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NEW ECONOMIC PLANS FOR ALGERIA

A Letter from Charles F. Gallagher

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In the aftermath of the referendum of late September, a significant step was taken by the French government toward the beginning of a massive transformation of the Algerian economy during the next five years. The declarations made by General de Gaulle at Constantine, on October 4, during his post-election tour of Algeria, formally pledged the honor of the Premier and the French government to the implementation of a theoretical program which had been carefully worked out earlier in the year by French economists, but which -- like many preceding plans -- was already beginning to gather dust in the archives of the Ministry of Algeria. Overshadowed by the feverish political activity since the referendum, the new economic plan has not been given the attention it deserves in foreign countries, and the French public itself is, as yet, little aware of what it will mean if it is completely carried out.

The program announced by General de Gaulle was based on a comprehensive study of the Algerian economy, "Perspectives décennales de Développement économique de l'Algérie," prepared since 1956 by economists in the Ministry of Algeria and by functionaries of the metropolitan government in Paris. The De Gaulle program is indeed even an elaboration of that ten-year plan, which many observers considered unusually optimistic, and it commits France to an enormous effort in order to realize many of the basic plan's goals in half the time originally scheduled.

PHILLIPS TALBOT  
EXECUTIVE DIRECTOR

Summarized briefly the objectives of the De Gaulle five-year plan are these:

- 1) Salaries and fringe benefits, including family allocations, to be brought to the same level as those in metropolitan France.<sup>1</sup>
- 2) Construction of new housing units for one million persons.
- 3) Jobs to be created for 400,000 additional workers.
- 4) Two-thirds of all children of school age (around two million) to be put into school in five years (100 per cent in eight years).
- 5) 250,000 hectares (about 625,000 acres) of land to be distributed to Muslim cultivators.
- 6) Intensified development of Saharan oil and natural gas resources.
- 7) One-tenth of all civil service and military posts in France itself to be reserved to Muslim Algerians (who represent nearly 17 per cent of the total population of France and Algeria combined).
- 8) Establishment of industrial combines in the chemical and metallurgical fields to speed the industrialization of Algeria.

The scope of this plan is breathtaking; the difficulties inherent in it, even assuming the most advantageous political conditions, are not so apparent at first glance.

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1. In Algeria, the guaranteed minimum salary is now 25 per cent below that of the bottom zone in metropolitan France, and family allocations are also considerably smaller.

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To understand them, one must look first at the Algerian economy as it is today.

### THE ECONOMY TODAY

The Algerian economy is in many ways unique; it does not lend itself to facile description in terms of development or underdevelopment which are popular today. With a gross national product in 1956 of 864 billion francs, and in 1957 of a provisional 950 billion francs, it produces a per capita annual income which now comes to around \$200 per person -- roughly four times that of India, twice that of Egypt, but only one-fourth that of metropolitan France.

The idea of a norm of personal income is fallacious, however, for the Algerian economy is sharply divided into two quite unequal sectors: the modern, or European-inspired and dominated, and the traditional. In the first sector are found the one million Europeans of the country, and two and one-quarter million Muslim Algerians who live hierarchically within a completely European-type economy, the bottom echelon of which is in no way inferior in standard to that of the average Italian or Spanish laboring class. The second sector comprises nearly six million Muslim Algerians, engaged in a traditional form of subsistence agriculture or nomadism. (A limbo group of nearly one million persons, the totally or partially unemployed of the cities, with their dependents, is usually attached to the first group.) Per capita income for the traditional sector does not run above 30,000 francs a year, around \$70. The modern sector includes all industrial activity, almost all commercial and transport operations, and an important fraction of agriculture, particularly cash export farming, done either by the colons or the sizeable number of Muslim farmers who cultivate by modern methods.

A first conclusion that stems from this division of the economy into two sectors is that economic development plans for Algeria, although naturally concerned with raising the standard of living of both groups, have as a primary goal the incorporation of the second sector into the first to as great an extent as possible.

Differences between the sectors are geographical as well as cultural; it is not correct to think of Algeria as a homogeneous area. The department of Algiers, for example, (360,000 Europeans and 720,000 Muslims) has an average annual income eight-to-nine times as great as that of the department of Batna in the southeast, or of overpopulated Kabylie (9,000 Europeans and 791,000 Muslims) in the center. From this fact alone it should be no surprise that the 1954 rebellion began in Batna and still has its firmest stronghold in Kabylie. In general, the fertile coastal plains surrounding the cities of Algiers, Oran, and Bone, where the Europeans have settled

and introduced their civilization in massive doses, are favored at the expense of the hinterland.

Although a certain stability was reached in the economy between 1914-45, the growth of the Muslim population made it necessary after World War II to think in more dynamic terms. The Muslim population has doubled in the last fifty years and, barring unusual emigration (much in excess of the 300,000 or more Algerian workers already in France) or calamity, it will double again in less than three decades. The effect of this increase on such areas as Kabylie, where the density is already 300 per square kilometer, can easily be imagined.

Economic growth, stimulated by two postwar four-year plans which had not, however, anything like the scope of the present one, has been reasonably rapid and constant, as the following table shows:

	<u>1950</u>	<u>1951</u>	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955</u>	<u>1956</u>	<u>1957</u>
G.N.P.	552	561	645	674	732	788	864	950(est.)
Index	100	102	117	122	133	143	157	172
Internal Production	475	473	532	553	591	624	685	750(est.)
Index	100	99	112	116	124	131	144	157

Added to this are other indexes of steady growth: the index of industrial production, less housing, was 150 in 1957 (1950 base of 100); 36,000 habitable rooms were built in 1956 at a cost of 29 billion francs, compared to 13,600 rooms in 1950 valued at 4 billion francs (public housing only). But it must be kept in mind that almost all this growth (1956 index of 154) concerns only the modern sector, and that the mass of traditional farmers and nomads have not only continued without any amelioration of their lot, but the distance between them and the more fortunate third of the population has increased as they become progressively pauperized by the rise in the standard of living of the Europeanized elements. With an increase of 8 per cent on the average each year in distributed revenues, and a population increase of 2.5 per cent per year, the net increase in the standard of living has been 5.5 per cent per year. In salaries this increase has benefited Muslims of the modern sector more than Europeans: from 1950 to 1956 salaries increased by 95 per cent, and the number of salaried Muslim employes was 48 per cent greater in 1954 than it had been in 1948.

While this progress looks exemplary on paper, the real development of Algeria as an integrated economy has been held back in spite of it by three considerations:

- a) the fact that more than half the population was not taking part in the economic growth;

- b) numbers of the stagnant traditional sector flocked to the cities in order to join the "better third" and thereby created urban unemployment with festering social problems in this rootless, displaced group; and<sup>2</sup>
- c) their arrival brought on a severe housing crisis which has not yet been resolved.

### OBJECTIVES OF THE PLAN

Keeping in mind these problems of a socio-economic order, the working group which prepared the ten-year plan for Algeria concentrated on two fundamental objectives: increasing the standard of living of all the people, not just some, and increasing employment on the broadest possible horizontal basis. In view of the limited prospects for agriculture (cf. CFG-6-'57 "The Algerian Question" pp. 2-4), even the most optimistic plans for which foresee only a 40 per cent increase in production during the next decade, priority is scheduled to be given to industry which would by 1966 contribute 48 per cent of the total internal production as opposed to 27 per cent in 1954. The planners early came to the conclusion that only by heavy industrialization could Algeria support itself in the future.

A second objective of the planning group, frankly stated but perhaps more dubious, was the exploitation of the natural resources of Algeria for the profit of the franc zone. In the eyes of the planners this is designed to complement, not to interfere with, the first objective. It is certainly true that it is the prospects of Saharan oil which, more than anything else, now lead France to economic sacrifices on behalf of Algeria, and one cannot argue with the basic premise of the plan, that "anything which strengthens the franc zone will in the long run benefit Algeria." But, one may anticipate the sensitiveness of nationalist feelings regarding the use of the country's natural wealth for purposes which at first sight may be only incidentally rewarding to the nation.

The extraction of oil and natural gas plays a large part in the plan, in terms of investment and utilization. The fields of Hassi Messaoud and Edjele, whose proved reserves (at last report) now run to 600 million metric tons (around four billion barrels) will be producing 26 to 28 million tons a year by 1962 under present plans, almost enough oil to cover the expected needs of metropolitan France in petroleum products. Although employment resulting directly from this production will

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2. On urbanization and displacement of rural groups cf. "The New Nomadism in North Africa," by William H. Lewis, Middle East Journal, Summer, 1957.

be small, salaries from all oil activities (including the establishment of a refinery in Algiers to handle four million tons a year) will come to around 50 billion francs a year (\$120,000,000), plus another 40 billion francs paid to the Algerian government in royalties and fees, in addition to the purchase of supplies and services on the local market. Finally, the immense reserves of natural gas at Hassi Rmel will give Algeria a source of cheap energy useful in attracting industry from the homeland. Apart from oil exploitation, growth plans will emphasize housing, which is important for the number of semi-skilled workers who can be employed, and the further development of transformation industries.

At the end of the ten-year period (1957-66), it is expected that total internal production would have been raised from around 700 billion francs in 1956 to more than 1,600 billion francs. This corresponds to an increase in the standard of living of about 5 per cent per annum (4 per cent for Europeans, 7-8 per cent for Muslims) for a population which had increased from ten million to thirteen million; it would further have ensured a non-agricultural work market of 875,000 additional jobs (780,000 of these for Muslims). The results of the ten-year plan would not by any means permit Algeria to make up the gap that separates it from metropolitan France, which has itself been moving forward more rapidly since 1953 than any other European country; but it would enable the majority of its inhabitants to begin approaching something like the standard of living in southern European countries a decade ago, and from this point another jump forward could be made.

The value of planned production by sectors is shown in the following table:

	<u>1954</u>	<u>1967</u>	<u>Index</u>
	(In billions of francs)		(1954=100)
Agriculture, forestry, fishing	197.6	250.7	126
Energy, oil, mining	31	306.8	990
Construction, public works	44.6	199.9	447
Transformation indus- tries	87.9	268.8	305
Transport	34	117.6	344
Commerce	113.2	258.4	228
Services	82.8	216.8	257
Total	591.1	1619.0	273

The growth of industrial activities as shown here is a minimum; it could be increased considerably if Saharan oil continues to show the ever-increasing possibilities it has revealed in the past two years. Basing themselves on this keystone, the planners feel that they can be strongly optimistic.

The problem of finding job outlets for the growing population is a major preoccupation in Algeria. In the agricultural sector it is estimated that the active population (2,600,000 Muslims and 33,000 Europeans furnishing 150 million work days in 1954) will remain relatively stable, owing to the outflow of surplus workers into the new industrial growth, but that a gradual switch over to more intensive type cultivation (irrigated farming, specialty crops, truck gardens, etc.) will increase the work-day total by 1967 to 177 million, thus partially reducing, but by no means eliminating, agricultural underemployment. The projected division of labor in the industrial sector is schematized thusly:

	<u>1954</u>	<u>End of Period</u>	<u>Index</u> (1954=100)
Number of persons engaged in:			
Forestry, fishing	34,688	43,830	126
Energy, oil, mining	24,420	61,900	253
Construction, public works	102,910	425,000	412
Transformation industries	136,703	329,940	241
Transport	41,230	82,800	200
Commerce	135,610	241,000	177
Other services	109,250	211,000	183
Total productive sector	584,811	1,395,470	238
Administration	80,000	145,000	181
Total	664,811	1,540,470	230

With nearly 1,600,000 persons regularly employed in non-agricultural activities by 1967, out of an estimated active non-agricultural population of 2,250,000 there would still be 650,000 unplaced persons, of whom it is estimated that 500,000 would be emigrants to France (as against 300,000 at present) or Common Market countries, leaving 150,000 unemployed as against 200,000 totally or partially unemployed at present. The fact that even the most ambitious planning can do little to make a serious dent in unemployment shows how serious the question of population growth is in this country. While it is assumed that continued industrialization over a fairly long period would have much the same braking effect on population increase as has been noted in many other countries, no reduction of the current high reproduction rate can be expected during the decade covered by the plan.

The crucial item in the plan, however, from a social point of view, remains the modification which will ensue in the division of the population between the two sectors, traditional and modern. In 1954, 2,240,000 Muslims, not counting 990,000 partially or totally unemployed with their families (about 26 per cent of the Muslim population), participated effectively in the modern economy. At the end of the period this would be increased to 5,865,000, not counting some 720,000 unemployed and their families (about 49 per cent of the Muslim population), as shown in the following table:

	<u>1954</u>	<u>End of Period</u>
<u>Traditional Sector</u>		
Muslims		
Agricultural	5,125,000	5,125,000
Non-agricultural	100,000	90,000
Total traditional sector	5,225,000	5,215,000
<u>Modern Sector</u>		
Muslims		
Agricultural	700,000 (1)	900,000 (1)
Non-agricultural	2,530,000 (2)	5,685,000 (3)
Total Muslims	3,230,000	6,585,000
Europeans		
Agricultural	93,000	93,000
Non-agricultural	907,000	1,157,000 (4)
Total Europeans	1,000,000	1,250,000 (4)
Total modern sector	4,230,000	7,835,000
Total population of Algeria	9,455,000	13,050,000

(1) Includes permanent agricultural workers and their families.

(2) Includes about 990,000 totally or partially unemployed and their families.

(3) Includes about 720,000 totally or partially unemployed and their families.

(4) Includes 150,000 immigrants<sup>(a)</sup> plus natural growth.

(a) - about which the plan is strangely silent. It is perhaps assumed that they will be attracted by new industries where they will be needed as skilled workers (considering a possible



bottleneck of skilled Muslim workers for several years), or they may form part of the bureaucratic apparatus which, one suspects, would be necessary to administer the plan. But the wisdom of encouraging immigration into overpopulated Algeria must be debated.

### FINANCING THE PLAN

In the words of the planning committee:

"The total expenditure of capital foreseen in Algeria in the next ten years comes to around 4,700 billion francs [\$11,200,000,000]."

This enormous sum represents the complete amount necessary for the execution of the ten-year plan, irrespective of origin or use. Broken down by origin, 49 per cent is to come from private capital, 45 per cent from public or semi-public funds, and 6 per cent to be furnished directly by the metropolitan budget. Direct aid from France, however, far exceeds this 6 per cent, which represents only expenditures which would have been undertaken even if the plan were non-existent, e.g., ordinary military expenditures, research for the Atomic Energy Commission in the Sahara, etc. Special metropolitan assistance, which was 80 billion francs in 1957 (plus 18 billion francs for ordinary expenses, for a total of 98 billion francs), is scheduled to rise to 150 billion francs (about \$356,000,000) a year by 1962, and is included in the public fund sector. It should be mentioned in passing that the total of metropolitan aid for the ten-year period (1,320 billion francs, or about \$3,140,000,000) represents more than 10,000 francs (\$23) for each Algerian each year -- a sum twenty-five times more important than the per capita foreign aid now being received, for example, by India (170 billion francs, or around \$1 per head per year).

Public funds coming from metropolitan France are to play a vital role in fortifying the plan. They will be added to local budget resources to extend the network of public services which make up the infrastructure of economic activity (communications, soil restoration, irrigation projects, school and medical assistance.) They will also be transferred to semi-public credit institutions for direct investment in agriculture and industry, and they will be used to catalyze private capital, coming from the homeland for the most part, through the allotment of subsidies to defray equipment costs and discounts on the interest rates of loans. (A decree published in the Journal Officiel on February 1 of this year has made provisions to this end.)

In all it is estimated that 48 per cent of the funds necessary will be found in Algeria, and 52 per cent will come from outside (almost completely from France). (See table on following page.)

		(billions of francs)
Funds Available in Algeria		2,322
Private Savings	2,152 (1)	
Public Funds	170	
External Funds		2,513
Public and semi-Public	1,673	
Private Capital	840	
Total		4,835

(1) - based upon a normal savings rate in Algeria of 22 per cent of the gross national product. The planners assume that this will not change grosso modo.

And the anticipated breakdown of financing by sector is shown in the following table:

	Private Capital	Public & Semi-pub. Funds	Metro- politain Budget	Total
(billions of francs)				
Agriculture, forestry, fishing	292	481	-	773
Energy, mining	102	45	2	149
Oil	823	80	60	963
Construction, public works	180	26	-	206
Transformation industries	182	139	1	322
Communications	156	563	15	734
Housing	360	254	70	684
Commerce, other services	223	127	5	355
Administration	-	406	119	525
Total	2,318	2,121	272	4,711

This is the summary essence of the ten-year plan, as completed in March of this year. Although the ten-year period was originally scheduled to begin in 1957 and continue through 1966 the plan has been so drawn up that it can be implemented at any given date. In the light of General de Gaulle's speech at Constantine, it is possible that it will be put into effect from the beginning of 1959, and will run, if it is executed in its present form, through 1968. The detailed provisions of the plan, which call for the increased production of everything from match boxes (320 million in 1967) to canned vegetables (7,100 tons in

1967 as against 2,060 in 1954) are as precise and demanding as those of any communist state. The difference lies not only in the humanistic orientation which underlies the project for Algeria, but in the critical spirit in which it will be received by a country of free thinkers who are accustomed to viewing all official programs with some skepticism.

#### CRITIQUE OF THE PLAN

When General de Gaulle made public his preliminary five-year version of the plan it became apparent that what had hitherto been a fascinating but theoretical document now had every probability of being carried through. French economists, accordingly, took a more careful look at the document in its original form and at the outline promises of the Premier. Several objections to the ten-year plan, primarily based on the extraordinary financial demands it made, without, presumably, having the power to coerce, and the political stability it presupposed, were reinforced by an examination of the Constantine Charter.

In the matter of new employment, for example, General de Gaulle announced that jobs would be found for 400,000 Algerians in the next five years. It is difficult to reconcile this to the rhythm of previous supplementary employment, which came to 190,000 openings in the past ten years for the non-agricultural sector -- about 20,000 a year. It would be necessary to quadruple this in order to attain the objective announced. As noted above, the ten-year plan proposed to create 875,000 new jobs in the coming decade, but these were to be reached on an accelerating scale, beginning with 30,000 to 40,000 a year, and amounting to only 250,000 to 300,000 at the end of the first half of the period.

To attain this goal, observers point out, it will be necessary to step up the ten-year plan by at least a third, with corresponding investment acceleration, in those fields most susceptible to absorbing labor: construction and public works notably, or, to divert a larger number of workers to agricultural improvement projects -- very difficult to do because of the near saturation point of Algerian agriculture, or increase the number of Algerian workers in France by about 100,000 over the provisions of the ten-year plan which foresaw an already substantial emigration of 200,000 Algerians to metropolitan France in the next decade, i.e., to find 200,000 emigrants in the next five years. Although French industry might be able to take in this number of workers in view of its extraordinary growth in the past few years, the social and economic problems, particularly housing, which would be created in France make it an unsettling prospect. Furthermore, the emphasis put by the General on industrial development in Algeria and his program for land redistribution, makes it likely that he favors the first two alternatives listed above.

The project to build new living quarters for one million persons confirms this theory. The ten-year plan provided for the construction of 735,000 dwellings, of which 100,000 were to replace outdated and uninhabitable lodgings. Given the regular rhythm of progression in the building industry, this meant nearly 100,000 new dwellings each year by the end of the ten-year span -- more than six times the number (15,000) of quarters now being built in Algeria. The General's objective -- 200 to 250,000 dwellings to be built by 1963 -- could be attained, but only if powerful financial encouragement is given by authorities to the building industry.

The cost of the construction program depends in large part on the type of housing to be built, and of this nothing was said in Constantine. Of the 735,000 units in the ten-year plan (which varied from de luxe apartments costing \$20,000 to economy-type community housing for Muslims valued from \$500 to \$800), 280,000 were apartments of the economy type, 23,000 were "luxury-type or bourgeois," 40,000 were lower middle-class houses designed mainly for Europeans at a price of about \$6,000, and 240,000 were so-called "economic" dwellings for poorer Europeans and Muslims, running from \$1,200 to around \$3,000.

The same problem arises in connection with school construction, which must progress at an enormous rate if the objective of sending two-thirds of all the children of school age into classrooms by 1963 is to be reached. The ten-year plan projected one million children (double the number of 1954) in school by 1963-64, and the De Gaulle program calls for 1,600,000 attending by the same date. The rhythm will again have to be doubled, and a tremendous effort made to build over 12,000 classes within the coming five years.

Financing this redoubled effort is another concern of the planners, who seem to have been taken a bit aback by the boldness of the General's program. In the decennial plan about 700 billion francs, of the total 4,700 billion, was allotted to housing; in effect, the De Gaulle version would require the same sum to be spent for schools and houses in the next five years -- a sum of 140 billion francs (about \$333,000,000) a year. French economists are beginning to calculate that from 1962 about 200 billion francs (nearly \$500,000,000) a year will have to be allotted from public or semi-public sources to cover the intensified plan, in addition to private investments of not less than 100 billion francs (about \$235,000,000) a year. Thus they come to a rough conclusion that the Constantine plan will cost at least 4,000 billion francs (about \$10 billion) for its second five-year period -- and they do not see how development can be considered completed at the end of the first five years.

Having computed these costs in an approximate way, French economists are now asking themselves: can France afford it? Their tentative answer seems to be a qualified "Yes" -- provided that other expenditures at home are reduced or limited,

and all they can guarantee is public funds. There is no assurance that private capital, despite the attractive terms that may be proposed, will flood into Algeria as expected -- unless, as many point out and as some Army officers in Algeria openly desire, France becomes an authoritarian state which can order a nationalized concern like Renault to establish a branch plant somewhere in Algeria in the "higher interests of the state." France is not at that point yet, however, and it is much less likely now in October than it was a few months ago that it will become a totalitarian state. Nevertheless, the conviction, and the quantity, of those who believe that a solution for Algeria within the French framework cannot be found without the use of a good deal of compulsion for everyone concerned, is surprising.

One cannot be sure that the reaction of the man in the street will be as affirmative as that of the specialist, when he asks whether he can and will pay the bill. In giving a grand total of 331 billion francs to Algeria, the overseas territories and departments, and to Morocco, in 1958, each Frenchman already contributes 6,700 francs (about \$16), or 53 hours of work at the minimum salary rate, to the economic well-being of other peoples who, he often feels, are singularly ungrateful for his effort. A French businessman pointed up in a conversation with the writer the other day the acute housing shortage in France and suggested that people would protest if a housing program of the scope envisaged in the Constantine plan were undertaken in Algeria without any corresponding move at home. Education faces a crisis in metropolitan France, too: the number of school children there will increase from 7,770,000 in 1956 to 9,174,000 in 1965, so that by 1961 the expenses for new schools and more teachers will be 350 billion francs more each year than in 1954. It is questionable whether the average Frenchman would, under these conditions, tolerate his taxes paying for the improving of educational facilities in Algeria while the quality of instruction for his own children retrogressed.

Perhaps the best summation to the whole problem of the economic development of Algeria and France's responsibility for it, is found at the end of the excellent, short treatise by Raymond Aron, "L'Algérie et La République." Concerning himself with the question of integration and asking himself if it is realizable, he suggests the following answers:

"It is impossible to eliminate in ten or twenty years the spread between the standard of living in the metropole and that of the Muslims of Algeria, it is probably even impossible to reduce it sufficiently for a glimmer of equalization to appear on the horizon. However many billions the Minister of Finances puts at the disposal of his colleague for Algeria, the money which can be practically spent will not permit a rise in the standard of living of the Muslims more rapid than that of the French at home.

"It is possible, by a determined effort, to accelerate the economic development of Algeria, and the sum of money necessary for this progress and which can be spent, does not exceed French resources.

"It is absurd to want to introduce to Algeria the administrative, social, and scholarly norms of the homeland. The finances of metropolitan France could not support it.

"It is doubtful that the suppression of barriers between Algeria and France is, in the long run, favorable to the industrialization of the former. An authoritarian state would be necessary, under this theory, to force businessmen to establish themselves on the other side of the Mediterranean....

"The conclusion is not in doubt for me. Economically the best solution is to maintain strong bonds between France and Algeria, with certain privileges for Algerian workers in the metropolitan labor market, but with the creation of a purely Algerian administration, whose norms would differ in essential points from metropolitan norms. This economic solution is compatible with whatever political formula -- independence, autonomy, federal decentralization -- provided that it reconciles the two parties in conflict. On the other hand, even the extermination of the nationalists would not permit the realization of integration."

Since General de Gaulle, in his recent political offers to the nationalist leaders, spoke of the "Algerian personality" and suggested close ties with France, the idea of formal integration no longer seems probable. Indeed, it is possible now that the General, moving pragmatically as ever, has in mind something close to what M. Aron suggested: a gradual economic arrangement which could adapt itself to any later political settlement. There are still many obstacles in the path of the plan for developing Algeria -- and not the least of them is to convince both the French people and the nationalists that a sound economy is the only future hope for Algeria and the people who live in it. But the General has already convinced more people of more things in the past months than anyone thought possible, and the task is not beyond his power.

If the political and psychological barriers can be broken through and the five-year plan set forth in Constantine is wholeheartedly put into motion by France, Algeria could be one of the most exciting countries in the world to watch in the next few years. It would represent a supreme test of whether a rationale of economic advancement can be substituted for the mystique of nationalism in a country which is as hungry for pride and identity as it is for material progress. And it might just prove to be the redemption of both the colonizers and the colo-

nized, after the terrible suffering of the long revolution. For, in the words of Boris L. Pasternak: "War is not a game of chess; people emerge from it changed." Whatever happens, a new Algeria is about to be built, and it will be very different from the old.

*Chad F. Gallagher*