

Economy

Overview: The hydrocarbons sector is the backbone of the economy, accounting for roughly 57% of government revenues, 25% of GDP, and almost all export earnings; Algeria has the fifth largest reserves of natural gas in the world and ranks fourteenth for oil. Algiers' efforts to reform one of the most centrally planned economies in the Arab world began after the 1986 collapse of world oil prices plunged the country into a severe recession. In 1989, the government launched a comprehensive, IMF-supported program to achieve macroeconomic stabilization and to introduce market mechanisms into the economy. Despite substantial progress toward macroeconomic adjustment, in 1992 the reform drive stalled as Algiers became embroiled in political turmoil. In September 1993, a new government was formed, and one priority was the resumption and acceleration of the structural adjustment process. Buffeted by the slump in world oil prices and burdened with a heavy foreign debt, Algiers concluded a one-year standby arrangement with the IMF in April 1994.

National product: GDP - purchasing power parity - \$97.1 billion (1994 est.)

National product real growth rate: 0.2% (1994 est.)

National product per capita: \$3,480 (1994 est.)

Inflation rate (consumer prices): 30% (1994 est.)

Unemployment rate: 30% (1994 est.)

Budget:

revenues: \$14.3 billion

expenditures: \$17.9 billion (1995 est.)

Exports: \$9.1 billion (f.o.b., 1994)

commodities: petroleum and natural gas 97%

partners: Italy 21%, France 16%, US 14%, Germany 13%, Spain 9%

Imports: \$9.2 billion (f.o.b., 1994 est.)

commodities: capital goods 39.7%, food and beverages 21.7%,

consumer goods 11.8% (1990)

partners: France 29%, Italy 14%, Spain 9%, US 9%, Germany 7%

External debt: \$26 billion (1994)

Industrial production: growth rate NA%; accounts for 35% of GDP (including hydrocarbons)

Electricity:

capacity: 5,370,000 kW

production: 18.3 billion kWh

consumption per capita: 587 kWh (1993)

Industries: petroleum, light industries, natural gas, mining, electrical, petrochemical, food processing

Agriculture: accounts for 12% of GDP (1993) and employs 22% of labor force; products- wheat, barley, oats, grapes, olives, citrus, fruits, sheep, cattle; net importer of food - grain, vegetable oil, sugar

Economic aid:

recipient: US commitments, including Ex-Im (FY70-85), \$1.4 billion; Western (non-US) countries, ODA and OOF bilateral commitments (1970-89), \$925 million; OPEC bilateral aid (1979-89), \$1.8 billion; Communist countries (1970-89), \$2.7 billion; net official disbursements (1985-89), \$375 million

Currency: 1 Algerian dinar (DA) = 100 centimes

Exchange rates: Algerian dinars (DA) per US\$1 - 42.710 (January 1995), 35.059 (1994), 23.345 (1993), 21.836 (1992), 18.473 (1991), 8.958 (1990)

Fiscal year: calendar year