in Northern Camaroon." Ph. D. diss., University of Pennsylvania, 1996.
- Rosanvallon, Pierre. "The development of Keynesianism in France." In <u>The</u> <u>political power of economic ideas: Keynesianism across nations</u>. Edited by Peter Hall. Princeton: Princeton University Press, 1989.

- Ross, Kristin. <u>Fast cars, clean bodies: decolonization and the reordering of</u> <u>French mass culture, 1940-1970</u>, Cambridge, Mass.: MIT Press, 1995.
- Rouadjia, Ahmed. Les frères et la mosquée. Enquête sur le movement islamiste en Algérie. [The brothers and the mosque: Inquiry on the Islamist movement in Algeria.] Algiers: Bouchene, 1981.
- Rousseau, Jean-Jacques. <u>Emile, or On Education</u>. Edited and translated by Allan Bloom. New York: Basic Books, Inc., 1979.
- Roy, Delwin A. "The Hidden Economy in Egypt." <u>Middle East Studies</u> 28 (October 1992): 689-711.
- Rudolph, Lloyd I., and Susanne Hoeber Rudolph. <u>The Modernity of Tradition:</u> <u>Political Development in India</u>. Chicago: University of Chicago Press, 1967.
- Ruedy, John. <u>Modern Algeria: The Origins and Development of a Nation</u>. Bloomington, Ind.: Indiana University Press, 1992.
- Rubenstein, Alvin Z. <u>Red Star on the Nile: The Soviet-Egyptian Influence</u> <u>Relationship since the June War</u>. Princeton, N.J.: Princeton University Press, 1977.
- Ruedy, John. <u>Modern Algeria: The origins and development of a nation</u>. Bloomington: University of Indiana Press, 1992.
- Saadi, Nouredine. <u>La Femme et la Loi en Algérie</u>. [Women and the Law in Algeria.] Casablanca, Morocco: United Nations University/Wider, Editions le fennec, 1991.
- Sahlins, Marshall. <u>Culture and practical reason</u>. Chicago: University of Chicago Press, 1976.
- Said, Edward W. Orientalism. New York: Pantheon Books, 1978.
- Salais, Robert, and Michael Storper. <u>Les mondes de production: enquête sur</u> <u>l'identité économique de la France</u>. [Worlds of production: inquest on the economic identity of France.] Paris: Éditions de l'école des hautes études en sciences sociales, 1993.

- Salamé, Ghassan, ed. <u>Democracy without democrats: The renewal of politics</u> in the Muslim world. New York: I.B. Tauris, 1994.
- Al-Sayyid, Mustafa Kamil. Paper on Egyptian views of the appropriate publicprivate balance. Unpublished ms. Presented at the American Research Center in Cairo, October, 1992.
- Shaarawi, Huda. <u>Harem Years: the Memoirs of an Egyptian Feminist (1874-1924)</u>. Edited by Margot Badran. London: Virago Press, 1986.
- Sharabi, Hisham. <u>Neopatriarchy: A Theory of Distorted Change in Arab</u> <u>Society</u>. Oxford: Oxford University Press, 1988.
- Shonfield, Andrew. <u>Modern Capitalism: The Changing Balance of Public and</u> <u>Private Power</u>. London: Oxford University Press, 1965.
- Sikkink, Kathryn. Ideas and institutions: Developmentalism in Brazil and Argentina. Ithaca: Cornell University Press, 1991.
- Sen, Amartya. <u>Choice, welfare and measurement</u>. Delhi: Oxford University Press, 1983.
- Singerman, Diane. <u>Avenues of Participation: Family, Politics, and Networks in</u> <u>Urban Quarters of Cairo</u>. Princeton: Princeton University Press, 1995.
- Sivan, Emmanuel. <u>Radical Islam: Medival theology and modern politics</u>. New Haven: Yale University Press 1985.
- Slymovics, Susan. "Hassiba Ben Bouali, If You Could See Our Algeria": Women and Public Space in Algeria." <u>Middle East Report</u> 192 (January-February 1995):8-13.
- Smith, Rogers M. "Beyond Tocqueville, Myrdal, and Hartz: The Multiple Traditions in America." <u>American Political Science Review</u> 87:3 (September 1993):549-566.
- Starrett, Gregory. <u>Putting Islam to work: Education, politics and religious</u> <u>transformation in Egypt</u>. Berkeley: University of California Press, 1998

- Steinfeld, Edward S., "Bureaucratic politics and market governance in China: The case of Ma'anshan Iron and Steel." Paper presented at the 1997 Annual Meeting of the American Political Science Association, Washington, D.C.
- Stiles, Kendall W. <u>Negotiating Debt: The IMF Lending Process</u>. Boulder: Westview Press, 1991.
- Sullivan, Denis J. <u>Private volutnary organizations: Islamic development, private</u> initiative, and state control. Gainesville: Florida University Press, 1994.
- Sullivan, Denis, and Sana Abed-Koteb. <u>Islam in contemporary Egypt: Civil</u> <u>society vs. the state</u>. Boulder: Lynne Rienner, 1999.
- Taouti, Seddik. <u>Les crimes économiques</u>. [Economic crimes.] Algiers: Éditions ENAP, 1975.
- Taussig, Michael. <u>The devil and commodity fetishism in South America</u>. Chapel Hill, N.C.: University of North Carolina Press, 1980.
- Tilly, Charles. "War Making and State Making as Organized Crime." In <u>Bringing the State Back In</u>. Edited by Peter Evans, D. Reuschmeyer, and Theda Skocpol, 169-191. Cambridge: Cambridge University Press, 1985.
- Tlemçani, Rachid. <u>State and revolution in Algeria</u>. Boulder: Westview Press, and London: Zed Books, 1986.
- Vandewalle, Dirk. "Breaking with Socialism: Economic Privatization and Liberalization in Algeria." In <u>Privatization and Liberalization in the Middle</u> <u>East</u>. Edited by Iliya Harik and Denis J. Sullivan. Bloomington: Indiana University Press, 1992.

_____, ed. North Africa: Development and Reform in a Changing Global <u>Economy</u>. New York: St. Martin's Press, 1996.

- Vatin, Jean-Claude. <u>L'Algérie politique. Histoire et société</u>. Paris: Presses de la fondation nationale des sciences politiques, 1974.
- Vergès, Meriem. "La casbah d'Alger: Chronique de survie dans un quartier en sursis." In <u>Exiles et royaumes</u>, ed. Gilles Kepel, 69-88. Paris: Presses de la FNSP, 1994.

_____. "Account of a field study...." In Le drame algérien: un peuple en otage. Paris: Decouverte, 1994.

Vitalis, Robert. <u>When capitalists collide: Business conflict and the end of</u> <u>empire in Egypt</u>. Berkeley: University of California Press, 1995.

_____. "Aramco World: Business and Culture on the Arabian Oil Frontier." In <u>Modern Worlds of Business and Industry: Culture, Technology, Labor,</u> ed. Karen Merrill, 3-25. Brepols, 1999.

Von Sivers, Peter. "Life within the informal sectors: Tunisia and Egypt in the 1970s." In <u>Mass culture, popular culture, and social life in the Middle East</u>, ed. George Strauth and Sami Zubaida, 243-57. Boulder, Colo.: Westview Press, 1987.

_____. "Rural uprisings as political movements in colonial Algeria, 1851-1914." In <u>Islam, politics, and social movements</u>, ed. Edmund Burke, III, and Ira Lapidus, 39-59. Berkeley: University of California Press, 1988.

- White, Hayden. <u>Tropics of discourse</u>. <u>Essays in cultural criticism</u>. Baltimore: The Johns Hopkins University Press, 1978.
- Waterbury, John. <u>Commander of the Faithful: The Moroccan Political Elite</u>. New York: Columbia University Press, 1970.

. North for the Trade: the Life and Times of a Berber Merchant. Berkeley: University of California Press, 1972.

_____. "Twilight of the State Bourgeoisie?" International Journal of Middle East Studies 12: 1-17.

<u>The Egypt of Nasser and Sadat: The Political Economy of Two</u> <u>Regimes</u>. Princeton: Princeton University Press, 1983.

. Exposed to Inumberable Delusions: Public Enterprise and State <u>Power in Eqypt, India, Mexico, and Turkey</u>. New York: Cambridge University Press, 1995. Wattar, At-Tahir. Al-Laz. [The Ace.] Algiers: 1974.

- Winch, Donald. "Adam Smith: Scottish moral philosopher as political economist." <u>The Historical Journal</u> 35: 1 (1992), 91-113.
- Zartman, I. William. "The Algerian Army in Politics." In <u>Man, State, and Society</u> <u>in the Contemporary Maghreb</u>. Edited by I. William Zartman, 221-227. New York: Praeger, 1973.