


ROUNDTABLE

SOVIET–ARAB LINKAGES AND MIDDLE EAST STUDIES

## Algeria's Ties with the Soviet Union and State Socialism in the Maghreb

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On May 15, 1972, the Cuban leader Fidel Castro and Algeria's President Houari Boumedienne arrived in the workers' town of El Hadjar, near Annaba, to celebrate what appeared to be postcolonial Algeria's most important economic achievement. In a festive atmosphere, Castro cut the ribbon inaugurating a powerful blast furnace constructed by the Soviet Union and a rolling mill made by the Italian firm Innocenti in the steel plant of El Hadjar.<sup>1</sup> Promised by the French colonial state, but built step by step after Algeria's independence by the government of the Algerian Liberation Front (Front de Libération Nationale; FLN), the El Hadjar steel plant was the heavy industry the country hoped would spur its industrialization, much like the heavy industry that once constituted the cornerstone of industrialization in Stalin's Soviet Union. The Soviet Union was a major source of inspiration for Algeria; it also was a key provider of technology, training, and further technical assistance. Reporting on El Hadjar's opening ceremony, the French newspaper, *Le Monde*, did not fail to observe that, "The Algerian government entrusted the USSR to expand the plant, increasing its production capacity [from 400,000] to nearly 1.5 million tons [per year] in 1977."<sup>2</sup>

In this short paper, I will argue that cooperation between Algeria and the Soviet Union, which was grounded on shared views about development, national interests, and international politics, grew steadily between the 1960s and the 1980s, most notably under the reign of Boumedienne (1965–78), encompassing strategic sectors and becoming instrumental in the transformation of Algeria into a socialist country. Just as the El Hadjar steel plant, which embodied the "epic of Algeria's industrial development" along socialist lines until it ran into deep troubles in the mid-1980s, constituted a highly significant project, Soviet and East European developmental aid increased and cooperation flourished in many other critical fields, from economic planning to technical education.<sup>3</sup> I will first outline these developments to highlight Algeria's increasing reliance on and resemblance to Soviet bloc and East

<sup>1</sup> The festive atmosphere and the ribbon cutting ceremony are captured in "Castro's Longest Visit to Algeria and President Boumedienne," YouTube video, [1972], accessed 18 October 2024, <https://www.youtube.com/watch?v=aU8-On54LPI&t=906s>.

<sup>2</sup> "MM. Boumedienne et Castro ont inauguré l'aciérie d'El Hadjar," *Le Monde*, 17 September 1972.

<sup>3</sup> Fatiha Talahite, "Réformes et transformations économiques en Algérie" (Habilitation thesis, University of Paris-Nord–Paris 13, 2010), 69.

European states, skipping their burgeoning military ties.<sup>4</sup> I will then argue that rethinking these developments may benefit the historiography of the Middle East in many ways. First, by shifting attention from Ahmed Ben Bella (1962–65) to Boumedienne and from the Mashriq to the Maghreb, the Soviet factor appears to be more enduring than in Egypt, and the Soviet model more influential than in other Middle Eastern countries, including Syria and Iraq. Second, Soviet–Algerian relations have a number of stakes for economic historians. Because the Soviet Union was a key actor in the establishment of steel industry not only in Algeria, but also in Egypt, Syria, and even in Pahlavi Iran, and because the steel industry constitutes the foundational sector of industrial economy, economic historians have good reasons to revisit Moscow’s appeal and thoroughly reassess these development projects. Last but not least, Algeria’s engagement with the Soviet Union until the quasi-simultaneous collapse of state socialism in both countries presents challenges to global historians, who usually neglect the Algerian riots of October 1988 when they tell a global history of the collapse of state socialism. Yet, the Algerian October was in many respects a dress rehearsal for what was soon to occur in the Eastern bloc and beyond. It follows that Algeria and the Middle East may complement and recalibrate recent historical accounts of late socialism and of its collapse.

In his fascinating study of Algerian decolonization politics and the first independence years until the ouster of President Ben Bella in June 1965, historian Jeffrey Byrne detailed the Algerian leaders’ efforts to carve out their own special brand of socialism.<sup>5</sup> Scrutinizing these politics from Algiers, the first two Soviet ambassadors, Alexander Abramov (1962–64) and Nikolai Pegov (1964–67), would largely subscribe to this conclusion. At the same time, they both stroke very confident notes, stressing that the appeal of the Soviet Union was much stronger than that of China, and rejoicing at the positive impact the work of Soviet and Eastern bloc expatriates, doctors and nurses, professors and engineers, had in the war-ravaged country.<sup>6</sup> To be sure, the Soviet Union committed more resources to assist and influence Algeria than China, and it also could count on many allies.<sup>7</sup>

One of them was socialist Bulgaria, which played a crucial role in the early independence years as Algeria’s official partner in the Office for the Study of Industrial and Mining Projects (BERIM; Bureau d’études des réalisations industrielles et minières). Headed by Mohammed Liassine, the future CEO of El Hadjar and Minister of Heavy Industry, BERIM was the institution that oversaw the Algerianization of industrial assets left by the French (*biens vacants*) and made the master plan for mining and industrial development. Bulgarian experts were heavily involved in the planning process, advocating the merger of small firms into bigger ones, the creation of centralized institutions, and the establishment of a powerful national steel industry. “We have to pay a tribute to the Bulgarian civil assistance,” Liassine noted in his recollections.<sup>9</sup>

Other Eastern bloc experts, like the Polish economist Czeslaw Bobrowski, a senior adviser at the Algerian Office of State Planning, enjoyed excellent reputations and had a big impact

<sup>4</sup> I am omitting the military ties both for practical reasons and because they have less direct relevance to this account of economic and technical cooperation. On military cooperation, see Saphia Arezki, *De l’ALN à l’ANP: La construction de l’armée algérienne, 1954–1991* (Paris: Éditions de la Sorbonne, 2022).

<sup>5</sup> James Jeffrey Byrne, *Mecca of Revolution: Algeria, Decolonization, and Third World Order* (Oxford, UK: Oxford University Press, 2016).

<sup>6</sup> State Archive of the Russian Federation (GARF), collection 9518 of the State Committee for Cultural Exchange with Foreign Countries, inventory 1: see Abramov’s report, 31 August 1963, in file 540, 419–40; and Pegov’s correspondence with Moscow of 18 March 1964, 22 October 1964, and 27 November 1964, in file 489, 115–20, 363–65, and 384–86, respectively. In the same file, see also the very interesting reports addressed to Moscow by P. Kostiaigin, the cultural attaché at the Soviet embassy.

<sup>7</sup> Byrne, *Mecca of Revolution*, 265.

on the Algerian elite.<sup>8</sup> But the biggest impact on the Algerian leadership was that of the French economist Gérard Destanne de Bernis, the development theorist who largely conceived Algeria's development strategy. A member of the French Communist Party and a chief adviser at the Algerian Ministry of Industry and Energy, de Bernis advocated state investment in "industrializing industries" (*industries industrialisantes*), namely, those heavy industries that could foster the development of peripheral ones and, with proper planning, lead to the creation of an entire industrial ecosystem.<sup>9</sup> De Bernis's theory, which was very much inspired by the Soviet experience, had a huge appeal to Belaïd Abdesselam, the Minister of Industry and Energy between 1965 and 1977, and "number two" of the Algerian regime, as well as to President Boumedienne.<sup>10</sup> Nationalizations, heavy industry, and central planning were the key pillars of this model.

As scholars have rightly pointed out, planning was an axiom for every developing nation, and Algeria was not an exception.<sup>11</sup> Eventually, Boumedienne made up his mind on this after he visited the Soviet Union in December 1965. Following this trip, Soviet experts of the State Planning Committee (Gosplan) were invited to Algiers, where they worked until 1967 to put together the country's initial three-year economic plan.<sup>12</sup> Soviet aid also was requested and provided to plan the development of the iron and steel industry, with the Soviets recommending to quadruple the industry's capacity—against the French advice—and the Algerian government approving their plans.<sup>13</sup>

In the meantime, Moscow provided educational aid, establishing the African Center of Hydrocarbons and Textile in Boumerdès, near Algiers, in 1965. Part of this institution was the Algerian Oil and Gas Institute, which employed more than 200 Soviet instructors and trained hundreds of Algerian students. The school's graduates were later hired by Sonatrach, the state energy company which, in the late 1960s and early 1970s, took over the oil and gas fields from French and American companies. In May 1971, Boumedienne acknowledged the connection between Soviet educational assistance and the nationalization of hydrocarbons, stressing that, "The graduates of the African Center of Hydrocarbons and Textile [made] a major contribution by replacing the foreign technicians and managers when our country got back our national oil riches."<sup>14</sup>

Powerful convictions and oil wealth were pushing Algeria to the path of state socialism. The year 1972 witnessed the radicalization of leftist policies, with the adoption of the law on

<sup>8</sup> Pierre Judet, "Le processus d'industrialisation. Regards à partir de l'expérience de l'IREP," in Aïssa Kadri and Mohamed Benguerna, eds., *Ingénieurs en Algérie dans les années 1960. Une génération de coopération* (Paris: Karthala, 2014), 23–45.

<sup>9</sup> Gérard Destanne de Bernis, "Les industries industrialisantes et les options algériennes," *Tiers-Monde*, 12, no. 47 (1971): 545–63; Kay Adamson, "Establishing Utopia: Exploring the Political Origins of Economic Policy in Algeria," in *Transition and Development in Algeria: Economic, Social and Cultural Challenges*, ed. Margaret Majumdar and Mohamed Saad (Bristol, UK: Intellect Books, 2005), 5–16.

<sup>10</sup> See Mahfoud Benoune and Ali El Kenz, *Le hasard et l'histoire: Entretiens avec Belaïd Abdesselam* (Algiers: ENAG, 1990).

<sup>11</sup> David Engerman, *The Price of Aid: The Economic Cold War in India* (Cambridge, MA: Harvard University Press, 2018); Sara Lorenzini, *Global Development: A Cold War History* (Princeton, NJ: Princeton University Press, 2019). For Europe, see Michel Christian, Sandrine Kott, and Ondřej Matějka, *Planning in Cold War Europe: Competition, Cooperation, Circulations (1950s–1970s)* (Berlin: De Gruyter Oldenbourg, 2018).

<sup>12</sup> Éric Lechevallier, "La coopération, un terrain de concurrence Est-Ouest en Algérie," *Outre-Mers, Revue d'histoire* 108, no. 406/407 (2020): 144.

<sup>13</sup> Mémoires SNS, *L'aventure humaine et industrielle de la sidérurgie algérienne* (Vulaines sur Seine: Éditions du Croquant, 2021), 138. This book was authored by the group "Mémoires SNS," former engineers of El Hadjar. SNS was the acronym for the National Iron and Steel Corporation (Société Nationale de Sidérurgie) of Algeria, which actually oversaw the construction and function of the steel plant.

<sup>14</sup> Hocine Khelfaoui, *La formation des ingénieurs en Algérie: Le cas des Instituts Technologiques de Boumerdès* (PhD thesis, Université de Versailles, Saint-Quentin-en-Yvelines, 1997), 129.

the “socialist management of enterprises” and the “agrarian revolution,” which involved the expropriation of big landowners and the redistribution of national farmland to poor fellahin who had to join the state-sponsored cooperatives. As described, 1972 also was the year El Hadjar began mass production and the Algerian government entrusted its further development to the Soviet company Tiajpromeksport. In the sector of the furnace alone, 700 Soviet engineers and skilled workers served alongside Algerian workers and trainees.<sup>15</sup> In nearby Annaba, the Soviets established the Workers’ Education Center (CFO; Centre de formation des ouvriers), a separate institution training between 250 and 500 metal workers in various specialties every year.<sup>16</sup> Last but not least, the Soviets established the Institute of Mining and Smelting at the University of Annaba, a higher education institution that employed 254 Soviet instructors in 1975 and trained engineers for the steel plant and other industries. In 1980, the number of Soviet instructors teaching in Algerian institutions of tertiary education reached 954, and the number of Algerian students enrolled in technical schools created by the Soviet Union in Annaba and Boumerdès reached 8,500. The same year, a permanent Soviet–Algerian intergovernmental commission was planning and coordinating the economic, industrial, and educational cooperation between the two countries.<sup>17</sup> It was the heyday of Algerian socialism and of Soviet–Algerian relations. Two years later, however, President Chadli Bendjedid (1979–92), Boumedienne’s successor, initiated *intifah*, a timid and failed attempt to restructure state-owned enterprises and liberalize the economy. A new wave of Algerianization, not unrelated to the country’s fiscal crisis, led to a sharp decline in the number of Soviet and Eastern bloc expatriates working in the country. And the collapse of oil prices in the second half of the 1980s delivered state socialism the finishing blow.

How could the historiography of the Middle East benefit from the study of Soviet–Algerian relations and what may be the possible research avenues? Soviet–Algerian relations are in themselves an important and underresearched part of the broader connections between the Middle East and the Eastern bloc and, as such, very significant. It is possible to argue that the more research advances, the more their relevance will grow. Still, in current research they give clues to a number of crucial historical issues. In the first place, they again bring to the fore the appeal of the Soviet model. This is not exactly the oft-repeated appeal of the one-party state and other communist patterns of governance.<sup>18</sup> Algerian leaders appeared to be genuinely convinced that the Soviet experience in economic development was relevant to their country, and sought to learn from Soviet planning and industrialization policies. As the Syrian and Iraqi Ba’th regimes pursued a more pragmatic strategy engaging with and even supporting the loyal-to-the-regime private sector, and while Egypt under Anwar al-Sadat (r. 1970–81) moved away from the economic policy of Gamal ‘Abd al-Nasser (r. 1955–70), Algeria was making a serious commitment to state socialism, opting for the development of heavy industry largely along Soviet lines.<sup>19</sup> Certainly, a thorough comparison with Iraq, another hydrocarbon-rich socialist regime, would make a lot of sense. But, as evidence suggests, Algeria had a much more genuine commitment to state socialism and, contrary to war-ridden Iraq, it stuck to this model longer. With good reasons then, many Algerian communists, contrary to their Iraqi comrades, became bedfellows of the FLN,

<sup>15</sup> Mémoires SNS, *L’aventure humaine*, 145.

<sup>16</sup> Ibid., 96.

<sup>17</sup> Constantin Katsakioris, “The Socialist Countries, North Africa, and the Middle East: The Educational Connection,” *Contemporary European History* 30, no. 4 (2021): 607–8.

<sup>18</sup> Steven G. Marks, *How Russia Shaped the Modern World: From Art to Anti-Semitism, Ballet to Bolshevism* (Princeton, NJ: Princeton University Press, 2003), 311–30.

<sup>19</sup> John Waterbury, *The Egypt of Nasser and Sadat: The Political Economy of Two Regimes* (Princeton, NJ: Princeton University Press, 1983); Raymond Hinnebusch, *Syria: Revolution from Above* (London: Routledge, 2001), 86–89; Marion Farouk-Sluglett and Peter Sluglett, *Iraq since 1958: From Revolution to Dictatorship* (London: Tauris, 2001), 227–45.

supporting Boumedienne's economic ventures and enjoying the political and material benefits of their relationship with the military regime. As Soviet–Algerian ties suggest, the appeal of the Soviet model across the Middle East beyond the one-party state is a question that deserves further scrutiny.

Related to this is the history of iron and steel industry in the region. Backbone of the industrial economy, steel plants were necessary for the manufacturing of consumer goods, construction material, and pipelines for the energy industry. To fulfill their development aspirations, Middle Eastern countries could not afford to neglect this critical sector. Aggrieved with the West and determined to play industrially developed nations against each other, they often turned to the East to find in the Soviet Union a reliable alternative source of technology. Algerians were persuaded that the Soviets offered an excellent package, including loans, sound industrial planning, the most advanced blast furnaces, and good training of engineers and workers. In the Workers' Education Center the Soviets set up in Annaba and in the steel plant of El Hadjar, the fellahin were meant to be transformed into new Algerian men: modern workers, nation-builders, and socialists.<sup>20</sup> Against this background, several Middle Eastern countries sought Moscow's assistance to develop their steel industry. In Egypt, the Soviets established the Helwan Steel Complex and the El-Tabbin Metallurgical Institute to train managers and technical staff for the plant's higher-level functions.<sup>21</sup> In Syria they established the Hama Steel Plant, and in Libya they played a secondary role in the development of the Misrata Iron and Steel Complex. Even in Pahlavi Iran, the Soviet Union constructed the Ahvaz Steel Complex, a turnkey project the pro-Western shah, Muhammad Reza Pahlavi (r. 1941–79) awarded the Soviets, who dispatched for this purpose more than 1,300 engineers and technicians to Isfahan.<sup>22</sup> Just as the alternative technology transfers, the knowledge relations, and the politics of technical aid are important topics in the literature of international development, all these major industrial projects also are an integral part of the economic history of the Middle East. The economic, social, and environment impact of these projects and their legacies to Russian–Middle Eastern relations are yet to be assessed.

Ironically, another body of literature that may benefit from the study of Soviet–Algerian relations and the construction of Algerian state socialism is the literature on the collapse of state socialism itself. If this literature has had many good reasons to focus on Eastern Europe and the Soviet Union, approaching 1989 as a European revolution that went global, similar processes that took place in the global South have never received proper consideration.<sup>23</sup> Algeria is conspicuously absent from the global history of the collapse of state socialism. Eventually, this was due to the rise of political Islamism and the subsequent civil war (1992–98), which informed the interpretation of what happened in the country in October 1988 and before, emphasizing in a quasi-teleological way the rise of radical Islam and overshadowing other factors. However, as scholars have pointed out, these ex post facto assessments only partly account for the country's problems during the 1980s.<sup>24</sup> For the rest, Algeria faced

<sup>20</sup> Ali El Kenz, *Le complexe sidérurgique d'El Hadjar: Une expérience industrielle* (Paris: Editions du CNRS, 1987).

<sup>21</sup> Katsakioris, "Socialist Countries," 607.

<sup>22</sup> Lisa Reynolds Wolfe, "Russia and the Isfahan Steel Mill," *Cold War Studies*, 6 March 2013, <https://coldwarstudies.com/2013/03/06/russia-and-the-isfahan-steel-mill>.

<sup>23</sup> George Lawson, Chris Armbruster, and Michael Cox, eds., *The Global 1989: Continuity and Change in World Politics* (Cambridge, UK: Cambridge University Press, 2010); Ulf Engel, Frank Hadler, and Matthias Middell, eds., 1989 in a Global Perspective (Leipzig: Leipziger Universitätsverlag, 2015); James Mark, Bogdan C. Iacob, Tobias Rupprecht, and Ljubica Spaskovska, 1989: *A Global History of Eastern Europe* (Cambridge, UK: Cambridge University Press, 2019).

<sup>24</sup> Talahite, "Réformes et transformations," 11–14; Myriam Aït-Aoudia, "Des émeutes à une crise politique: Les ressorts de la politisation des mobilisations en Algérie en 1988," *Politix* 4/28, no. 112 (2015): 59–82.

challenges very similar to those that faced Eastern Europe and the Soviet Union, including the tremendous structural problems created or exacerbated by state socialism, the collapse of oil prices, debt and budget deficits, and national mobilization, as well as opposition from a liberal and human rights movement. Ultimately, Algeria can compel historians to write a less Eurocentric global history of socialism and its collapse.

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**Cite this article:** Constantin Katsakioris, “Algeria’s Ties with the Soviet Union and State Socialism in the Maghreb,” *International Journal of Middle East Studies* (2024) 56, 510–515. <https://doi.org/10.1017/S0020743824000990>