

Agriculture and Rural Development in Algeria. Status, Risks and Challenges

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Abstract. Through a critical review, the present research shows that, despite massive government efforts concerning agricultural development, the rural Algerian area faces serious constraints. Moreover, the emergence of local initiatives in the direction of creating conditions for local development forth comes. The causes are mainly due to the actors of the institutional environment and to the absence of favourable conditions that conduct to a better exploitation/development of local resources. The study shows however that it is quite possible to change this situation if people agree to think in terms of sustainable development and focus their approach on the resources and local activities. Today there is a need of a new mode of governance and a new sustainable strategy, clearly displayed, in terms of agriculture, rural and local development.

Keywords: Agricultural development, local development, sustainable development, rural area, mountain areas, Algeria

INTRODUCTION

The agricultural and rural development is conceived as a primary process of conservation and exploitation of natural resources and production systems in a sustainable manner. There is also a process of local and participatory development. Due to this fact, the organization of farmers and traders becomes "more micro-economic with the emergence of organization systems of local development, which are all associated to the rural space (Campagne P., 1997). The pulse of dynamic local development could be the trigger effect of a promotion process and of development of economic activities carried out by dynamic actors and operators, often supported by institutional players enrolled in a logical promotion of local economic activities. The aim of the research is to identify the real issues that affect the agricultural and rural development and to try at the same time to make proposals for an approach based on sustainable development and local levels. The present paper analyzes the situation of agriculture and rural development in Algeria, showing the risks, the constraints, but also the challenges and the limitations of recent policies towards development in rural areas. The works concludes by proposing some recommendations based on a clearly strategy of rural area in terms of "sustainable" and "local" development.

MATERIALS AND METHODS

The present study is based on an analysis of facts and events observed in Algerian rural area in terms of structures and political aspects of agricultural and rural development. It takes into account recent periods (after 2000) and highlights particular problems and issues of local rural development in disadvantaged areas (including mountain).

The quantitative and qualitative information comes from literature reviews, statistical journals and national and international monographs (including Mediterranean databases from CIHEAM and FAO). At the micro-economic level, there were used authors' analysis and investigations conducted over the last ten years in several rural areas, especially mountain areas, (Zoubir,2008), focusing on the status and use of natural resources, land structures, production systems, as well as on development indicators of the rural economy.

There were used various informational, scientific and methodological materials, including: regional and local statistics (on the status of natural resources, agrarian structure, agricultural production, rural infrastructure), the results of field surveys and the conclusions and lessons learned from the own practical experience.

RESULTS AND DISCUSSION

1. The agricultural Algeria - overview, constraints and limitations: Agriculture and Rural certainly have been regarded as a sector and an important area to the economy of Algeria. They have also significantly contributed to the development of the country during the colonial and early independence. However, in the 70s, in spite of political rhetoric, agriculture and rural areas were often marginalized. The rural area has been faced with an unprecedented process of agricultural and rural exodus, in the past forty years (the urbanization rate now exceeds 65% and the population living in rural areas is estimated between 12 and 13 million people, or 38-39% of the total population). The whole countryside has also seen its production structure and population changing, due to the industrialization policy. The consequence was that over 90% of the population lives on one coast, highly urbanized, representing 10% of the country. The rest of the country (the highlands, the vast steppe and desert of the Sahara) are practically empty.

Tab. 1

Some indicators of the agricultural population and rural and agricultural sector

Specification		Unit
Total Population (RGPH 2008) (1)	34.550	1000 inhabitants
Rural Population (2)	12.300	1000 inhabitants
(2)/(1)	36%	
Agricultural population (3)	7.444	1000 inhabitants
Active Agricultural Population (4)	2.995	1000 inhabitants
(4)/(3)	40%	
Ha of land per capita (average 20 years)	0,34	Ha/inhabitant
Total Agricultural Area	49.000	1000 ha
Utilized Agricultural Area (5)	8.378	1000 ha
Irrigated area (6)	570	1000 ha
Arable and permanent crops	7%	
(6)/(5)	6,5%	
Agricultural GDP	6.792	Million Dollars US
Agricultural GDP /Total GDP (%)	10%	
Agricultural GDP /agricultural population	912	Dollars US

Source: Our own estimates and Document Focus on development of food industry, March 2010

Concerning the use of space and natural resources, there is a considerable use of plains, hills and mountainsides, where there were recorded extremely high population densities (50 to 500 people km² on average). As a consequence, there are considerable pressures, especially on land resources that are already limited – utilized agricultural area (only 3% of the total agricultural area and only 17% of total land), irrigated areas (6.5% of

utilized agricultural area), a low level of forestation rate (only 6-8%), a continuous degradation of the steppe due to overgrazing and desertification creeping. All this reduce the opportunities for extensification of agricultural resources. There are also considerable limitations in terms of water resources (scarcity, misuse, difficult access, salinity ...). It can be also observed their tendency to reduction on medium and long term. It's a risk and a major challenge for the years to come. However, beyond these risks, there is a strong potential to develop the sustainable use of resources.

In terms of land structures, there are various forms of organization with different status, as the various reforms undertaken since independence have not been able to settle permanently either: (a) a private or assimilated system (with over half of utilized agricultural area) has not been able to slow the process of fragmentation of farms and land expansion, (2) a collective a system or equivalent representing the land of private domain of the State (2.8 million hectares) have been allocated in perpetual tenure to farmers under the law adopted in November 87-19 1987. A recent policy decision has come to review that status, because now there is an issue of granting land in the form of concessions (assignable and transferable) in order to create Civilian Agricultural Societies by the workers already living on that land (Agricultural Orientation Act, 2008).

However, the consequences of this situation can be seen in terms of farms viability (60% of the farms have less than 10 ha), and land development initiatives. This necessitates a move towards a land security through a land reorganization which must, first of all, define rules, standards and procedures for regulating transactions involving the rights of exploitation, and secondly define rules for create and consolidate modern farms.

The issue of food deficit reported to the local agricultural production: The Algerian Agriculture can not reduce the large gap between the strong growth in food demand and the offer – especially regarding agricultural commodities (wheat, dairy, sugar, oil, pulses ...) - extremely low. Due to this fact, there is a great increase of food imports (Algeria is considered one of the largest importers of basic foodstuffs in the Mediterranean area and worldwide, with agricultural and food bills between 3.5 and 5 billion U.S. Dollars per year).

Tab. 2

Coverage rate of domestic demand in 2007, by product

Product (in 1000 T)	Production	Imports	Coverage rate	Kg/inhabitant
Cereals (and animal food)	2.688	4.824	36%	212
Pulses	50	280	15%	9,2
Milk	2.244	2.942	43%	150
Meat	559	66	90%	17,3
Fresh vegetables	3.854	-	100%	109
Potatoes	2.075	-	100%	58
Oil	32	664	5%	20
Sugar	-	1217	0%	34
Coffee / Tea	-	137	0%	4

Sources: own calculations and MARD, 2008

2. Process of agricultural and rural reform - Scope and limitations:

A. Reforms in agriculture: The agricultural sector had to deal with many agricultural policy reforms and several remedial actions of its production structures. These reforms determine a revival of this sector, a major restructuring of farms and a reconfiguration of the institutional environment. With the launch of a comprehensive agricultural and rural development plan (PNDA in 2000 and PNDAR in 2001) and the establishment of a Sustainable Rural Development Strategy (SNDRD in 2003) and Rural Renewal (RR 2006),

the production's situation began to change but not in a decisive manner. In 2004, despite a decrease of 13% of the share of agriculture in GDP compared to the previous year, the Agriculture confirmed the third place in terms of contribution to GDP, by a rate of 8.4%, behind hydrocarbon sectors and services (between 2004 and 2006 this rate rose between 10 and 16% per year, on average). With a value of 624 billion dinars in 2004, the average annual growth of production value is 14.8% over the last five years. Moreover, during the period 1997-2004, agriculture contributed with an average of 9.6% to GDP. Subsequently, especially between the years 2004-2009, there has been noticed some progress in the production of potatoes, white meat, red meat, olives, but also cereal. But this progress is entirely relative and does not affect the trends regarding the lack of agricultural supply and food addiction.

Tab. 3

Average annual growth of major agricultural products (average 2002-2008)

Products	Average quantity 2002-2008 (1000 Tonnes)	Average annual growth (%)
Cereals	3431	9.4
Out of which, Wheat	2331	9.1
Pulses	50	12.2
Tomatoes	371	14
Products gardeners	5732	10.8
Potatoes	2006	11.3
Stone fruit and pome	829	14.8
Olive Oil	225	12
Dates	506	12.6
White meat (1000 T)	187	12
Red Meat (1000 T)	227	13
Milk (1000 liters)	1911000	11
Eggs (1000 units)	3672000	4

Source: MARD and Document Focus on development of food industry, MIPI, March 2010

B. Reforms in Rural Development: Rural society, often marginalized, has in fact repeatedly focused the attention of authorities in Algeria, which have established various actions and development plans. However, rural area was seen as a useful space that contains a large rural population whose mission was rural exodus.

Special case of the Sustainable Rural Development Strategy (SDRD): The implementation of this strategy involves the promotion and implementation of new approaches in terms of development that ensure: the sustainability of actions; the promotion of participatory approach and the involvement and integration of the population concerned. This new approach opens an important way which establishes the conditions for the revitalization of rural world, still less involved in the process of country development.

The experiment is still new, but it is already clear that, in practice, such arrangements can not be created and appropriate actions have been delayed by the people involved. On the other hand, environmental risk, infrastructure constraints and weak institutional networking make more difficult the implementation of planned projects. This is even more problematic in the case of difficult areas such as rural mountain areas.

C. Constraints and Risks: Most rural areas face difficult ecological, economical and social conditions and their dynamic development faces constraints and risks.

The management of natural resource is dominated by problems of high pressure and by a process of land degradation; the reduction of agricultural potential in high pressures areas; the insufficient mobilization of surface water; the excessive fragmentation of land,

although in many areas, there is an appreciable density of drainage network, springs and wells to be developed.

The settlement evokes first a situation more and more difficult in terms of high pressure and high social demand which is not satisfied because of the weakness of basic infrastructure and means of access to facilities and work opportunities. The main indicators of human development, despite considerable progress in recent years, are still weak comparing to the urban areas situated on plains or along the coastal areas (see attached indicators: deep grey: very low indicators, pale grey indicators for medium and low).

Tab. 4

Some mountain villages of the mountain region Babors (north of the Wilaya of Setif - East Algeria)-rank compared to 979 rural villages of Algeria

	Rank IDRD	Rank IDHS	Rank IDS	Rank IDEd	Rank ICV	Rank IDER
A	67	136	80	254	372	1 064
B	647	747	294	69	1 174	1 360
C	715	1 067	1 230	51	1 268	935
D	398	879	1 115	974	779	527
E	450	949	445	110	1 281	394
F	231	658	1 327	327	514	306

Source: Our own investigations correlated with the results -CENEAP/MDDR - Study on Sustainable Rural Development Strategy (SNDRD) and Rural Renewal, Algiers, 2006

The economic activities are weak and inadequate. The most significant constraints are those related to: (a) the cramped conditions of farms, (2) low production of food crops, (3) inadequate marketing of agricultural commodities and rural crafts; (4) lack of clear strategy in order to create networks of small and medium enterprises in rural areas. This does not prevent the existence of a strong tendency for multi activities.

The constraints related to the weakness of an approach for local development in rural areas: The administrative, technical, economic and institutional framework is everywhere regarded as binding and not conducive to a dynamic local rural development. The field observation shows that these constraints have often had a negative influence on the behaviour of players, especially in the case of implementation and operation of productive systems.

The weakness of local institutional environment: The main formal institutions in rural areas are those within the traditional administration (local administration - APC (municipalities), technical, social and legal administration), or within those organizations that are traditional and customary (“djemaa”, “archs”, village committees ...). The other institutions are still unclear; they are just beginning to taking shape (basic communities, social and cultural organizations, government, political connections, associations). The relationship of rural people with the institutional environment is still weak.

The weak organizational capacity and participation of people from rural area: Organizational skills and organization of rural populations are generally low. Families or individuals have difficulty in associating with production projects. But it doesn't mean that this is a desperate situation. Local conditions are often conducive to the encouragement of participation and organization of community projects.

CONCLUSIONS

The situation of rural space in Algeria is critical. The agricultural sector which has experienced considerable progress in recent years seems to be labouring to take a significant share in the national economy. It can be also noted that the emergence of local initiatives in the direction of creating conditions for development and / or strengthening agricultural and rural activities, have been slow to come because of the decision makers of the institutional environment and of the absence of conditions for the decentralization of decisions and actions. The terms "local development" and "decentralization" are still far from the standards of rural development. The risks are well understood by policy makers and answers were given through the commitment of many programs and development projects. Nevertheless, it must recognize the fact that, actions that have been conducted, despite their importance, are still below the needs expressed and the risks. Therefore, there is a need of a new mode of governance and a new approach. It's about a change of vision and a new policy of rural organization. Generally, we can consider that the local agricultural and rural development can be an important field to promote appropriate methods. The main issues and approaches could be.

The rural crisis: First, it is necessary to realize that rural area in Algeria is a vast geographical and human space in crisis. The issue of conserving and enhancing natural resources and reducing the degradation pressure: The most important issue is to stop the drift of degradation that has happened in the recent years and to preserve and enhance the local natural resources (especially soil and water resources). The issue of economic potential (agricultural and non agricultural): The economic potential exists but needs to be explored and developed. It depends on: the modernization of agricultural activities, innovation in diversification and enhancement of production, removal of land structure constraints, development of multiple sectors, supporting of the emergence institutions and local organizations. The importance of local development and the issue of upgrading the quality of rural areas and the quality of products: It is a dynamic process that must be worn by local actors through their activities and action strategies Participatory management of activities in rural areas: Creation of an enabling environment and a logic network between all social actors and institutions.

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