

Assessing the Algerian economy degree concerning indicators of common features of developing economies – Analytical study for the period 2000-2021

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Abstract:

This research aims to assess the degree of Algerian economy regarding the indicators of the common features of developing economies, and this is during the period 2000-2021. The focus was on the main and pivotal economic indicators that characterize most developing economies. To address the topic, the descriptive approach was used, and the official statistical data were relied upon by government agencies and some international websites, where we concluded that the Algerian economy remains characterized by the common features of developing economies, and thus remains within the circle of developing economies, with very weak indications of exit from this circle.

Key words: Developing Economies, Developed Economies, Productive Sectors, Indicators of Common Features of Developing Economies, Economic Development.

JEL Classification Codes: O11, E23, E24, O14, F41.

Introduction:

Developing countries have realized more than others the inevitability of achieving economic development and getting rid of the manifestations of economic backwardness, and trying to reduce the gap separating them from developed countries, and some economic, social, political and cultural factors have led to an increase in the widening of this gap, these factors are all related Features shared by the majority of developing economies that distinguish them from developed economies, as these features can be reduced as a first stage and disposed of as a second stage, and this is done by bringing about comprehensive economic development. It is difficult to define these features by standard indicators, given that these indicators are not all quantitative but there are qualitative indicators. These indicators have a direct and indirect relationship with the nature and status of economic sectors, especially the productive sectors present in these economies, where all the features cannot be generalized and dropped on all developing economies on the one hand, and on the other hand, developing economies vary in the degree of these features from one economy to another, and this is due to the nature of the economic, social, cultural and cultural conditions that characterize these economies.

Algeria has realized with the beginning of the millennium the inevitability of achieving economic development, and thus mitigating the manifestations of developing economies, given its consequences and negative effects on the economy, as Algeria has adopted a new economic policy that is bound by the economic and social conditions that characterized the beginning of the millennium, and this is through the organization of strategies aimed at achieving economic growth.

Through all of the above, we decided to raise the following problem: **What is the degree of the Algerian economy regarding indicators of common features of developing economies during the period 2000-2021?**

Partial problematic:

The answer to this question goes through answering a set of sub-questions, which we can list as follows:

- What is the extent of the correlation between indicators of the common features of developing economies?

- To what extent do the most important indicators of common features of developing economies apply to the Algerian economy?

- Are there indications that Algeria is on its way out of the circle of developing economies?

General hypothesis:

The Algerian economy is among the economies characterized by the common features of developing economies.

The research hypotheses:

- There is a close connection between all indicators of common features of developing economies.

- The Algerian economy is still characterized by the most important common features of developing economies.

- There are weak indications that Algeria is on its way out of the circle of developing economies.

The significance of the research:

The importance of the research lies in the fact that the common features of developing economies are obstacles to achieving economic development and moving towards an advanced economy. Among them is getting rid of economic dependence and confronting economic crises, especially those generated by this dependence. These goals can only be achieved by getting rid of the characteristics of developing economies.

The research objectives:

Through this research paper, we seek the following:

- Theoretically briefing on the indicators of the common features of developing economies.

- Evaluating the degree of indicators of common features of developing economies in Algeria during the period 2000-2021 by focusing on the most important main and pivotal indicators.

The research methodology:

We will use the descriptive approach in addressing this topic, and to achieve the objectives of this research, we relied on some sources that are relevant to the topic regarding theoretical and applied rooting, and with regard to the applied part, we also relied on statistical data derived from government agencies and some international websites.

In order to answer the main question, we divided this work into two main axes:

- The theoretical framework for indicators of common features of developing economies.
- Evaluating the degree of indicators of common features of developing economies in Algeria during the period 2000-2021.

To conclude this work with a set of results in light of our analysis of the topic and a number of recommendations.

First- The theoretical framework for indicators of the common features of developing economies:

Developing economies are distinguished from developed economies by a group of common features, and here it must be noted that there is difficulty in generalizing some of these features to all developing economies, as well as the existence of a degree of variation in these features from one developing economy to another, these features are:

1. High population growth rate:

All developing countries are characterized by a rise in the rate of population growth, as the population growth rate in developing countries is 3%, while it does not exceed 1% in developed countries. (Al-Wadi, et al., 2013, p. 292)

2. Low level of the gross domestic product per capita:

One of the most important features of developing economies is the low level of per capita gross domestic product (low level of per capita income). This is compared to developed countries. GDP Per capita is measured by dividing the gross domestic product on the population. (Al-Wadi, et al., 2013, p. 293)

3. Imbalances in the economic structures:

Among the most important common features of developing economies, we find the great weakness in the sectoral interdependence between the economic sectors, i.e. the weakness of the existence of interdependence and overlap between economic sectors, especially between the productive sectors. (Al-Wadi, et al., 2013, pp. 293-294)

4. A decrease in the level of productivity:

Among the features of developing economies, we find a decrease in the level of productivity compared to developed economies. For example, within the industrial sector, the productivity of the industrial worker in developed economies is five times the productivity of the industrial worker in developing economies. (Wadi, et al., 2013, pp. 294-295)

5. Narrow internal market:

Despite the high rate of population growth in developing economies and the resulting increase in population, this rise is a catalyst for the rise in aggregate demand and thus the expansion of the size of the internal market. However, the internal market in developing economies is characterized by narrowness, and this is due to a group of economic and social problems. Which developing economies suffer from, the most important of which is the decline in per capita gross domestic product. (Al-Wadi, et al., 2013, p. 295)

6. The weak contribution of the industrial sector to economic development:

Among the most important characteristics of developing economies, we find the weak contribution of the industrial sector to the indicators of economic development as well as in the overall economic indicators, and among its aspects we find the weak contribution of the industrial sector to the raw internal product, as the contribution of the industrial sector to the output of developing economies reached 10 %, while in return it reached more than 40 % in developed economies. (Al-Wadi, et al., 2013, p. 295)

7. Economic dependency:

That is, the dependence of most of the developing economies on the developed economies, which is due to the inequality between these economies. This dependence

serves the interests and objectives of the developed countries at the expense of the developing countries. (Al-Wadi, et al., 2013, p. 296)

8. High unemployment rates:

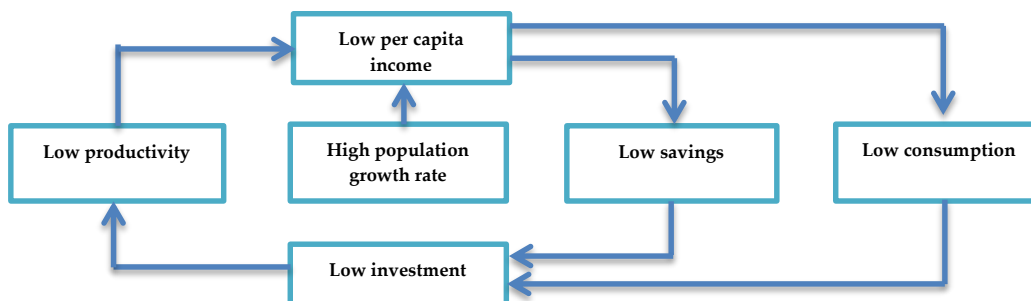
Although there are no accurate statistics on employment and unemployment rates, the unemployment rate in developing countries ranges between 15% to 20%, with the characteristic of a high unemployment rate for the outputs of higher education and professional formation compared to the comprehensive unemployment rate. (Al-Amin, 2002, pp. 392-393)

9. High reliance on primary exports:

The percentage of primary exports in developing countries ranges between 70% and 90% of the total exports, and in contrast, the exports of the various main productive sectors that form these economies, such as the industrial sector, the agricultural sector and others. (El-Ameen, 2002, p. 394)

Some of the above mentioned indicators of the main features of developing economies can be summarized in what is known as the phenomenon of the vicious circle of poverty (Vicious Circle of Poverty), whereby a decrease in the rate of per capita income leads to a decrease in the level of consumption and saving, and thus a decrease in the level of investment, which in turn leads to a decrease in the level of investment. Productivity, low productivity leads to a decrease in the per capita income rate, the latter decreases more due to the high rate of population growth. (Al-Amin, 2002, p. 391)

Figure 1. the vicious circle of poverty



The source:

Prepared by the researcher depending on:

(Al-Amin, 2002, p. 392)

Second: Assessment of the degree of indicators of common features of developing economies in Algeria during the period 2000-2021:

Focus will be placed on five main and pivotal indicators in the assesement process and their application to Algeria during the period 2000-2021:

- It is not possible to use all indicators given the nature of the research paper, as this requires larger research volumes;

- Focusing on the main and pivotal quantitative indicators, and indicators that have statistical data;

- Avoiding qualitative variables that cannot be measured directly and require separate and larger studies;

- Not using some indicators that originally contain sub-indicators that require separate, larger studies, such as indicators of economic dependence, productivity index, and others.

1. Population growth rate:

Table No. (01) Shows us the evolution of the population in Algeria during the period 2000-2021:

Table (01). The evolution of the population in Algeria during the period 2000-2021

Variants The years	Population: (Million)	Population growth rate(%)	Variants The years	Population: (Million)	Population growth rate(%)
2000	30,416	1,51	2011	36,717	2,05
2001	30,879	1,52	2012	37,495	2,12
2002	31,357	1,55	2013	38,296	2,14
2003	31,848	1,57	2014	39,114	2,14
2004	32,364	1,62	2015	39,963	2,17
2005	32,906	1,67	2016	40,836	2,18
2006	33,481	1,75	2017	41,721	2,17
2007	34,096	1,84	2018	42,578	2,05
2008	34,591	1,45	2019	43,424	2,00
2009	35,268	1,96	2020	43,851	0,98
2010	35,978	2,01	2021	44,178	0,75

The source: Prepared by the researcher depending on:

Ministry of Finance-DGPP. (2020). Population and Demography 2000-2019. www.dgpp-mf.gov.dz.

Knoema. World Data Atlas. (2023). Algeria. <https://knoema.com/atlas/Algeria>.

As seen from Table No. (01): there are two distinct periods in terms of population growth rate:

▪ **The period 2000-2009: (the growth rate is greater than 1% and less than 2%)**

- The population growth rate did not exceed 2% during this period, ranging between 1.51% (2000) and 1.96% (2009);

- The population growth rate is constantly increasing during this period, as it moved from 1.51% in 2000 to 1.96% in 2009, and the average population growth rate during that period was 1.64%.

▪ **Period 2010-2019: (growth rate greater than or equal to 2% and less than 2.5%)**

- The population growth rate exceeded 2% during this period, ranging between 2.00% (2019) and 2.18% (2016);

- The population growth rate increased during this period from 2.01% in 2010 to 1.18% in 2016, to decline again to 2% in 2019. The average population growth rate during this period was 2.10%.

▪ As for the years 2020 and 2021, we recorded a growth rate of less than 1%, reaching 0.98% (2020) and 0.75% (2021).

▪ **Study period 2000-2021:**

- The population growth rate in Algeria during the study period ranged between 0.75%, recorded in 2021, and 2.18%, recorded in 2016;

- The average population growth rate during the study period was 1.78%.

In sum, with regard to the indicator of the high population growth rate, Thus, Algeria in general is characterized by a high population growth rate, noting that Algeria is heading towards recording growth rates of less than 1%, starting from 2020.

2. GDP Per capita:

Table No. (02) Shows the evolution of the nominal gross domestic product and its per capita share in Algeria during the period 2000-2021.

Table (02). The evolution of the nominal gross domestic product and its per capita share in Algeria during the period 2000-2021

Variants The years	Nominal GDP (billion dzd)	GDP Growth rate Nominal (%)	Nominal GDP per capita (dzd)	The growth rate of GDP per capita (%)	Nominal GDP per capita (Dollars)	The growth rate of GDP per capita (%)
2000	4 123,50	27,34	135 570,09	25,45	1800,64	10,92
2001	4 227,10	2,51	136 892,39	0,98	1771,84	-1,60
2002	4 522,70	6,99	144 232,55	5,36	1809,92	2,15
2003	5 252,40	16,13	164 920,87	14,34	2131,59	17,77
2004	6 149,10	17,07	189 998,15	15,21	2636,30	23,68
2005	7 562,00	22,98	229 806,11	20,95	3132,15	18,81
2006	8 501,60	12,43	253 923,12	10,49	3495,16	11,59
2007	9 353,10	10,02	274 316,64	8,03	3954,97	13,16
2008	11 043,70	18,08	319 265,13	16,39	4943,72	25,00
2009	9 968,10	-9,74	282 638,65	-11,47	3890,42	-21,31
2010	11 991,50	20,30	333 300,91	17,92	4479,25	15,14
2011	14 588,90	21,66	397 333,66	19,21	5454,13	21,76
2012	16 209,70	11,11	432 316,31	8,80	5574,68	2,21
2013	16 647,80	2,70	434 702,46	0,55	5476,22	-1,77
2014	17 228,70	3,49	440 474,00	1,33	5467,65	-0,16
2015	16 712,50	-3,00	418 199,33	-5,06	4162,84	-23,86
2016	17 514,60	4,80	428 900,97	2,56	3917,98	-5,88
2017	18 876,20	7,77	452 438,82	5,49	4078,60	4,10
2018	20 452,50	8,35	480 353,70	6,17	4118,97	0,99
2019	20 501,10	0,24	472 114,50	-1,72	3955,38	-3,97
2020	18 383,80	-10,33	419 233,31	-11,20	3305,74	-16,42
2021	22 021,50	19,79	498 472,09	18,90	3689,65	11,61

The source:

Prepared by the researcher depending on:

Ministry of Finance-DGPP. (2020). Population and Demography 2000-2019. <https://www.dgpp-mf.gov.dz>.

Knoema. World Data Atlas. (2023). Algeria. <https://knoema.com/atlas/Algeria>.

Ministry of Finance-DGPP. (2020). Retrospective-Gross Domestic Product 2000 - 2019. <https://www.dgpp-mf.gov.dz>.

Bank of Algeria. (2023). Economic and Monetary Evolution in Algeria 2021. <https://www.bank-of-algeria.dz>

It is very difficult to analyze the degree of GDP per capita in developing countries and compare it with other countries, whether developing or developed countries, which requires a separate study on its own, and this is in view of three main factors:

- Using the real GDP per capita and thus introducing the inflation rate into the analysis;
- Using GDP per capita and thus include the population growth rate in the analysis;
- Fluctuations and decline in the exchange rate of the Algerian dinar against the dollar.

We will confine only on the analysis and search for Algeria's degree regarding the indicator of per capita GDP to the nominal gross domestic product per capita, thus neglecting the inflation rate, and focusing on per capita GDP in dollars and comparing its value in developed countries.

▪ **What is observed from Table No. (02):**

- Is that there is a continuous increase in the annual nominal per capita income during the period 2001-2012, and also the annual nominal per capita income increased from 1771.84 dollars in 2001 to 5574.68 dollars in 2012, and this is due to two main reasons:

➤ The GDP rate of change was greater than the rate of change in the population during the aforementioned period, except for the year 2009, in which a negative rate of change was recorded in the output;

➤ Recording stability in general in the exchange rate of the dinar against the dollar during the aforementioned period.

- A continuous decline in the annual nominal per capita income during the period 2013-2020 is also observed, and the annual nominal per capita income decreased from 5476.22 dollars in 2013 to 3305.74 dollars in 2020, and this is due to the decrease in the exchange rate of the dinar against the dollar during the mentioned period (79.38 DZD in 2013 to 126.82 in 2020) ;

- Positive rates of change have been recorded in the GDP per capita in Algerian dinars during most of the years of the study period, and this is due to the fact that the rate of change in the GDP was greater than the rate of change in the population, except for the years 2009, 2015, 2019 and 2020.

- The annual nominal per capita income in Algeria ranged between \$1,771.84 (2001) and \$5,574.68 (2012);

- The great fluctuation in nominal per capita income in Algeria is due to the fluctuation and decline in the exchange rate of the Algerian dinar against the dollar;

- The average annual nominal per capita income in Algeria during the study period amounted to 3784 dollars.

▪ In 2007, the annual per capita income in Algeria was approximately \$3,954.97. By comparing this figure with other developing and developed countries, it becomes evident that Algeria's per capita income was similar to that of other developing economies like Pakistan (\$2,600) and India (\$2,700). However, it was significantly lower than the annual per capita income in some developed economies such as Britain (\$38,500) and Italy (\$31,000) during the same year. (knoema. World Data Atlas. Economy. 2023) <https://knoema.com/atlas>

▪ And by comparing the annual per capita income in Algeria with other developing and developed countries in 2021, we can observe that Algeria's annual per capita income was approximately \$3,689.65. This figure was similar to the annual per capita income in some developing economies like Pakistan (\$1,564), India (\$2,280), and Senegal (\$1,607). In contrast, the annual per capita income in certain developed economies such as Germany (\$51,238), Italy (\$35,473), and the United States of America (\$69,227) during the same year was significantly higher. (knoema. World Data Atlas. Economy. 2023) <https://knoema.com/atlas>

▪ The World Bank utilizes a four-group classification system based on the per capita index of raw product (measured in dollars) to categorize economies by income. This classification is applicable for the year 2020 and is outlined as follows: (World Bank. New World Bank rankings of countries by income level: 2020-2021. 2023) <https://blogs.worldbank.org/ar>

- **Low-income countries:** less than \$1,036;
- **Lower middle-income countries:** \$1,036 to \$4,045;
- **Upper middle-income countries:** \$4,046 to \$12,535;
- **High-income countries:** greater than \$12,535.

Overall, with regard to the indicator of the low level of per capita GDP, it can be said that Algeria is characterized by a low level of per capita GDP, as the annual per capita income in Algeria, on average, during the study period amounted to 3784 dollars, and according to the World Bank, this income makes Algeria belong to the second group of lower-middle-income countries.

3. The contribution of the industrial sector to the GDP and level of employment:

Table (03) shows the contribution of the industrial sector to both GDP and the level of employment in Algeria during the period 2000-2021.

Table (03). the contribution of the industrial sector to both GDP and the level of employment in Algeria during the period 2000-2021

Variants The years	Contribution of IS in GDP (%)	Contribution of IS in employment level (%)	Variants The years	Contribution of IS in GDP (%)	Contribution of IS in employment level (%)
2000	7,05	13,37	2011	4,55	14,24
2001	7,46	13,82	2012	4,50	13,13
2002	7,46	*	2013	4,64	13,04
2003	6,77	12,03	2014	4,86	12,60
2004	6,31	13,60	2015	5,50	13,00
2005	5,53	13,16	2016	5,59	13,51
2006	5,29	14,24	2017	5,51	13,75
2007	5,13	11,96	2018	5,42	13,04
2008	4,70	12,48	2019	5,67	12,85
2009	5,73	12,61	2020	6,27	*
2010	5,15	13,73	2021	5,78	*

* Data not available.

The source:

Prepared by the researcher depending on:

Ministry of Finance-DGPP. (2020). Retrospective-Gross Domestic Product 2000 - 2019.

<https://www.dgpp-mf.gov.dz>.

Bank of Algeria. (2023). Economic and Monetary Evolution in Algeria 2021. <https://www.bank-of-algeria.dz>

Ministry of Finance-DGPP. (2020). Retrospective-Employment and unemployment 2000-2018. www.dgpp-mf.gov.dz.

National Office of Statistics. (2020) .Activity, Employment and Unemployment in May 2019, N° 879. <https://www.ons.dz>

▪ As seen from Table No. (03):

A- Regarding the contribution of the industrial sector to the gross domestic product:

- The contribution of the industrial sector to the gross domestic ranged from 4.5 % (2012) to 7.46 % (2001 and 2002) ;
- The contribution of the industrial sector to the gross domestic product was 5.68% during the study period .

In general, with regard to the indicator of the weak contribution of the industrial sector to the gross domestic product, it can be said that Algeria is characterized by the weak contribution of the industrial sector to the gross domestic product, where the 7.5% during the study period, while in developed countries this percentage reaches 40 %.

B- Regarding the contribution of the industrial sector to the level of employment:

- The contribution of the industrial sector to the employment level ranged from 11.96% (2007) to 14.24% (2006);
- The average contribution of the industrial sector to GDP reached 13.17% during the period 2000-2019.

In general, with regard to the weak contribution of the industrial sector to the outcome of the level of employment, it can be said that Algeria is characterized by the weak contribution of the industrial sector to the level of employment, where the contribution rate did not exceed 14.24% during the period 2000-2019, while this percentage in developed countries reaches 40%.

4. Employment rate and unemployment rate:

Table (04) shows us the evolution of the unemployment and employment rate in Algeria during the period 2000-2021.

Table (04). the evolution of the unemployment and employment rate in Algeria during the period 2000-2021.

Variants The years	U Rate (%)	E Rate (%)	Total	Variants The years	U Rate (%)	E Rate (%)	Total
2000	28,89	71,11	100,00	2011	9,96	90,04	100,00
2001	27,30	72,70	100,00	2012	10,97	89,03	100,00
2002	25,71	74,29	100,00	2013	9,82	90,18	100,00
2003	23,72	76,28	100,00	2014	10,60	89,40	100,00
2004	17,66	82,34	100,00	2015	11,21	88,79	100,00
2005	15,25	84,75	100,00	2016	10,50	89,50	100,00
2006	12,27	87,73	100,00	2017	11,71	88,29	100,00
2007	13,79	86,21	100,00	2018	11,73	88,27	100,00
2008	11,33	88,67	100,00	2019	11,38	88,62	100,00
2009	10,17	89,83	100,00	2020	*	*	100,00
2010	9,95	90,05	100,00	2021	*	*	100,00

*Data not available.

The source:

Prepared by the researcher depending on:

Ministry of Finance-DGPP. (2020). Retrospective-Employment and unemployment 2000-2018. www.dgpp-mf.gov.dz.

National Office of Statistics. (2020) .Activity, Employment and Unemployment in May 2019, N° 879. <https://www.ons.dz>

Knoema. World Data Atlas. (2023). Algeria. <https://knoema.com/atlas/Algeria>.

▪ **As seen from Table No. (04) :**

- The unemployment rate is ranged from 9.82 % (2013) to 28.89% (2000) during the study period.

- The unemployment rate was 14.7% during the period 2000-2019.

▪ When comparing the annual unemployment rate in Algeria with other developing and developed countries, we can observe that in 2019, Algeria's unemployment rate reached 11.38%. This figure was relatively close to the annual unemployment rates recorded in certain developing economies in 2021, such as Iraq (16.2%), Yemen (13.9%), and Tunisia (16.2%). Conversely, in the same year, the annual unemployment rates in some advanced economies such as Germany (3.6%), China (4%), Japan (2.8%), and the United States of America (5.4%) were significantly lower. (knoema. World Data Atlas. Economy. 2023) <https://knoema.com/atlas>

In general, with regard to the high unemployment rate index, it can be said that Algeria was characterized by this characteristic during the period 2000-2007, where the unemployment rate in this period exceeded 15%, and on the other hand, there was a decrease in the unemployment rate starting in 2008, reaching 11.33% to decrease to 9.82% in 2013, to witness stability during the period 2014-2019, where it ranged between 10.5% (2016) and 11.73% (2018).

5. Hydrocarbon exports relative to total exports:

Table No. (05) Shows us the evolution of the percentage of hydrocarbon exports and ordinary exports in Algeria during the period 2000-2021.

Table (05). The evolution of the percentage of hydrocarbon exports and ordinary exports in Algeria during the period 2000-2021 (%).

Variants The years	Percentage of hydrocarbon exports	Percentage of ordinary exports	Total	Variants The years	Percentage of hydrocarbon exports	Percentage of ordinary exports	Total
2000	97,27	2,73	100,00	2011	98,32	1,68	100,00
2001	97,07	2,93	100,00	2012	98,39	1,61	100,00
2002	96,74	3,26	100,00	2013	98,38	1,62	100,00
2003	98,08	1,92	100,00	2014	97,23	2,77	100,00
2004	97,92	2,08	100,00	2015	95,70	4,30	100,00
2005	98,40	1,60	100,00	2016	95,25	4,75	100,00
2006	97,94	2,06	100,00	2017	96,05	3,95	100,00
2007	98,38	1,62	100,00	2018	94,61	5,39	100,00
2008	98,22	1,78	100,00	2019	94,14	5,86	100,00
2009	98,29	1,71	100,00	2020	91,29	8,71	100,00
2010	98,30	1,70	100,00	2021	88,33	11,67	100,00

The source:

Prepared by the researcher depending on:

Ministry of Finance-DGPP-. (2020). Balance of Payments 2000-2018. www.dgpp-mf.gov.dz.

Bank of Algeria. (2023). Economic and Monetary Evolution in Algeria 2021. <https://www.bank-of-algeria.dz>

▪ **According to table no. (05), we note the following :**

- The ratio of hydrocarbon exports to total exports ranged between 88.33% (2021) and 98.40% (2005) during the period 2000-2021, and as an intermediate ratio during the total period amounted to 96.56%;

- The ratio of ordinary exports to total exports ranged between 1.6% and 11.67% during the period 2000-2021, and as an intermediate ratio during the total period amounted to 3.44%.

In general, with regard to the index of high dependence on primary exports, where the proportion of primary exports in developing countries ranges between 70% and 90% of the total exports, it can be said that Algeria is characterized by this characteristic, as the exports of the hydrocarbon sector exceeded 90% during the study period, and on the other hand, the percentage of exports of other productive sectors collectively did not exceed 10% of the total exports during the study period, such as the industrial sector, the agricultural sector and others.

Conclusion:

Developing economies that possess a distinctive set of characteristics that differentiate them from developed economies. These shared features are manifested through a range of indicators, some of which are quantifiable and directly measurable, while others are qualitative in nature. The degree to which these indicators are present may vary among different economies, and their extent cannot be uniformly generalized across all developing economies. However, these features collectively represent a particular scenario that is commonly experienced by developing economies. These features were also observed in the context of the Algerian economy. And by virtue of the fact that these indicators express a single image of these economies on the one hand, and the nature of the research paper on the other hand, the focus was on the main and pivotal quantitative indicators within the map of all indicators, and their projection on the Algerian economy, and an attempt to know the degree and location of the Algerian economy within the circle of developing economies, where It turned out that Algeria remains within the circle of developing economies, with weak indications of leaving this circle. In this context, we were able to record the following results:

- **Indicators of the common features of developing economies are closely related, meaning that these indicators are considered as one picture;**

▪ **The Algerian economy remains within the circle of developing economies, and the most important indicators of this are the following:**

- An increase in the population growth rate, which approached 2% during the period 2000-2009, and exceeded 2% during the period 2010-2019;
- The decrease in the GDP per capita, as it reached an average of 3784 dollars during the study period. According to the World Bank, this income puts Algeria in the second group, which is represented in the lower bracket of middle-income countries;
- Weakness of the industrial sector's contribution to the gross domestic product, as the contribution did not exceed 7.5% during the study period;
- The weak contribution of the industrial sector to the level of employment, as the contribution rate did not exceed 14.24% during the period 2000-2019;
- A rise in unemployment rates, ranging between 10% and 28% during the period 2019-200;
- Heavy reliance on primary exports, as the hydrocarbon sector exports exceeded 90% during the study period.

▪ **There are few signs indicating that Algeria is making progress towards moving out of the category of developing economies. Some of the key indicators suggesting this are:**

- Algeria is about to record population growth rates of less than 1%, starting from 2020, when it reached 0.98% (2020) and 0.75% (2021);
- A decrease in the unemployment rate, starting in 2008, when it reached 11.33%, then it decreased to 9.82% in 2013, to witness stability during the period 2014-2019, when it ranged between 10.5% (2016) and 11.73% (2018);
- For the first time during the study period, Algeria crossed the threshold of 10% of regular exports relative to total exports, reaching 11.67% in 2021.

All these indicators showed that Algeria remains within the circle of developing economies, with weak indications of leaving this circle. In this context, and in order to achieve the desired goal of gradually exiting from the circle of developing economies, the most important recommendation can be made, which is:

➤ Developing countries must intensify their efforts and work more seriously than before in order to deepen and expand relations in various fields, especially economic and political among them, and this is for the sake of liberation from economic and especially financial dependence on developed countries, as well as in order to achieve any manifestation of collective self-reliance, and in this the context is that the Arab countries, in particular, must achieve the desired economic unity, given that they have many common factors.

In addition to the following recommendations:

- The optimal use and distribution of the available economic resources, with a focus on making good use of the human element;
- Mobilizing domestic savings and increasing public investments, especially in the services sector such as health, education and professional formation, the latter of which plays an important role in increasing technical and administrative skills;
- Increasing the grafting of the fuel sector to other productive sectors, in order to build a strong and balanced production base;
- Work to provide and expand the infrastructure and superstructure for economic activity;
- Improving the efficiency of education and training and adapting educational and training systems to the requirements of information and communication technology;
- Adopting economic and social policies aimed at increasing the productive capacity of the economy by intensifying investments in productive projects and providing incentives for the private sector with a view to its participation with the public sector in achieving comprehensive development;
- Developing sectoral policies related to the economic sectors on the one hand, and the productive sectors on the other hand;
- Enhancing backward and forward integrations between the productive sectors in order to raise productive capacities in all sectors;

- Work to achieve a balance regarding interest in the productive sectors, according to the role of each sector in the system of backward and forward integration of the productive sectors;
- Shifting from the use of traditional factors of production to the use of modern technologies, by keeping abreast of developments in these technologies worldwide and used in economic activity;
- Raising the level of employment in order to raise the actual demand for goods and services and thus expand the volume of the internal market;
- Activating the role of the productive sectors in promoting exports outside the hydrocarbon sector, by improving the quality of the national product;
- Promoting, developing and increasing access to the main components of the productive sectors.

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