

The impact of the unconventional financing policy in addressing Algeria's public budget deficit during the period (2010-2018)

أثر سياسة التمويل غير التقليدي في معالجة عجز الميزانية العامة للجزائر خلال الفترة (2010-2018)

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خليفة سامية¹ مخبر: الاستراتيجيات والسياسات الاقتصادية في الجزائر

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Abstract:

This study aims to address the phenomenon of the general budget deficit that Algeria suffers from as a result of its connection to the hydrocarbon sector and making it vulnerable to fluctuations in oil prices, and in order to cover this deficit, it is necessary to research the financing options available for public spending in light of the decline in public revenues. New lending mechanisms have been introduced through resorting to Unconventional financing is an attempt to reach a balance in the public finances and the various indicators of economic and social development. The study reached the conclusion that the policy of unconventional financing has positive effects in the short term by providing liquidity to the public treasury, while disastrous results appear in the medium and long term. In the collapse of the currency in the Algerian dinar and the emergence of inflationary pressures.

Keywords: general budget; general budget deficit; unconventional financing; the Algerian economy.

JEL Classification Code : H 62, E62

ملخص:

تهدف هذه الدراسة إلى معالجة ظاهرة عجز الميزانية العامة التي تعاني منه الجزائر نتيجة ارتباط اقتصادها بقطاع المحروقات وجعله عرضة لتقلبات أسعار النفط، ولضرورة تغطية هذا العجز وجب البحث في الخيارات التمويلية المتاحة للإنفاق العام في ظل تراجع الإيرادات العامة تم استحداث آليات إقراض

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جديدة من خلال اللجوء إلى التمويل غير التقليدي، محاولة للوصول إلى توازن في المالية العامة ومختلف مؤشرات التنمية الاقتصادية والاجتماعية، وقد توصلت الدراسة إلى نتيجة مفادها أن سياسة التمويل غير التقليدي لها آثار إيجابية على المدى القصير بتوفير السيولة إلى الخزينة العمومية، في حين تظهر نتائج وخيمة على المدى المتوسط والطويل تمثلت في انهيار قيمة العملة بالدينار الجزائري و ظهور ضغوط تضخمية. كلمات مفتاحية: ميزانية عامة ، عجز الميزانية العامة ، تمويل غير تقليدي ، الاقتصاد الجزائري.

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1. INTRODUCTION

The Algerian economy, like other economies of the rentier developing countries, has suffered from the exacerbation of the budget deficit due to its connection with the hydrocarbon sector and making it vulnerable to crises and price shocks. Negatively the spending policy, which has defined our progressive grant since the beginning of the year 2000, and because of the oil crisis in 2014, financial problems, arose, represented by a continuous decrease in cash liquidity and the erosion of foreign exchange reserves. Year after year deficit Algeria has approved a set of reforms represented in unconventional financing that allows the Bank of Algeria to provide liquidity to the public treasury in order to cover expenditures, finance the general budget deficit and maintain the stability of the state's public finances.

• **The problem of the study:**

From this stand point, the following main problem is raised: **What is the impact of the unconventional financing policy in addressing Algeria's public budget deficit during the period (2010-2018)?**

• **Study hypotheses:**

In order to address the problem of the study, the following hypotheses can be proposed:

- The policy of unconventional financing allows to address the state's general budget deficit.

- Unconventional financing is a tool of monetary policy that allows the Bank of Algeria to provide liquidity.
- Unconventional financing generates negative effects on the national economy, such as high levels of inflation and the collapse of the Algerian dinar value.

• **Objectives of the study :**

The study objectives can be summarized in the following points :

- Shedding light on the budget deficit in Algeria by highlighting the features and causes of the deficit during the period (2010-2018).
- Learn about the mechanism of implementing the policy of unconventional financing in Algeria.
- Using this policy, which has become known as the deficit financing policy, as a saving solution for the current state of the economy.

Highlighting the role of non-traditional financing in the face of fluctuations in the general budget, its balance and its importance in financing the Algerian economy

• **Study Approach:**

This study relied on the descriptive approach in order to identify the various concepts and relationships that this topic addresses, since this curriculum is specifically dedicated to theoretical studies and to describe the policy of unconventional financing in Algeria, in addition to the applied analytical approach with the aim of analyzing the conditions surrounding the application of the policy of unconventional financing as a mechanism Resorting to it in Algeria to finance the general budget deficit, by using some tables, statistics and some different graphs and analyzing them in an economic way in order to facilitate understanding of the subject.

• **Research structure:**

To address the topic in a way that allows us to be familiar with all its aspects and to answer the problem at hand, we decided to divide this study into the following axes:

- The first axis: the theoretical framework for the general budget deficit.
- The second axis: the theoretical framework for the policy of unconventional financing.
- The third axis: the impact of the unconventional financing policy on financing the state's general budget deficit.

2. The first axis: the theoretical framework for the public budget deficit

2.1 What and features of the budget

What is a budget: The budget can be defined as follows:

- “The budget is an expectation and approval for the state’s general expenditures and revenues for a future period of time, usually a year, that expresses its economic and financial objectives. This definition shows that the budget includes two components: forecast and approval as well as being an expression of the state’s economic, financial and social goals. (Hussein Awad Allah, 2003, p. 247)
- It also defines “the budget is a document approved by the competent legislative authority, meaning that before ratification it was in the rule of the project, and after approval by the competent legislative authority, it becomes in the rule of law that authorizes the executive authority to charge revenues and collect taxes in the manner stated in the budget (Mustafa Hussein, 2016, p. 75)

2.2 Budget characteristics

The budget is characterized by a number of characteristics and characteristics that are summarized as discretionary, and that it includes permission to collect and spend, in addition to its time determination and prioritization of expenditures over revenues, which we separate hereinafter .

(Abd al-Allawi, pp. 169-170)

- **The budget has a discretionary characteristic:** because it is preparing for a coming year and its preparation usually takes place in the middle of the previous year. Therefore, it is difficult to determine what will be spent in terms of expenditures or what will be earned from imports in an accurate or semi-accurate manner.
- **The budget has a discretionary characteristic:** on the one hand it implies the approval of the legislative authority (Parliament) to estimate the total annual expenditures and revenues, and on the other hand it implies the permission of that authority to the executive authority to spend within the limits of these estimated appropriations, and the fact is that the legal character of the budget is a formality as it is derived From the legislative authority, but in terms of the matter it is not considered a law because the law in this sense contains permanent rules.

- **The budget has the capacity to authorize collection and spending:** that the legislative authority's approval of the estimates of expenditures and revenues as mentioned in the revised draft budget by the executive authority does not give the budget the power of activity unless the approval also includes the authorization of the executive authority to collect resources and spend on public burdens.
- **The budget has the character of an annual time determination:** which is what we generally know as the yearly budget, because it is usually set for a year, and therefore the approval of the legislature on it is associated with the duration of the same year, and researchers in finance agree that this measure is a sound and successful measure. If the budget was set for more than one year, it would have been It is difficult to predict, and if the budget was set for less than a year, the revenues would differ in each budget, depending on the different seasons and the different agricultural crops.
- **The budget has the characteristic of giving priority to expenditures over revenues:** this feature is related to the budget's discretionary character, and the priority of expenditures over revenues is evident in the various texts taking into account the procedures.
- The researchers believe that giving priority to expenditures over revenues is one of the measures taken under traditional thought. They believe that the justification for this stems from the diminutive role of the state, and its undertaking of the limited necessary expenditures necessary for the functioning of the public utility, which cannot be dispensed with while the state's power to obtain the necessary revenues to cover the expenses expands.

2.3: Definition the deficit of the general budget

- Defining the budget deficit: the budget deficit is defined by his mother as a reflection of the inability of public revenues to cover public expenditures, that is, the increase in public expenditures over public revenues, as it is a balance sheet so that the state's expenditures are greater than its revenues (Halimi & Bahi, 2018, p. 40).

From the above, we can conclude to three types of budget deficit (Darwasi, 2005-2006, p. 143):

- A budget deficit recognized by the executive authority, and the budget approval appears, i.e. the beginning of the fiscal year.
- A structural deficit that appears at the end of the fiscal year as a result of an asymmetric increase in expenditures to increase revenues.

The impact of the unconventional financing policy in addressing Algeria's public budget deficit during the period (2010-2018)

- -A deficit resulting from the economic situation that the economy of the concerned country is going through during the implementation of the budget, meaning that this type appears as well at the end of the fiscal year and was not present at the beginning of the year, and most of the time the reason for the deficit is due to the sudden decline in revenues and the outcome, which is the other from changing conditions Economic during the budget implementation period

2.4- Causes of the public budget deficit:

The main reasons can be summarized as follows (Boudlal, 2018, p. 455):

- Expanding the state's role in public spending by increasing spending on commodity and service supplies.
- Weak economic growth and shrinking state revenues.
- Following the deficit financing policy as a means of financing economic development in society by borrowing from banks.
- The rigidity of tax systems as a result of their inability to respond and present appropriate modern policies.
- Inflationary pressures on the one hand and a decrease in the purchasing power of money on the other hand.
- High international prices for primary production materials.
- The high deductions on returns for families affect their purchasing power and thus their savings.

In general, these reasons can fall into two main reasons: the increase in government spending and the lack of public resources.

2.5 Types of budget deficit: It is divided into two main types as follows:

- **The imposed deficit:** that the main feature of public expenditures is the continuous increase from one year to the next. To face this increase in burdens, various governments seek to increase revenues. The increase in expenditures is considered a normal phenomenon that can be expected and calculated and thus dealt with. However, the burdens that occur on the state in Periods of crises and disasters cause the real budget deficit (Hani & Marah, 2018, p. 123).
- **The intended deficit:** which is what is meant by some cases in the manner of the economic peak. After the crises that countries have experienced for two years, the financial balance is not necessary at the present time, rather it has become dependent on the intended financial deficit in order to reach (approved) in the budget when it suffers from an economic crisis Its economy is afraid of paralysis, and for that, it reduces

taxes and increases spending in order to increase investments, create large jobs, preserve the purchasing power of citizens, and revive sluggish projects, which causes a deficit in the budget, but it is intended by the government that seeks to overcome the crisis peacefully and achieve Community welfare. As a result of this, underdeveloped countries, whether developing or developed, have used development financing through the formation of covering this deficit in most cases, except that this method is required to be used for a temporary period to stimulate effective demand and thus achieve economic balance (Hani & Marah, The budget deficit as a mechanism to influence the direction of the economic cycle in Algeria, a standard study for the period 2000-2015. 1 (2),, 2018, p. 80).

2.6- Forms of budget deficit:

It is possible to distinguish between several forms of the state's budget deficit, the most important of which are (Makkawi & Boubaker, 2020, p. 256):

- **Current deficit:** it expresses the net demands of the government sector for resources, which must be financed by borrowing, and is measured by the difference between the sum of the types of spending and revenues for all government agencies minus the government spending allocated to repaying the accumulated debts from previous years.
- **Comprehensive deficit:** the government sector consists of the central government, state and regional governments, and state-owned enterprises. Hence, the overall deficit expresses the total deficit related to the central government, local groups and public sector institutions.
- **Structural deficit:** It expresses a comprehensive deficit corrected by removing circumstantial and temporary factors, deviations of economic variables (revenues and expenditures) without reflecting the reality in the long run, and thus expressing the structural deficit for the deficit that will bear its continuation unless the government takes measures to overcome it.
- **The periodic deficit:** it is determined by external influences related to the state of economic activity, i.e. the extent to which the national income is high or low as a result of the commercial cycle of stagnation and boom, and the periodic budget and then the periodic deficit is

The impact of the unconventional financing policy in addressing Algeria's public budget deficit during the period (2010-2018)

measured by the difference between the actual budget in a particular year and the structural budget in the same year.

2.7- The most important mechanisms for financing the public budget deficit:

There are several mechanisms for financing the public budget deficit, and the method of financing differs according to the economic conditions of each country, and among the most important of these mechanisms are the following (Mahfouz, Shlehi, & Mukhtri, 2019, p. 653):

- **External loans:** Loans in various forms are considered as temporary revenues that the state uses to cover its expenditures, and this method, i.e. financing through loans, has some negative repercussions on the economy, such as increasing financial burdens and depleting hard currency for external loans, which are considered a burden on the balance of payments.
- **Borrowing from the banking sector, i.e. the central bank or commercial banks:** through selling them government bonds, as well as the non-banking sector, such as insurance institutions, and resorting to financial markets to sell government bonds.
- **Increase taxes:** taxes are considered one of the most important public revenues of the state, so the state in some cases resorts to increasing taxes or increasing the rates of some taxes in order to cover the increasing expenditures, and then reduce the deficit in the general budget, although in some cases this method can lead To damage to the national economy when investors are reluctant to engage in activities that witness a rise in taxes on the one hand and to increase tax evasion on the other hand, in addition to the possibility of an increase in the general level of prices due to the transfer of costs incurred by the private sector to consumers.
- **Monetary issuance:** The state sometimes resorts to an exceptional method, which is the monetary issuance to finance the general budget deficit. However, this method, which leads to an increase in the money supply in the market, contributes to an increase in the rate of inflation.

3. The theoretical framework for the policy of unconventional financing

3.1 Definition the unconventional finance

Article 45 bis defines unconventional financing as (bis Article45, 2017, p. 04):

Starting from the entry into force of this provision on an exceptional basis for a period of 5 years, the Bank of Algeria purchases directly from the treasury the financial bonds issued by the latter in order to contribute in particular to:

- Covering treasury financing needs.
- Financing the internal public debt.
- Financing the National Investment Fund.

This mechanism shall be implemented to accompany the implementation of the economic and budgetary structural reforms programs, which should spend at the end of the aforementioned period as a maximum estimate of:

- The balance of the state treasury
- The balance of the balance of payments.

The mechanism for following up on the implementation of this provision is determined by the treasury and the Bank of Algeria through regulation.

In general, according to this amendment, the public treasury can benefit from the financial services of the central bank more broadly. In addition to the traditional method of loans and advances, the public treasury will be able to collect financial resources through new mechanisms directly and without the (traditional) restrictions that were defined by the law. Cash and Loan”, as follows (Jawadi, 2017):

- Previously (traditionally), according to Article 46 of the “Cash and Loan” Law, “Bank of Algeria” can lend to the public treasury by opening an overdraft current account for it, but its balance in it does not exceed 10% of the total regular revenues of the state for the past year. For example, no The public treasury can borrow only a maximum of 343.5 million dinars in 2017 based on the size of the total revenues for the year 2016, which were allocated in the budget in the amount of 3435 billion dinars, without including oil tax revenues. But with the new amendment, the treasury was exempt from this condition, and it became able to open an overdraft checking account without a credit ceiling and with more easy terms, and with this exemption from the roof, the public treasury would have benefited from a new and unconventional financial resource.
- Previously (traditionally), the Central Bank was not allowed to buy “public treasury bonds” except in the secondary market (the trading market) and from commercial banks and financial institutions, but with the new amendment, the Bank of Algeria would be allowed to buy “public treasury bonds” in the primary market, and this is The

The impact of the unconventional financing policy in addressing Algeria's public budget deficit during the period (2010-2018)

unconventional dimension in the direct financing process compared to what was previously the case.

- Previously (traditionally), the central bank used to only subscribe to high-quality securities. According to the laws of the independence of the central bank, it is considered an independent economic dealer dealing in the money market according to the established investment methods, which made it reluctant to acquire “treasury bonds” due to its condition. Not good, they are mostly "lower quality assets". However, in light of adopting this unconventional financing pattern, the "Bank of Algeria" will buy the financial assets of the Algerian public treasury regardless of the risk level associated with them, without regard to their financial quality, and will extend the term of its loans. What will provide the treasury with enormous liquidity that will enable it to pay what it owes, cover the deficit and support the resources of the National Investment Fund.
- According to the Currency and Loan Law, and in light of the prevailing economic laws, the Central Bank cannot print an additional currency except according to accurate economic accounts about the state of the economy. However, according to the new amendment, "Bank of Algeria" got rid of this restriction, and is now able to print more dinars to meet the needs of the public treasury. This is an unconventional source of financing for the economy.

3.2 Objectives of unconventional financing policy:

The policy of unconventional financing includes a set of objectives that differ from one country to another, as follows (Al-Eid Salouh & bin Hamed, 2018, pp. 173-174) :

- **The effect on the long-term interest rate:** banks buy long-term assets because of the low supply of them by investors if we assume that the increasing demand for them is fixed through quantitative management programs, which contributes to the rise in the prices of long-term assets and the decrease in long-term interest rates.
- **Reducing the risk of bond prices:** as bond prices are exposed to the risk of changes in the interest rate during the duration of the bond, and therefore it is one of the most important considerations for quantitative management programs.
- **Neutralizing bankruptcy and not fulfilling financial obligations:** bankruptcy and the inability of borrowers to fulfill their financial obligations is considered, but adopting a quantitative management policy

works to neutralize this effect according to what it provides as a financial rescue plan for bankruptcy institutions and preserving their assets from collapse, and restoring banking confidence in financial markets. And the interconnectedness of global financial markets.

- **Achieving economic recovery by increasing bank borrowing and money supply:** raising the inflation rate to targeted levels. The governors of the three central banks (Japan, the European Union, and England) stated that the goal is considered the first behind quantitative management.

3.3 Justifications for the new cash issue:

The process of the new monetary issuance is often an approved matter as one of the budgetary policy means that it uses to achieve its economic goals, the most important of which is to achieve expansionary effects on the economy in order to induce growth and achieve full employment. The new monetary issuance is considered the last resort that the state resort to in order to finance the public budget deficit And there are some economists who see the possibility of relying on the cash issuance even with the possibility of borrowing from the private sector, if this borrowing will lead to an increase in the interest rate, and from it the effect on the level of investment, and the state can resort to consuming public loans to the new monetary issuance, and sees The Keynesian theory is that resorting to the new money issuance under the capitalist system as long as there is a lack of employment and the productive apparatus is flexible provided that the state stops the process of the new money issuance unless it is directed to investment or that it is used in small quantities in order not to have severe inflationary effects on it (Dardouri, 2013-2014, pp. 150-151)

4. the impact of unconventional financing policy on financing the state's general budget deficit

4.1 Development of the balance of the general budget in Algeria during the period (2010-2018)

The general budget is considered one of the most important tools of fiscal policy in achieving stability and economic balance, and the state has pursued an expansionary spending policy that translated into economic spending and investment programs for which huge sums were allocated that led to an increase in spending and was offset by fluctuations in public revenues, especially since Algeria relies on financing Its revenues are based on oil tax revenues, which are affected by fluctuations in oil prices in global

The impact of the unconventional financing policy in addressing Algeria's public budget deficit during the period (2010-2018)

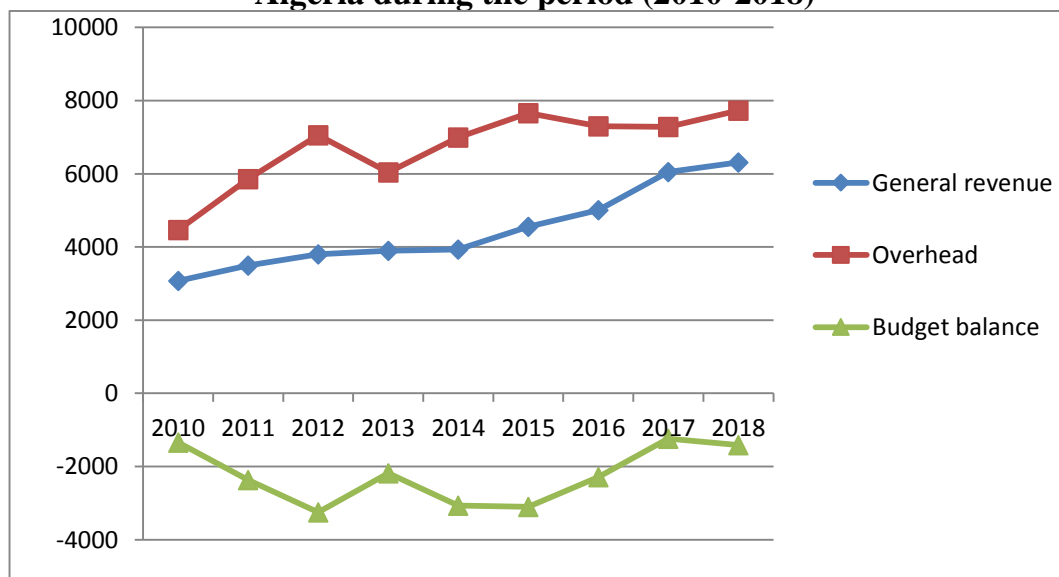
markets. We will study the development in the balance of the general budget in Algeria during the period (2010-2018)

Table (01): Evolution of the general budget balance in Algeria during the period (2010-2018)

Years	Public revenue	Overhead	Balance the general budget
2010	3074.644	4466.940	-1339.296
2011	3489.810	5853.569	-2363.759
2012	3804.030	7058.173	-3254.143
2013	3895.315	6042.131	-2182.816
2014	3927.748	6995.769	-3068.021
2015	4552.542	7656.331	-3103.789
2016	5011.581	7297.494	-2285.913
2017	6047.885	7282.630	-1234.745
2018	6313.959	7726.291	-1412.332

Source: (The General Directorate for Assessment and Policies, 2020)

Figure No (01): the evolution of the balance of the general budget in Algeria during the period (2010-2018)



Source: prepared by the researcher based on the data of Table No. (01)

We notice from the table and the figure above that the balance of the general budget reached in 2010 an amount estimated at 1392,296 million dinars, then it increased in the years 2011 and 2012, as the balance of the

general budget reached, respectively, 2363.759 million dinars and 3254,143 million dinars due to the global financial crisis that the oil market experienced in 2009. It led to a decline in oil prices and had a direct impact on oil tax revenues and the balance of the general budget. Then, it gradually began to decline in 2013 due to the noticeable improvement in oil prices.

The balance of the budget increased in 2014 and 2015, reaching a value of 3068.021 million dinars and 3103.798 million dinars, respectively, due to the oil crisis that emerged from the month of June 2014 due to the decrease in oil prices in world markets and the result of the decline in public revenues and the increase in public expenditures. The budget from 2016 to 2018, when the balance of the general budget in 2018 reached an estimated value of -1,412, 332 million dinars due to the improvement in public revenues and stability in public expenditures.

In financing the budget, Algeria relied on unconventional financing. Significant amounts of money were pumped into the national economy due to the inability of the oil tax revenues, including the Revenue Control Fund, to cover the deficit in the general budget in Algeria.

The government has enacted a set of measures to control public finances, as follows (Makkawi & Boubaker, 2020, pp. 220-221):

- Using the fiscal surpluses available in the Revenue Control Fund.
- Reducing the exchange rate as a measure to raise the proceeds of oil revenues denominated in the US dollar when converted into the Algerian dinar (the central bank reduced the dinar by 25 percent in 2015).
- Decisive measures in the 2016 budget to devote the fiscal consolidation path to further progress.
- In 2016, the budget decreased by 8.8 percent compared to the 2015 budget.
- Reducing the equipment budget by 16%.
- Reducing public investment (freezing some projects, such as Tramway and hospitals).
- Reducing import licenses for some commodities.
- Referral to retirement until reaching the age of sixty years.
- Increasing some fees on (added value, consumption of diesel and electricity, imposing customs rights and fees on imported media).

4.2 The share of unconventional financing in Algeria:

The Algerian authorities have resorted to a new method of financing the budget deficit called "non-traditional internal financing". They will

The impact of the unconventional financing policy in addressing Algeria's public budget deficit during the period (2010-2018)

resort to it exceptionally for a period of 5 years. The non-traditional financing mechanism allows the Treasury to provide the National Fund for Investment in case of need with resources within the framework of the state's contributions to investments. This mechanism works on mobilizing exceptional financial resources for the treasury of a transitional nature. The volume of funds printed in the framework of unconventional financing is estimated at 2185 billion DZD, equivalent to 19 billion US dollars, in the form of banknotes guaranteed by the Algerian state in accordance with Article 45 above. The Minister of Finance Abdel Rahman Rawia gave Figures for public treasury reserves in statements He made on October 02, 2017, which are 570 billion DA in 2017 and 1,815 billion DA, and 580 billion DA in 2019 (Jadidin, 2019, p. 226).

4.3 Unconventional financing and the risk of inflation:

In general, public spending has its own limits, as happened in the recent global crisis, and the main strategic problem facing Algeria is the need to renew a rule based on the rule of law, democratize decisions, develop national or international competitive institutions and the basis for developing knowledge, which is a more important wealth. Of all the oil resources, the cash spending encouraging infrastructure that is just a means has a limited impact on sustainable development. It should also be noted that Algeria is implementing a policy of unconventional financing by giving preference to printing money that would lead Algeria to an uncontrolled inflationary process like the Venezuelan experience on the verge of bankruptcy, even though this country has the largest petroleum reserves.

And to put forward the real problem and address it through comprehensive reforms for a real development outside the hydrocarbon sector, and only internal reforms must allow changing the system to achieve sustainable development outside the hydrocarbon sector and create jobs with added value (Mebtoul, 2017).

5. CONCLUSION

Algeria mainly depends on oil revenues, and the latter is a hostage to the fluctuations of oil prices in global markets, and as a result of the decline in public revenues due to the decrease in oil tax revenues due to the 2014 oil crisis, which caused the budget deficit, which is one of the structural imbalances that the Algerian economy suffers from, the government resorted to An exceptional method is unconventional financing to treat the general budget and ensure that it maintains the stability of the public

finances. It is the only solution to the current crisis that allows the Bank of Algeria to increase the cash issuance, which leads to dire consequences, including an increase in inflation as a result of printing money without return and the deterioration of the value of the Algerian dinar.

Results: This study concluded with a set of results that can be summarized in the following points:

- Budget revenues depend on oil tax revenues, and any fluctuation in oil prices in world markets affects the balance of the state's general budget.
- The budget balance is the negative difference between revenues and expenditures, which is a reflection of the inability of public revenues to cover public expenditures within a period of time estimated at one year.
- The idea of the unconventional financing policy is based on new issues for free, which is an exceptional 5-year policy that is successful only in the short term.
- The government has resorted to a policy of unconventional financing under an exceptional circumstance in order to improve the state's budget balances, as a result of the sharp decline in oil prices in global markets and the depletion of the resources of the Revenue Control Fund in 2017.
- The unconventional financing mechanism aims to cover the general budget deficit and it is a financial policy tool that allows the bank to print money without return and provide liquidity, and this policy generates negative effects on the national economy, such as the emergence of inflationary pressures, the deterioration of the value of the Algerian dinar and the increase of the general level of prices.
- The absence of measures that reduce the risks of unconventional financing, such as inflation and high internal public debt.

Recommendations:

- To address the budget deficit and to avoid the government's resort to a policy of unconventional financing, and in order to achieve the desired goals in this context, we propose the following recommendations:
- Rationalizing and controlling public spending by reducing the size of public spending and adopting a contractionary policy.

Encouraging national or foreign investments.

- Fighting all kinds of extravagance, waste, waste of public money, and corruption, that is, activating all kinds of control tools.

The impact of the unconventional financing policy in addressing Algeria's public budget deficit during the period (2010-2018)

- Carrying out tax reform in line with the objectives of the economic policy by raising the regular revenues derived from the regular collection through taxes, fees, etc.
- - Searching for and diversifying other alternatives to finance the general budget other than the hydrocarbons sector, to avoid the fluctuations in this sector.

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