

Enlightenment of China's Regional Development Path to Algeria

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ABSTRACT

Regional economic development is the foundation of national economic development. China is one of the countries with the fastest economic development in the world over the past few decades. One of the important reasons for this achievement is China's successful path of regional development. Based on its development reality, China put forward the path of regional development. Economic development is regarded as the center of development. Growth poles lead the growth of whole regions. Regions climb along industrial chains to the high end. Infrastructure is the precondition for growth and balanced development is pursued. The ability of making regional development strategies and policies is improved. Through decades of stable development and relying on the above five pieces of experiences, China has set up the world's largest urban and regional development system. In its cooperation with China, Algeria can learn from China's regional development path and explore its own way

KEY WORDS

China, Algeria, regional development, development experience

RÉSUMÉ

La Chine est l'un des pays ayant connu le développement économique le plus rapide au monde au cours des dernières décennies. Et ce, en se basant sur le développement économique régional autant que fondement du développement économique national.

À ce titre, la Chine a adopté un modèle de développement régional basé sur les fondements réels de l'économie nationale, et les pôles de croissance sont considérés comme la locomotive de développement régional, sans pour autant négliger les infrastructures de base comme étant une condition sine qua non pour atteindre un développement équilibré, également la capacité de mettre en place des politiques et des stratégies adéquates.

Grâce à des décennies de développement stable et en s'appuyant sur les cinq expériences ci-dessus, la Chine a mis en place le plus grand système de développement urbain et régional au monde.

De ce qui précède, l'Algérie, à travers sa coopération avec la Chine, peut exploiter les bonnes pratiques de l'expérience chinoise en matière du développement régional, en vue de concevoir son propre modèle de développement régional.

MOTS CLÉS

Chine, Algérie, développement régional, expérience de développement.

الملخص

شهدت الصين أسرع نمو في العالم خلال العقود القليلة الماضية، وذلك من منطلق إيمانها بأن التنمية الاقتصادية الإقليمية أساس التنمية الاقتصادية الوطنية، وباعتباره أحد المحاور المهمة في نجاح الصين في تحقيق التنمية في هذا الصدد وانطلاقاً من واقعها التنموي، طرحت الصين نموذج التنمية الاقتصادية الإقليمية باعتباره مركز التنمية، والقاطرة التي تقود أقطاب النمو إلى تحقيق التنمية لكافة الأقاليم، أين تلعب البنية التحتية دوراً محورياً في تحقيق تنمية متوازنة، بالإضافة إلى مساهمته في تحسين القدرة على وضع استراتيجيات وسياسات التنمية الإقليمية. مخرجاته، هو تمكين الصين من إنشاء أكبر نظام تنمية حضرية وإقليمية في العالم بعد عقود من التنمية المستمرة

وعليه، تبرز أهمية استفادة الجزائر من التجربة الصينية من خلال التعرف على مسار التنمية الإقليمية للصين، والخروج بتجربة تنمية جزائرية متكاملة، تأخذ بعين الاعتبار خصوصيات كل تجربة وكل دولة، وهذا في ظل بحث الجزائر عن تحقيق تنمية اقتصادية شاملة ومتوازنة

الكلمات المفتاحية

الصين، الجزائر، التنمية الإقليمية، تجربة التنمية .

Introduction

Comparing with any other countries in the world (no matter big or small), China is impressive with its achievements in regional economic development over the last few decades. Its specific process to make such great achievements is worth learning. If Algeria, as the largest country in Africa, can find a development approach to its regional growth, that will play an important role in the future high-quality development of Algeria. In view of the similarities and close ties between China and Algeria in many aspects, Algeria can build such a path that conforms to its own development foundation, potential and vision, based on China's experience.

Research Question :

This article tries to address **what Algeria can learn from China's regional development path and explore its own way?** To enhance this research question, it is necessary to address some supporting aspects, as the following:

I. Why is China's regional development experience meaningful to Algeria?

II. Major Achievements and Experiences of China's Regional Development Path;

III. Algeria's regional economic development status and the sectors that require urgent improvement;

IV. Potential enlightenment of China's Regional Development Path to Algeria.

I. Why is China's regional development experience meaningful to Algeria?

As large developing countries, China and Algeria have many similarities, with profound traditional friendship and increasingly close political, economic, trade and industrial exchanges. In February 2014, both countries upgraded their relationship to a comprehensive strategic partnership, which is the first one of its kind established between China and Arab countries. According to the joint declaration signed by leaders of both countries, they have formulated a Five-Year Plan for Comprehensive Strategic Cooperation. It aims to boost concrete cooperation in various fields such as economy and trade, investment, energy and mining, infrastructure construction, agriculture, science and technology,

aerospace, humanities, etc., especially in areas where Algeria needs urgent development and where China has advantages, so as to complement each other with mutual benefit and win-win results. Since regional development is a prominent feature and advantage of China in its economic achievements, Algeria can learn from China's experience in this regard by considering their similar development environment and goals and the different stages they are in.

First, both countries have similar environment for development. China and Algeria are highly similar in terms of geographic location and administrative divisions. First of all, the land area of both countries is very large. China is the third largest country in the world, while Algeria is the tenth largest worldwide and is also the largest country in Africa. The huge land area provides a good support for economic development. Secondly, China and Algeria are both located at sea. China is west of the sea (the west region is inland and coastal areas are in the east), and Algeria is south of the sea (the south region is inland and the north region is coastal areas). This land pattern can help them integrate into the global economic and trade system. Finally, the administrative divisions of the both countries have high similarities. The Algerian Constitution stipulates that the countries divided into provinces and towns, with *dairas* in between provinces and towns. Although *dairas* subordinate to provinces, and don't serve as the first-level administrative units, the administrative division of Algeria is similar to China, which is divided into provinces, cities, counties and townships.

Second, the development goals of both countries are similar. The Communist Party of China has always made it its fundamental goal to seek benefits for the people, continuously meet their growing needs for a better life, build a modern socialist country and realize the great rejuvenation of the Chinese nation. China's system of development and governance was built around this goal. Algeria's development goals also include achieving national prosperity and people's development. For example, the current President Abdelmadjid Tebboune has repeated that economic development should be the top priority. In his 2020 policy address to the Algerian National Assembly (House of Representatives), Algerian Prime Minister Abdelaziz Djerad also made it clear that the Algerian Government will be committed to building a «social structure in which all Algerians are equal and ensure equal opportunities for all». Therefore, the ruling philosophy of the leadership of both countries are highly similar in meeting the needs of the people, which also means that both countries can achieve the same development goals by learning from each other's development experience. For example, Algeria has been trying to get rid of its

dependence on oil and related primary industries in recent years and to diversify its economic and industrial structure. In this regard, China, as the country with the largest industrial system and the most industrial categories in the world, will undoubtedly have the advantages to help Algeria realize its development goal if there could be in-depth industry-level cooperation.

Third, there are differences in terms of development stages between both countries. Since 1960, the development courses of China and Algeria are not the same and even quite different. China's GDP per capita index had been at a relatively low level for a long time, but it started to rise rapidly since it crossed the bottleneck of development and went on the right track. China's per capita GDP exceeded US \$10,000 in 2019. In contrast, Algeria's per capita GDP was higher than that of China for a period of time, but the change was accompanied by a «W»-shaped cyclical fluctuation. The growth of per capita GDP was not stable. In 2010, China's per capita GDP was 4,550 US dollars exceeding that of Algeria which stood at 4,480 US dollars. Algeria's per capita GDP dropped to 3,948 US dollars in 2019. The different development tracks of the per capita GDP indicators prove that there are great differences in the development of both countries. China's development system boasts of unique advantages in ensuring sustainable and stable economic growth, which is exactly what Algeria's development system needs to strengthen,

II. Major achievements and experiences of china's regional development path

The analysis of specific development periods reveals that China made great achievements in regional development with the following reasons: it established a development system centered on economic growth, a strategy of leading the whole region with growth poles, an idea of climbing along the industrial chain to the high end, a concept of building infrastructure first and balancing the industrial layout, and improving the ability of formulating regional development strategies and policies.

1. China's regional development system prioritizes economic growth

For the late-developing countries, it is not difficult to set up an orientation of giving priority to economic growth. What's difficult is how to build such a system with a strong executive force around this orientation. In the development of China, the Communist Party of China served as the core, which led the development planning. Governments at all levels served as the executors of the economic work. Stimulating the vitality of market players was

the goal. Performance-based evaluation over these governments was an important driving force for them. All these constructed a development system with a strong power of execution.

First of all, the CPC Central Committee drew up five-year development plans after considering the wisdom and opinions of professionals in different fields at different levels. This makes the plans fitting into development principles and forward-looking, and helps all sectors of society reach the consensus on striving to develop the economy to the greatest extent possible, which in turn ensures they follow the plans. For example, during the preparation of the 14th Five-Year Plan, General Secretary Xi Jinping proposed that the preparation should facilitate democracy and pool wisdom. He stressed the need to strengthen top-level design on the one hand and ask the people for advice on the other hand, so as to encourage them to make suggestions for the 14th Five-Year Plan in various ways. From August 16 to 29, 2020, opinions were solicited online for the 14th Five-Year Plan. More than 1 million pieces of messages were received and the planning team sorted out more than 1,000 pieces of suggestion. Secondly, after the CPC Central Committee draws up a strategic plan for national development, governments at the different levels draw their plans based on the goals put forward by the CPC Central Committee and by considering the reality in their jurisdiction. For example, China does not only have a national five-year plan, but also such plans in provinces, cities and counties. These plans are good supporter for the national one.

Thirdly, the CPC Central Committee will conduct quantitative evaluation on the performance of local governments every year, every five year and at every strategic time points based on the position of different regions in national development and the goals set in the national five-year plans. Main performance factors include GDP growth, fiscal revenue growth, high-tech industries and enterprises, residents' income, ecological environment and social stability indicators, which will mobilize local governments in boosting their economy. Finally, China attaches great importance to the decisive role of market in allocating resources and continuously reforms the relationship between government and market. The vitality of the entire market has been greatly stimulated. The efficiency of the government service has been significantly improved through many reforms. (Many regions of China explicitly require that relevant departments must shorten approval process and time as much as possible when handling applications of enterprises or individuals. The One-stop service originated from Zhejiang Province, where President Xi Jinping once worked). In fact, China's global ranking of business environment has continued to rise significantly in recent years, ranking 31st in the 2019 World Bank's business environment

assessment¹. For two consecutive years, China has been selected by the World Bank as one of the ten economies with the greatest improvement in the global business environment. The number of accepted reforms ranks among the top three in the world and China has become the economy with the greatest improvement in the business environment among the major economies in the world.

2. China's strategy emphasizes the role of growth poles in leading the growth of the broader regions

Providing growth poles with special policies, roles and positioning could encourage them to take a lead in development. After they achieve good results, the same policies could be implemented in broader areas. Moreover, an in-depth cooperation between the first-movers and the lagging behind areas are encouraged to finally balance the growth of a certain region. This is a prominent feature of China's regional development path.

In the early stage China's regional economic development, the set-up of special economic zones (SEZs) allowed some regions to take an initiative. In April 1979, China proposed to set up the first export special zone, which was renamed a special economic zone and the city of Shenzhen was chosen to be the host. After 40 years of development, Shenzhen's GDP has reached 270 billion yuan, making it one of the most developed cities in China. President Xi Jinping, in his speech at the 40th anniversary celebration of the establishment of Shenzhen Special Economic Zone, highly reaffirmed the important role and remarkable effect of the SEZs. He pointed out that the successful practice of Shenzhen and other SEZs has fully proved the correctness of the CPC Central Committee's strategic decision to set up such zones. SEZs should not only continue, but also be placed at a better and higher level. SEZs are one of the main forms of free port areas in the world².

Their main function is to promote the economic and technological development of the whole countries by creating a favorable investment environment, encouraging foreign investment,

1 - © 2019 International Bank for Reconstruction and Development / The World Bank 1818 H Street NW, Washington DC 20433 Telephone: 202-473-1000; Internet: www.worldbank.org

2 - Chinese President Xi Jinping, also general secretary of the Communist Party of China Central Committee and chairman of the Central Military Commission, delivers an important speech at a grand gathering held to celebrate the 40th anniversary of the establishment of the Shenzhen Special Economic Zone in Shenzhen, south China's Guangdong Province, Oct. 14, 2020.

introducing advanced technologies and scientific management methods and by means of preferential measures such as tariff reduction and exemption. SEZs enjoy special economic policies, flexible economic measures and special economic management systems, and serve the goal of an export-oriented economy. Based And according to China National Bureau of statistics in 2020, China's spending on research and development climbed 10.3% to 2.44 trillion yuan, which is a new record for China. on the successful experience of Shenzhen SEZ, China further extended this idea of economic and technological development zones, high-tech parks, new national zones, pilot free trade zones, free trade ports and other fields. It aims to offer special policies to special areas, to encourage these zones and areas to try and find feasible ways to higher quality development and deeper reform for the country. This can not only avoid the risks that may be brought about by rashly implementing a comprehensive reform nationwide, but also mobilize the enthusiasm and flexibility of local governments.

In fact, after decades of implementing the strategy of growth poles, all cities in China are proud to take a lead in trying new things in development. For example, China has recently titled Shenzhen City as a pilot zone in building socialism with Chinese characteristics and Pudong New Area in Shanghai as a leading area in socialist modernization respectively, which are the highest strategic titles Chinese cities could receive.

3. China emphasizes moving along industrial chains to the high end

Development economics theory believe that the level of regional development depends on the level of their industries, and the rise and fall of regional development is also closely related to the success of upgrading industrial structure to some extent. The reason why China's per capita GDP index can maintain a high growth for a long time and exceed US \$10,000 in 2019, is that China has always upgraded its industries along industrial chains to the high end, from labor-intensive industries to technology-intensive and capital-intensive ones. The overall upgrading is relatively smooth and stable.

In the 30 years after 1949, China established a system of heavy industry. However, its industrial system was not perfect because the light industry system was seriously weak. At the beginning of the reform and opening up, China lacked both capital and talents, and did not understand the international market. It had to intensively introduce in foreign capital, technology and management experience. At that time, what could be used to attract foreign capital was mainly its cheap labor, land and other

factors of production. Against this background, China chose the labor-intensive industry as the leading force, which was highly compatible with its endowment at that time. A large number of industrial parks were set up in coastal areas to process goods with supplied materials or samples, assemble products with supplied parts and do compensation trade. Attracting foreign capital and increasing exports became the mainstream thinking. Exports rapidly increased from 13.66 billion US dollars in 1979 to 84.94 billion US dollars in 1992, which gave a great boost to its domestic economy.

However, due to the low profit margin of such a development model and the high requirement on lost factor cost, China realized that it was inevitable to upgrade its industrial structure based on its accumulation of capital and experience.

Especially after the 18th CPC National Congress, the CPC Central Committee with Comrade Xi Jinping at the core accurately understood that China's economic development entered a new normal. It will unswervingly implement the new development philosophy covering innovation, coordination, green development, openness and sharing fruits. By seeking progress while maintaining stability, promoting high-quality development, deepening structural reform on the supply side, making use of the fundamental driving force of reform and innovation, and meeting the growing needs of the people for a better life, China will continue to steadily upgrade its economic and industrial structure. With the guidance of such a development policy, China has rapidly increased its investment in R&D. In 2019, China invested a total of 2.21436 trillion yuan in R&D, exceeding the 2 trillion yuan record for the first time and maintaining double-digit growth for four consecutive years. Since 2013, China's total R&D expenditure has ranked second in the world and the gap with the United States has gradually narrowed. At the same time, the proportion of R&D funding in the total GDP was 2.23%, an increase of 0.09 percentage points over the previous year, which also set a record high and was close to the average level of the 15 EU countries. Thanks to the continuous growth of R&D investment³, China's industrial upgrading and technological progress are also accelerating. The quality of export trade has also begun to improve. Exports of manufactured goods with high technological content and added value have increased significantly. The proportion of high-tech products increased from 5% in 1992 to 17% in 2001, and further climbed to 30% in 2018. The national

3- And according to China National Bureau of statistics in 2020, China's spending on research and development climbed 10.3% to 2.44 trillion yuan, which is a new record for China.

industrial structure system has undergone profound changes. Although the upgrading of China's industrial structure has not yet been completed, the process has demonstrated a development path of how to gradually upgrade from labor-intensive industries to technology-intensive and further to capital-intensive industries.

4. China prioritizes infrastructure construction and pays attention to balanced development

If there is a lack of convenient and large-scale infrastructure in a large country, it will be difficult for its people, things, materials and information to fully flow and circulate, the advantages of large market will be difficult to play their full role, and economic development will be difficult to accelerate. Large-scale, forward-looking and balanced infrastructure construction is an important factor for China's fast regional economic development over the past few decades. More importantly, high-quality infrastructure significantly enhanced the capacity of regions with geographical disadvantages, and also cultivated a large number of cities with faster development in China's non-eastern coastal regions.

As a saying goes, if you want to grow your economy, build roads first. China attaches more importance to infrastructure construction than many countries in the world. China has built the world's longest high-speed railways and expressways. In 2019, China's high-speed rail mileage exceeded 35,000 kilometers and expressway mileage 149,600 kilometers, both ranking first in the world. Besides formidable construction in transportation, the development of communication network is also fast. China entered 3G era in 2009 and built the world's largest 4G network by the end of 2014. Five years later, 5G commercial application started. The rapid construction of ICT infrastructure has made China the world's largest internet country. More importantly, China has always emphasized a balanced distribution in its infrastructure construction. More developed regions do not necessarily have better infrastructure than places with lower level of development. For example, in the ranking of high-speed rail mileage in 2019, the top ten provinces included 7 central and western provinces which were not so developed as coastal provinces. Guizhou Province, in the west of China with few plains, is world-famous for its stunning bridges and tunnels. Therefore, large-scale and forward-looking infrastructure construction has effectively facilitated China's sustainable economic development. At the same time, the balanced distribution of infrastructure provides more opportunities and stronger capabilities for the development of underdeveloped areas and those with disadvantaged locations. For example, over the past

ten years or so, almost all the fastest growing provinces came from central and southwest China. In 2019, the top three fast growing provinces were all from southwest China, namely Guizhou, Yunnan and Tibet. Among the top ten, 9 were central and western provinces and only 1 from the eastern coast region of China.

5. China uses regional development strategies and policies as an important tool

High-quality regional development cannot be realized with professional strategies, regional policies and other developmental tools. In China's regional development, regional development strategies and policies have played a huge role. Especially with the improvement of all regions, China's strategies and policies became more and more precise and differentiated.

At the beginning of its reform and opening up, China encouraged its eastern region to take the lead in development, which was the main idea of China's regional development strategy in that period. The SEZs, developed coastal cities and Pudong New Area were all located in the eastern coastal areas. With the improvement of the eastern region, the gap between regions in China gradually widened. As a result, China adopted three regional development strategies in 1999, 2003 and 2006 respectively, aiming at developing the western part, revitalizing the old industrial base in Northeast China and accelerating the rise of the central region. After more than a decade of growth, all regions continued to grow, with the gap between regions narrowed. At the same time, many more specific problems emerged in the process. After the 18th CPC National Congress, the CPC Central Committee with Comrade Xi Jinping at the core made more explicit arrangements for the functions of different regions based on the changes in the environment at home and abroad. For example, China put forward Beijing-Tianjin-Hebei coordinated development strategy, by transferring Beijing's non-capital functions and a strategy for developing Xiong'an New Area. Based on the cooperation between Guangdong and Hong Kong and Macao, the central government came up with the strategy for Guangdong-HongKong-Macao Greater Bay Area and built the Hong Kong-Zhuhai-Macao Bridge with a cost of over 120 billion yuan. It has issued the development strategy for the Yangtze River Economic Belt, which gives priority to ecological protection, and the strategy of ecological protection and high-quality development in the Yellow River Basin. China has put forward the strategy of regional integration in the Yangtze River Delta region. To ensure the high-quality development in the west, it issued the strategy of a new land-sea channel for this

part of China and the strategy of a twin-city economic circle in Chengdu-Chongqing region. To address the over-expansion of megacities, it has proposed to implement a strategy of reduction in Beijing and Shanghai. China's regional development strategy and policies are increasingly precise, specific and differentiated.

III. Algeria's regional economic development status and the sectors that require urgent improvement

Over the past few decades, Algeria has been one of the most well developing countries in Africa. Its per capita GDP was close to 5,500 US dollars from 2013 to 2014, and its economy has long been among the big four in Africa. Algeria's regional economic development has shown the following characteristics.

1. Algeria is facing greater pressure in its overall economic growth and need to cultivate more growth poles

In history, Algeria enjoyed rapid growth in the 1970s and the first decade of the 21st century. In the first period, Algeria's GDP increased from US \$1.86 billion in 1970 to US \$42.35 billion in 1980, increasing 22.8 times over a decade. In the second period, its GDP climbed from 48.64 billion US dollars in 1999 to 209.06 billion US dollars in 2012, an increase of 4.3 times in 13 years. Both growth rates are among the highest in the world. However, impacted by international and domestic uncertainties in recent years, its economic growth has begun to slow down. The GDP grew by 1.3%, 2.1% and 0.8% in 2017-2019 respectively, which are not only lower than its own average over the previous decades, but also lower than that of Africa. Covid-19 in 2020 has cast a shadow over the country's economy, with a considerable contraction of -5.5 % of GDP growth rate (**W-Bank, 2020**). This has shown that it is currently facing certain growth pressure as a whole. In the future, this growth pressure can be relieved by cultivating more regions as growth poles.

2. The regional development planning system has been relatively comprehensive and the focus in the future should be on implementation and enforcement

Algeria's current regional development planning system is relatively complete. On December 1, 1990, the Presidential Office of the Republic of Algeria promulgated (**Law N° 90-29**), Land

Consolidation and Urban Planning Law⁴. The law introduced two new levels of urban and rural planning, namely, the overall urban development planning and the land use planning. Since then, such a planning system has basically taken shape. Regional development plans include the National Scheme of Territorial Planning (NSTP), the Regional Schemes of Territorial Planning (RSTPs), the Metropolitan Area Master Planning Schemes (MAMPSs) or the Provincial (Wilaya) Planning Programs (WPPs), the Urban Development Master Plans (UDMPs), the Land Use Plans (LUPs), etc. This structure is quite similar to that of China, which is composed of national, provincial, municipal and county plans, in which national development plans serve as a guide, supported by special and regional plans and spatial plans.

The Algerian National Scheme of Territory Planning (NSTP) is designed by 2030, has an overall strategic objective, to balance the north, the Highlands and the south region, based on four guidelines, major challenges of the development of the territory obviously towards a sustainable territory, to create the dynamics of the territorial rebalancing, to create the conditions of the attractiveness and competitiveness of the regions, and to achieve territorial equity and these Guidelines are implemented by 20 Territorial Action Programs (T.A.P) to support the realization of development actions at regional and local level encompass 19 Sectoral Director Schemes (SDS), the 9 Regional Scheme of Territorial Planning (RSTP) covering the Regions-Program (the 09 Region programming space) provided by Law N°; 10-02 of 29 June 2010 approving the NSTP.2030, 4 Metropolitan Area Master Planning Schemes (MAMPS) and 48 provincial (Wilaya) Planning Programs (NSTP, 2030).

The implementation of these regional and local development plans is relatively weak due to several limitations where constraints (legal or institutional), low participation of local authorities, low experience of local elected officials and managers, lack of evaluation concept and technical services verification, problems of high pressure from land reserves. However, the strategy for implementing regional and national plans places particular emphasis on the tools and instruments needed to make actions more relevant and effective in the territory. Therefore in Algeria, the results are very mixed, judging by the degree of implementation of the institutions and the

4 - this law sets the general rules aimed at organizing the land urbanisation production, the training and transformation of building within the framework of an economical management of the soil, the balance between the function of habitat, agriculture and industry as well as preservation of the environment, natural environments, landscapes and cultural and historical heritage.

level of overall coherence and coordination of actions in the territory. Therefore both countries should pay more attention to enhancing their ability to implement the development plans (Herizi, 2016).

3. Regional strategies and policies focus on how to narrow regional gaps. In the future, some regions should be encouraged to develop first

Algeria's regional strategies and policies have been implemented. The first international forum on «Regional Configuration» was held in Algeria on January 19, 1980 and nine regional programming spaces were identified by Algeria, including the North Center, the North West, the North East, the Center Highlands, the Western Highlands, the Eastern highlands, the SouthEast, the SouthWest, and Hoggar-Tassili (Fatih, 2018). Since then, with the improvement of Algeria's development, the gap between the northern region and the central and other regions has gradually widened. More than 60% of the population is concentrated in the northern region, and more than half of whom live in the Center. In response, Algeria made narrowing the regional gap the top priority of its regional strategies and policies. In the National Policy for the creation of the Territory and Sustainable Development, the Algerian government clearly proposed to optimize the distribution of major projects, installations the infrastructure among the different regions to correct imbalances and eliminate the structural causes of the regional imbalance. The main contents include rebalancing the Sahel regions, rebalancing the highlands, rebalancing the south regions, developing the border areas and rehabilitating rural areas. The National Scheme of Territorial Planning and Sustainable Development (NSTP, 2030) also explicitly proposes to relocate major economic institutions and units, develop a supportive legislative apparatus and instruments for intervention, encourage a voluntary transfer of 2.5 million people distributed among the Highland (2 million from the North and 0.5 million from the South). This should be done through the presence of 55% of the population in the north, while 45% of them are distributed on the Highlands and the south. By doing so, it could achieve balanced regional development. However, the Algerian Government is also aware that in the NSTP. 2030, the demo economic stall is one of the major challenges facing Algeria's regional development, accordingly to alleviate the territorial imbalance and to revive the economic dynamic, an industrial strategy has been developed since 2007, its main objectives were to create integrated industrial development zones (IIDZ) or clusters, located in areas where there is a concentration of companies, availability of infrastructure, proximity to the university, research institutes and quality of services. This new industrial strategy based on the poles of excellence and competitiveness has been identified by the (NSTP, 2030), namely: The new city of Sidi

Abdellah specialized in the ICT and pharmaceutical industries; Bouinan specializing in food biotechnology and sports medicine, Oran, Mostaganem and Sidi Bel Abbés and Tlemcen specializing in organic chemistry, energy and space, technology and finally telecommunications; Constantine, Annaba, Skikda specializing in mechanics, biotechnology, metallurgy and petrochemistry; Sétif, Bejaia, Bordj Bou Arreridj, M'sila, its areas of activity specializing in plastics, food biotechnology; Médéa, Boughezoul, Laghouat: renewable energies, biotechnology, environment, health, agriculture and food, and pharmaceutical industry; Ouargla Hassi Messaoud, Ghardaia: petrochemicals, Saharan agronomy, biotechnology of arid zones (Herizi, 2016). At the end of 2020 Algeria has an industrial fabric encompassed by 681 activity zones with a total area of 16,356 hectares and 65 industrial zones covering 10,179 hectares, industrial space occupations include 52,223 lots created in the activity zones and 7,343 lots created in industrial zones, most of the 50% of industrial zones located in the northern wilayas, and the 41% of these zones are located in the wilayas of the highlands, the rest 9% of industrial zones set up in the southern wilayas⁵. To meet the strong demand for land intended for investment, and to take into account the 04 guidelines of the NSTP.2030, the public authorities have initiated a vast national program to build new industrial zones, contains 50 zones, spread over 39 wilayas, 44 of which will be managed by the wilayas and the remaining 6 entrusted to an Intermediation and Land Regulation National Agency (ILRNA)⁶ under the supervision of the Ministry of Industry with a total area of 12,000 hectares, following international standards in order to make Algeria an economically attractive destination, and the implementation of this program has a real economic and social impact both at national and regional level by contributing to the socio-economic development of the regions; a sustainable productive stimulation; a making basic infrastructure profitable; to the development and growth of the industrial vocation of the regions to get out of the isolated localities. Therefore, how to develop some areas first while narrowing the regional gap will be one of the main issues in Algeria's regional development strategy (NSTP, 2030).

4. Its industrial structure still needs to avoid over dependence on a single industry and local resources

Algeria is a vast country. Most of the area is covered by deserts, forests and vegetation, and water resources are not abundant.

5 - <https://www.industrie.gov.dz/>

6 ILRNA was created in April 2007 to boost investment. It is a public industrial and commercial establishment, placed under the supervision of the Ministry of Industry and Investment Promotion.

However, the country is rich in oil, natural gas and shale gas. The proven oil reserves are about 1.7 billion tons, accounting for 1% of the world's total reserves, ranking 15th in the world and 3rd in Africa. It produces Sahara light oil with high oil quality. In addition, two thirds of the country's territory has not been fully explored or not explored at all. The proven recoverable reserves of natural gas are 4.6 trillion cubic meters, accounting for 2.37% of the world's total, and ranking 10th in the world. Recoverable shale gas resources are expected to reach 20 trillion cubic meters, ranking third in the world. There are more than 30 kinds of mineral resources, including 4 billion tons of iron ore, 150 million tons of lead-zinc ore, 50,000 tons of uranium, 173.6 tons of gold and 2 billion tons of phosphate. More importantly, Algeria's domestic energy consumption accounts for only 30% of its total energy output, with the remaining 70% being exported. Among them, natural gas exports rank third in the world, second only to Russia and Canada, and crude oil exports rank 12th. In addition, it exports about 20 million tons of LNG annually, making it the world's fourth largest exporter of LNG after Indonesia, Malaysia and Qatar. The destinations are mainly Western Europe, especially France and Spain. 30% of Europe's energy comes from Algeria, and Europe's dependence on Algeria's energy reached 60% from 2015 to 2017.

It is also because of its unique oil and gas resources that Algeria's industrial development path is too dependent on energy exports and related industries. The industrial structure is obviously not proper and steel, metallurgy, machinery, electricity and other manufacturing industries is relatively weak. In 2019, although Algeria's secondary industry accounted for 38% of GDP, the hydrocarbon industry accounted for 16.7% of the total secondary production. In addition, the oil and gas industry accounts for 45.1% of GDP, while the manufacturing industry accounts for only 5.2%. In recent years, the economic fluctuation caused by frequent changes in energy export prices has made the Algerian government determined to get rid of single industrial structure and move towards diversified development. And according to the World Bank report, the year 2019 marked by social mobilization and political transition, and during which the Algerian economy experienced a contraction in the production of hydrocarbons and a more modest contribution from services, from agriculture and construction to growth. Algeria's real gross domestic product (GDP) grew 0.8% in 2019, up from 1.2% in 2018, with the 2.4% expansion in non-hydrocarbon sectors largely overshadowed by a decline 4.9% in hydrocarbons. The unemployment rate, which remained overall at 11.4% in 2019, fell for men from 9.5% in 2018 to 9.1% in 2019, while it increased among women from 19.5 to 20.4%. The State accounts continued to show a large double deficit,

dependent on revenues from hydrocarbons, therefore the overall budget deficit widened to reach 9.6% of GDP, under the effect of the drop in income from hydrocarbons and increased investment spending, while the current account deficit has remained relatively stable around 10% of GDP. The level of foreign exchange reserves fell gradually, to cover 13.6 months of imports at the end of 2019⁷.

Algeria's long-term economic growth is faltering, in a context marked by the decline of the hydrocarbon sector, a growth model driven by the public sector and a private sector which is struggling to establish itself as the new engine of growth. The hydrocarbon sector, which contributes 19.5% of GDP, 41% of budget revenues and 94% of exports, is currently experiencing structural decline. Algeria, like other oil-exporting countries in the MENA region, will need to move towards a more diversified economic model in order to accelerate growth and job creation (W-Bank, 2020).

5. Rapid progress has been made in infrastructure construction, but further upgrading is still needed

Algeria's infrastructure is good. For example, it has a total of about 127,000 kilometers of road network, remaining as one of the densest on the African continent, including 31,816 kilometers of national roads, 1,216 highways and more than 4568 expressways, 36 airports (including 16 international airports), about 250,000 kilometers optical fiber, 51 ports with throughput of more than 120 million tons, annual power production capacity of 12,930 megawatts, power grid coverage rate of 99%, and power transmission lines of 263,800 kilometers long. These indicators are among the highest in the African continent. During the fourth five-year plan (NSTP 2015-2019) period, the Algerian government invested 4,140 billion dinars (about 43.935 billion U.S. Dollars) in road construction, 555 billion dinars (about 5.95 billion U.S. Dollars) in port construction and 34 billion dinars (about 365 million U.S. Dollars) in airport construction, of which the total target mileage of Algerian highways will reach 5,500 kilometers by 2025. However, Algeria's infrastructure still needs to be further strengthened and upgraded. For example, at the end of 2019 in accordance with government action plan the total mileage of highways and expressways in Algeria is still only 5,700 kilometers and the railway line is 4,576 kilometers (including 386 kilometers of electrified lines with 32,000 passengers transported per day). Expressways and railway facilities are outdated with limited transportation capacity, low service quality and few stations, which cannot well meet the needs of its economic development. For that

7 <https://www.worldbank.org/en/country/algeria/overview#1>

reason and according to the Government's action plan presented by Ministry of Public Works, the modernization of the national transport railway sector, which will see in particular 6,300 linear kilometers in 2022, before being increased to 12,500 kilometers by 2030, therefore the objective to be term, being the connection of all the regions of the country to the rail network, and thereby strengthening the commercial and economic dynamic, at the national level. In addition, Algeria's postal service, high-voltage wire network, 4G and 5G communication network facilities also need further improvement (**Ministry of Public Works and Transport, 2020**).

IV. POTENTIAL ENLIGHTENMENT OF CHINA'S REGIONAL DEVELOPMENT PATH TO ALGERIA

As mentioned earlier, Algeria's development is under great pressure. How to accelerate the regional growth so as to provide stronger impetus for the sustainable development of the whole country is the primary challenge that the Algerian Government needs to address in the future. By considering Algeria's current regional development, the structure and implementation of its developmental strategies, we believe that Algeria is able to get some inspirations from China's regional development in the following aspects.

1. Building a Development System that Can Stimulate Local Enthusiasm

Compared with their counterparts in any other country, China's local governments have shown astonishing enthusiasm in the development of their regions. Some economists even believe that one of the important reasons why China has become the fastest growing country in the world over the past few decades is a development system that can stimulate the enthusiasm of local governments (**CAI Zhibing, 2019**). In fact, Algeria is also aware of this. In the (NSTP. 2030), Algeria explicitly proposes to promote a development model featuring competition among different regions. Chinese local governments are extremely enthusiastic because of China's thousands of years of traditional culture, which requires officials to benefit the people. However, there are also many systemic designs. These contents are exactly what other countries can learn from. For example, local economic development indicators should be important in the assessment and promotion of officials. Central and local governments should be balanced in governance and financial powers, the proportion of specific taxes of local governments should be increased and major strategies and projects should be given priority to regions with good economic performance.

2. Adopting special policies to encourage some regions to take the lead in development

In the era of globalization, continuously attracting external high-quality factors will directly benefit a country or region. From the perspective of competition among nations, the ability of attracting factors is closely related to a country's comparative advantages. However, it is impossible for a country to develop the comparative advantages of the whole country in a short period of time. By granting special policies and unique roles to some areas, a country can intentionally create a region with comparative advantages in attracting external economic factors such as capital, technology and enterprises. Finally, the development of bigger regions is boosted by those first growing parts. This is not only the internal logic of international economics, regional economics and development economics in the era of globalization, but also one of the most prominent features of China's regional growth (CAI Zhibing, 2020). Algeria could select several parts with great development potential, superior location and strong enthusiasm, adopt a series of measures such as concentrating investment in various development factors, reforming the system for investing in enterprises and industries, improving the tax system, business environment, the efficiency of government services. By doing so, it will create and encourage domestic growth poles to take the lead in achieving rapid growth. Undoubtedly, it will bring great impetus to Algeria's future development.

3. Emphasizing the leading role of regional development plans

Regional development plans are an important tool for decision-making to guide a country or region's long-term development in the future. Whether a regional development plan is forward-looking and scientific, whether it can be well implemented and binding, and whether it can generate the consensus of all the people will have an important impact on the final development quality of a country and a region (Huien, 2004). Therefore, regional development plans should be made not based on the will of government or some departments, but the consensus of the people of the whole country and the wisdom of all walks of life. Only in this way can these plans truly become the development consensus of the whole country and region and play their role in boosting national and local development (Joseph Baum, 2021). In the implementation of Algeria's regional development plans, many economic, political and social participants, even some administrative and public institutions, know little about the objectives and tools of plans. The institutional weakness and inadequate actions of participants are not good for the implementation. In the future, when formulating

or updating regional development plans, feasible ways should be created to let all walks of life know about and even participate in the formulation of plans. On this basis, the central government can finalize the plans that are not only in line with the development interests of vast majority, but also forward-looking and scientific.

4. Giving full play to the government's active role in shaping a world-class social, market and business environment

As the world's largest country in transition from a planned economy to a market economy, China has spared no effort in creating a world-class social, market and business environment. Today, China's social stability and security are among the best in the world. Even in the fields of government service capability, awareness of the rule of law and market business environment, which are considered to be the weaknesses of countries in transition, China has made great progress acknowledged by the whole world (**Zhu Jianqi, 2019**). Due to social stability, the continuous improvement of market economy and favorable business environment, China has attracted the highest amount of foreign capital in the world. From 1978 to 2018, China actually used 2.1 trillion US dollars of foreign capital. Since 1992, China's utilization of foreign capital has ranked first among developing countries for 27 consecutive years. Algerian government should take measures to ensure social stability in all aspects and improve market economy to create a more favorable business environment. It should also intensify its self-reform and exercise self-restraint on the government power that will restrict market economy and business environment. These two changes are undoubtedly the reforms that the Chinese government has been carrying out in the past few decades, and are also important reasons for the continuous improvement of China's social stability, market economy and business environment.

5. Accurately understanding the internal logic of industrial upgrading and formulating scientific plans for industrial upgrading

How to avoid over dependence on single industries caused by abundant natural resources is a challenge faced by many countries and regions with advantage in resources. Unless a diversified industrial structure system can be established, it will be very difficult to get rid of such over dependence (Peiyu, 2017). However, in diversifying its industrial structure, a country must understand the internal logic of industrial upgrading and formulate scientific upgrading plans. Industrial upgrading for a whole country requires it to go through all the stages. For a gradual upgrading, a good industrial foundation has to be laid in one stage for the development in the next stages. High-level stages could not be reached without the basis of low level stages. This is the fundamental principle for the top-level design (Lin Yifu, 2003). However, for a single region, certain industries can be developed first in industrial upgrading. With good planning, some industries can be given forward-looking plans based on the strength and needs of this region. On the basis of making a good developmental plan, it's necessary to improve the quality and capability of government services and infrastructure, increase investment promotion. It is feasible to gradually upgrade from labor-intensive industries to capital-intensive and further to technology-intensive industries.

V. Conclusion

Due to the similarity between China and Algeria in regional development and their complementarities, and considering the great achievements made in China's regional economic development over the past few decades, Algeria can learn from some useful experiences of China. However, as China has always sought truth from facts and find a socialist development path with Chinese characteristics in its development, while learning from the development experience from its own history and other countries, Algeria should put itself first. On the basis of an accurate understanding of its own development situation, it could find the path of its regional growth that is most in line with its own development potential and national interests.

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