

The Constitutional Framework of Economic Rights in Algeria: Balancing State Control and Market Freedom in the National Economy

¹Gherdaine Khadidja, ²Sekrane Fawzia

¹Abou Bekr Belkaid University- Tlemcen (Algeria), Mediterranean Laboratory for Legal Studies.
khadidja.gherdaine@univ-tlemcen.dz

²Abou Bekr Belkaid University- Tlemcen (Algeria), Mediterranean Laboratory for Legal Studies.
fawzia.sekrane@univ-tlemcen.dz

ARTICLE INFO	ABSTRACT
Received: 29 Oct 2024 Revised: 12 Nov 2024 Accepted: 27 Dec 2024	This paper examines the constitutional foundations of economic rights in Algeria, focusing on the tension between state control and market freedom in the national economy. Since independence, Algeria’s constitutional texts have reflected a persistent duality: affirming social justice and state intervention while progressively recognizing private initiative and economic liberalization. Through a doctrinal analysis of Algeria’s constitutions (1963, 1976, 1989, 1996, 2016, and 2020) and relevant legislation, this study explores how constitutional norms have shaped economic governance, property rights, and the balance between public and private sectors. Drawing on comparative insights from other semi-statist systems, the article evaluates whether recent reforms — particularly the 2020 Constitution — effectively redefine the constitutional vision of the Algerian economy toward sustainable and accountable development. The findings suggest that while Algeria’s constitutional framework has evolved toward recognizing market freedoms, state dominance in strategic sectors and weak judicial enforcement continue to limit full realization of constitutional economic rights. The paper concludes by proposing reforms to strengthen constitutional guarantees for entrepreneurship, transparency, and equitable development within a mixed-economy model. Keywords: constitutional law, economic rights, Algeria, market freedom, state intervention, constitutional reform, mixed economy, public ownership.

Introduction

Since gaining independence in 1962, Algeria has pursued a distinctive constitutional and economic trajectory marked by the dual imperatives of state sovereignty and social justice. The country’s economic governance has long reflected a statist ideology, rooted in the legacy of national liberation and the political dominance of the state as both regulator and primary actor in economic life (Ruedy, 2005). Yet, over time, the pressures of globalization, social change, and domestic economic inefficiencies have compelled a gradual constitutional shift toward recognizing private initiative and market mechanisms. The constitutional evolution from the 1963 to the 2020 Constitution reveals an ongoing search for balance between the collective ethos of state control and the liberal principles of market freedom. This tension defines the core challenge of Algeria’s constitutional economic order: how to reconcile state responsibility for equitable development with the constitutional protection of individual economic rights.

Historically, Algeria's economic model was forged within the context of postcolonial reconstruction and socialist orientation. The 1963 Constitution established the state as the "owner of the national wealth" and the primary agent of economic transformation. Similarly, the 1976 Constitution, reflecting the ideological framework of the National Charter, entrenched public ownership and economic centralization as pillars of national identity and independence (Benamar, 2021). This approach was justified by the need to safeguard national resources, promote industrialization, and ensure social justice. However, the concentration of economic decision-making in the executive branch and the predominance of state enterprises led to bureaucratic rigidity and limited citizen participation in economic life (Brahimi, 2017).

The economic crisis of the 1980s and the global turn toward liberalization created the context for constitutional and policy reorientation. The 1989 Constitution introduced, for the first time, explicit recognition of private property and freedom of enterprise, signaling an opening toward a market-oriented economy (Bouandel, 2019). Nonetheless, this liberalization was cautious and inconsistent. The 1996 Constitution reaffirmed a "mixed economy" in which both public and private sectors coexist but maintained the state's central role in steering national development. The 2016 and 2020 constitutional reforms further expanded the language of economic rights—such as guarantees of entrepreneurship, transparency, and property rights—while also preserving strong state control over "strategic sectors" and natural resources (Constitution of Algeria, 2020, art. 21–22). This hybrid structure illustrates Algeria's complex attempt to constitutionally harmonize social protection with economic efficiency.

The problem statement of this study rests on this enduring duality between constitutional norms and economic practice. Despite formal recognition of economic freedoms, Algeria continues to experience pervasive state intervention, regulatory opacity, and limited judicial enforcement of economic rights (OECD, 2021). The state's economic dominance—especially in energy, banking, and infrastructure—creates structural constraints on market competitiveness and the development of private enterprise. These conditions raise crucial questions about the substantive meaning of constitutional guarantees in practice: To what extent do constitutional reforms genuinely empower individuals and private actors within Algeria's economic system? And how effectively do existing institutions uphold the constitutional principles of equity, accountability, and freedom of initiative?

The research question guiding this paper is therefore: *How does the Algerian constitutional framework balance state control and market freedom in shaping the national economy, and what are the implications for economic rights and democratic accountability?* To address this question, the study adopts a doctrinal and comparative legal approach. It analyzes the constitutional texts of 1963, 1976, 1989, 1996, 2016, and 2020, along with relevant legislation and institutional developments, in order to trace the evolution of economic rights and their enforcement mechanisms. Comparative insights are drawn from other North African constitutions—particularly Tunisia and Morocco—to evaluate Algeria's position within regional trends of constitutional economic reform.

The theoretical foundation of this paper draws on contemporary scholarship on constitutionalism and economic governance. The concept of constitutional economics, as articulated by Elster (2000) and Loughlin (2010), suggests that constitutions not only regulate political power but also set the normative boundaries of economic policy. In Algeria's case, constitutional design has historically been used as a means of legitimizing economic ideology—first socialism, later developmental statism, and more recently, controlled liberalization. From a rule of law perspective, the balance between state control and market freedom reflects a deeper constitutional question about the relationship between collective welfare and individual autonomy (Raz, 1979). Moreover, as Habermas (1996) argues, the legitimacy of constitutional order depends on its capacity to reconcile social justice with procedural accountability—a challenge that remains particularly acute in Algeria's evolving political economy.

Methodologically, this study employs doctrinal legal analysis to interpret constitutional provisions, supported by a comparative institutional review of accountability and transparency mechanisms in

Algeria and neighboring systems. The analysis is complemented by secondary data from international organizations such as the OECD (2021), UNDP (2020), and Transparency International (2022), providing empirical context regarding governance performance and institutional integrity. By integrating legal interpretation with governance indicators, the paper aims to link constitutional norms to their practical implications for economic regulation, investor confidence, and citizen empowerment.

Structurally, the paper unfolds in five main sections. The first section establishes the theoretical and constitutional foundations of the Algerian economic model, tracing its ideological and institutional roots. The second section analyzes the recognition and protection of economic rights in Algeria's constitutional framework, focusing on property rights, entrepreneurship, and social justice principles. The third section examines the mechanisms of economic governance and accountability, including the roles of oversight institutions and anti-corruption frameworks. The fourth section adopts a comparative perspective, drawing lessons from Tunisia, Morocco, and other mixed-economy constitutions. The fifth and final section evaluates future prospects and reform challenges, identifying pathways to reconcile Algeria's constitutional commitment to social equity with its aspiration for an efficient, transparent market economy.

Ultimately, this study argues that Algeria's constitutional framework embodies an evolving but incomplete transition toward economic liberalization within a state-centric paradigm. While recent reforms introduce greater recognition of market freedoms and transparency, the persistence of executive dominance and limited judicial independence continue to constrain the realization of economic rights. Strengthening constitutional accountability, fostering institutional autonomy, and embedding transparency principles are essential for transforming Algeria's constitutional promises into tangible economic freedoms and sustainable development outcomes.

I. The Constitutional Foundations of the Algerian Economic Model

1. The Post-Independence Period and the Socialist Orientation (1963–1976)

The constitutional foundations of Algeria's economic model were deeply shaped by the political and ideological context of the post-independence period. The **1963 Constitution**, adopted shortly after liberation from French colonial rule, established the Republic as a sovereign, unitary, and socialist state. Article 13 of the 1963 Constitution declared that "the national wealth belongs to the people," reflecting a collective ownership principle that became the cornerstone of Algerian constitutional economics. This constitutional vision was directly tied to the legitimacy of the National Liberation Front (FLN), which sought to consolidate political unity and state authority under the banner of socialism and anti-imperialism (Entelis, 1996).

The 1963 text, while brief and highly ideological, institutionalized state monopoly over the means of production. Economic activity was framed as an instrument of national reconstruction rather than individual enterprise. This was consistent with broader postcolonial trends across the Arab world, where constitutions were used to enshrine state-led development and to legitimize centralized power (Brown, 2001). In Algeria, the FLN's revolutionary legitimacy translated into a constitutionalized command economy, emphasizing the redistributive role of the state as guarantor of social justice and independence.

Following the 1965 coup led by Colonel Houari Boumédiène, Algeria entered a new phase of economic institutionalization. The 1976 Constitution consolidated this statist model under the ideological influence of the National Charter (1976). This document elevated socialism to a constitutional principle, affirming the state's mission to direct the economy "in the service of the people." The state was recognized as both the owner and manager of natural resources, particularly hydrocarbons, which became central to Algeria's identity as a rentier state (Benamar, 2021). The economic system thus reflected a constitutionalized version of "presidential centralism", where the executive monopolized decision-making and resource distribution.

The 1976 Constitution also created a complex institutional framework designed to fuse political and economic authority under the presidency. The National Assembly and the single-party system operated largely as consultative bodies, lacking independent oversight or budgetary control. While the Constitution guaranteed certain social rights—such as employment, education, and access to public services—these rights were collective and **declarative**, not justiciable before any independent judiciary (Brahimi, 2017). Thus, while the 1976 text represented a more detailed constitutional articulation of economic principles than its predecessor, it entrenched a **state-centered economy without mechanisms of accountability or competition**.

2. The 1989 Constitution and the Introduction of Market Liberalization

By the late 1980s, Algeria's statist economy faced severe crises—declining oil revenues, mounting debt, and widespread unemployment. The political unrest culminating in the 1988 protests forced a constitutional reconsideration of the relationship between the state, the market, and society (Zoubir & Dris-Aït-Hamadouche, 2019). The 1989 Constitution marked a profound ideological departure: it removed explicit references to socialism and introduced the principle of political pluralism and economic freedom.

Article 37 of the 1989 Constitution guaranteed freedom of commerce and industry, while Article 38 recognized the right to private property, albeit subject to the “general interest.” For the first time, private enterprise was constitutionally legitimated as a component of national development. This shift reflected broader neoliberal trends influenced by international institutions such as the IMF and World Bank, which advocated structural adjustment and privatization across North Africa (UNDP, 2020).

However, the 1989 reforms did not fully dismantle the institutional dominance of the state. The executive retained control over strategic sectors, particularly hydrocarbons, banking, and foreign trade. Furthermore, weak judicial institutions and the absence of effective parliamentary oversight limited the enforceability of new economic rights. As Bouandel (2019) notes, the transition to a market economy was “constitutionalized in form, but constrained in substance.”

The outbreak of civil conflict in the 1990s further undermined economic liberalization. Emergency laws and security concerns led to the recentralization of economic decision-making, effectively reversing many of the 1989 gains. Thus, while the 1989 Constitution represented a symbolic break from socialism, it failed to produce a durable framework for market accountability or transparent governance.

3. The 1996 Constitution: Semi-Presidentialism and the Controlled Market

In the aftermath of the political crisis, the 1996 Constitution sought to restore institutional stability while maintaining a controlled form of pluralism. It introduced semi-presidentialism, a bicameral parliament, and the Constitutional Council as a guardian of constitutional legality. Economically, it reaffirmed the commitment to a “market economy” (Article 37) while emphasizing the state's role in “regulating, orienting, and encouraging economic activity.”

This dual formula institutionalized a hybrid model—neither fully liberal nor statist. The Constitution guaranteed freedom of investment and enterprise but subordinated these rights to state regulation in the public interest. It also maintained state control over natural resources, defined as “the collective property of the nation.” The Hydrocarbons Law and the state monopoly over Sonatrach illustrate how constitutional clauses translated into practical state dominance (OECD, 2021).

The Constitutional Council, despite its nominal authority, played a limited role in protecting economic freedoms. Its jurisdiction was restricted to abstract review and referrals from high-level political actors, not citizens or corporations. Consequently, constitutional litigation over economic rights remained rare. Scholars such as Sadek (2018) have noted that in Algeria—as in many MENA countries—the constitutionalization of market principles often lacked corresponding judicial and institutional enforcement.

4. The 2016 and 2020 Reforms: From State Guardianship to Economic Governance

The 2016 constitutional amendment, followed by the 2020 Constitution, represents the latest phase in Algeria's attempt to reconcile state guardianship with economic liberalization. These reforms emerged from both domestic demands for modernization and international pressure for governance transparency (International IDEA, 2022).

The 2016 reform introduced key provisions emphasizing transparency, good governance, and the right to entrepreneurship. Article 43 recognized the right to free enterprise, while Article 51 mandated the state to promote equal opportunities in employment and investment. Importantly, it established new oversight institutions, including the High Authority for Transparency, Prevention, and Fight against Corruption (HALTLC)—a body designed to reinforce accountability in public administration (UNODC, 2020).

However, despite these innovations, state control over the strategic direction of the economy remained constitutionally entrenched. The state continued to be described as the “guardian of national resources” (Article 21), and hydrocarbons were reaffirmed as “the property of the people.” The persistence of such provisions underscores the enduring tension between collective ownership and individual economic autonomy.

The 2020 Constitution, adopted after the 2019 Hirak protests, reinforced this duality. It expanded the language of rights—explicitly guaranteeing property rights, entrepreneurship, and anti-corruption safeguards—while also strengthening executive prerogatives in economic policy (Constitution of Algeria, 2020). The new text sought to present a modernized constitutional economy, consistent with global principles of transparency and accountability, yet grounded in Algeria's historical commitment to state sovereignty and social justice.

According to Benamar (2021), the 2020 reform reflects a “technocratic constitutionalism” aimed at institutional renewal without dismantling the executive's control over strategic sectors. While the Constitution now acknowledges market freedom, it continues to subordinate it to “the imperatives of national development” (art. 38). In practice, this constitutional compromise maintains a model of regulated capitalism, in which the state remains the principal actor in investment and redistribution.

5. Continuities and Structural Limits

Across these successive constitutional stages, Algeria's economic model has displayed remarkable continuity in its underlying philosophy. While the ideological language evolved—from socialism (1963–1976) to pluralism (1989–1996) and governance reform (2016–2020)—the state's constitutional centrality remained constant. The Constitution has consistently portrayed the state as the custodian of economic sovereignty, responsible for protecting citizens from market failures and external dependency (Addi, 2018).

However, this constitutional model also exhibits structural weaknesses. First, the constitutional guarantees of economic freedom are broad but weakly enforceable due to limited judicial review and executive dominance. Second, the persistence of rentier dynamics—with oil and gas revenues concentrated in state hands—creates an economy dependent on redistribution rather than production. Third, the institutional mechanisms for accountability, such as the Constitutional Court and anti-corruption bodies, lack independence and resources to challenge entrenched interests (Transparency International, 2022).

In essence, the evolution of Algeria's constitutional framework reveals a gradual normative liberalization without structural transformation. The constitutional texts articulate modern principles of economic freedom, but their implementation remains conditioned by a political culture of centralized control. This gap between constitutional ideal and economic practice lies at the heart of Algeria's developmental paradox.

II. Economic Rights and the Constitutional Protection of Market Freedom in Algeria

1. Constitutional Recognition of Economic Rights

The Algerian constitutional framework recognizes a wide range of economic rights, but their content and enforceability have evolved across constitutional texts. From the 1989 Constitution onward, Algeria began to explicitly guarantee individual economic freedoms, marking a shift from collective, state-led economic rights to personal and market-oriented entitlements. Article 37 of the 1989 Constitution declared that “freedom of commerce and industry is guaranteed,” and Article 38 recognized the “right to private property,” subject only to limits justified by the general interest.

In the 1996 Constitution, these rights were reaffirmed but situated within a controlled liberal model. Article 37 reiterated the guarantee of freedom of investment and commerce, while Article 39 protected property as an “inviolable right,” limited only by expropriation for public utility and compensation (Constitution of Algeria, 1996). The state, however, retained constitutional authority to “regulate, orient, and encourage economic activity”—a formulation that effectively placed economic rights under continuous executive supervision.

The 2020 Constitution maintained these principles but sought to align them with international standards of economic governance and human development. Article 44 proclaims that “the right to private property is guaranteed,” while Article 45 adds that “the freedom of investment and trade is recognized and exercised within the framework of the law.” These provisions integrate Algeria within the broader global constitutional movement recognizing economic rights as essential components of human dignity and development (Tushnet, 2014). Yet, as scholars like Sadek (2018) and Addi (2018) have observed, the persistence of executive dominance and limited judicial activism continues to constrain the practical realization of these rights.

2. Property Rights and the Principle of State Guardianship

Property occupies a central place in Algeria’s constitutional economy. The constitutions of 1976, 1996, and 2020 all recognize private property, but within a system where public and collective ownership retains primacy. Article 21 of the 2020 Constitution stipulates that “the natural resources and subsoil wealth belong to the people,” placing them under the state’s guardianship. This principle, inherited from the postcolonial ideology of economic sovereignty, ensures that the state remains the exclusive custodian of strategic sectors—particularly hydrocarbons, energy, and mining (Benamar, 2021).

This model reflects a constitutional compromise: while private property and entrepreneurship are protected, they coexist with collective ownership of strategic assets. The public interest clause grants the state broad discretion to limit or regulate private ownership, including through nationalization, land redistribution, or expropriation. In practice, this has created an asymmetrical balance between individual rights and collective control (Brahimi, 2017).

Comparatively, Algeria’s constitutional approach to property diverges from liberal models such as those in France or Morocco, where private ownership is considered a fundamental right with strong judicial protection. In France, Article 17 of the *Déclaration des droits de l’homme et du citoyen* (1789) enshrines property as a “sacred and inviolable right,” subject only to fair compensation in the public interest. Morocco’s 2011 Constitution, while recognizing the state’s regulatory role, explicitly mandates judicial recourse for any violation of property rights (Article 35). In contrast, Algerian constitutional practice prioritizes sovereignty and redistribution over market autonomy, making property rights contingent on public policy rather than individual entitlement (El Amrani, 2020).

3. Freedom of Enterprise and Market Regulation

The right to freedom of enterprise and investment is one of the most notable developments in Algerian constitutional law since 1989. This right reflects a deliberate constitutional effort to reconcile economic liberalization with state supervision. Article 43 of the 2016 Constitution guarantees “the freedom of

investment and trade,” while emphasizing that this freedom must contribute to “national development” and respect the law.

However, Algeria’s constitutional language of conditional liberalization has allowed successive governments to maintain strong regulatory control over private markets. The state’s prerogative to orient economic activity—a phrase retained in all constitutions since 1996—serves as a constitutional basis for extensive executive intervention. This includes the power to determine strategic sectors, impose investment quotas, and maintain foreign exchange controls.

While the 2020 Constitution includes commitments to transparency and good governance, these remain general principles without direct enforceability. The judicial system, including the Constitutional Court, has rarely invoked constitutional economic freedoms to strike down restrictive legislation. As a result, Algeria’s constitutional framework provides formal guarantees of market freedom but lacks institutional mechanisms for enforcement.

From a comparative perspective, Tunisia’s 2014 Constitution offers a contrasting model. Article 13 affirms that natural resources belong to the people but also requires parliamentary approval for resource contracts, thereby enhancing democratic control over economic sovereignty. Article 40 guarantees the right to work, while Article 41 protects property and investment within a liberal legal order (Charrad & Benstead, 2020). Tunisia’s framework thus institutionalizes a clearer balance between state oversight and private initiative, providing lessons for potential Algerian reform.

4. Social Justice and Economic Equity

Although Algeria’s constitutions have gradually moved toward recognizing market freedom, they have consistently maintained social justice as a constitutional objective. The 2020 Constitution, in Article 2, defines Algeria as a “social state,” a principle that permeates all economic clauses. This commitment reflects the enduring influence of revolutionary legitimacy and Islamic solidarity, framing economic rights within the broader goal of collective welfare.

Social rights such as the right to work, education, and health remain constitutionally guaranteed (Articles 66–71, Constitution of Algeria, 2020). However, these rights are programmatic rather than enforceable, meaning that individuals cannot directly invoke them before the courts. As Brahimi (2017) observes, Algeria’s model of constitutional social rights functions as a political declaration rather than a judicially reviewable entitlement.

The tension between equity and efficiency defines Algeria’s constitutional economy. The state’s redistributive mission often conflicts with its commitment to market liberalization. For example, subsidies, public employment, and price controls—while aimed at promoting social justice—tend to undermine private competition and fiscal sustainability (OECD, 2021). The result is a constitutional framework that aspires to balance solidarity and entrepreneurship, but often ends up overregulating both.

5. The Role of the Judiciary in Protecting Economic Rights

A crucial determinant of the effectiveness of constitutional economic rights lies in judicial enforcement. The Constitutional Council (pre-2020), and now the Constitutional Court, are entrusted with ensuring the supremacy of the Constitution. Yet, as Sadek (2018) notes, Algeria’s system of abstract review—limited to high political officials—has prevented ordinary citizens and companies from directly challenging violations of economic rights.

The 2020 Constitution introduced a potential transformation by allowing citizens to raise constitutional questions (*question prioritaire de constitutionnalité*) through judicial proceedings. This reform, inspired by the French *QPC model*, could eventually strengthen economic rights by enabling judicial review of restrictive or arbitrary economic legislation (International IDEA, 2022). However, its impact depends on the independence and activism of the Constitutional Court, which remains uncertain.

In comparison, Morocco's Constitutional Court and Tunisia's Constitutional Instance for Human Rights enjoy broader competences, including individual complaints and review of legislation affecting fundamental rights. These institutions demonstrate how judicial empowerment can transform declarative rights into effective constitutional protections (El Fassi, 2019). For Algeria, similar reforms would enhance the credibility of constitutional guarantees related to property, enterprise, and transparency.

6. Between Formal Guarantees and Practical Constraints

In sum, the Algerian constitutional system provides a comprehensive catalogue of economic rights, yet their realization remains constrained by structural and political factors. Constitutional guarantees coexist with legislative and administrative discretion, resulting in a "hybrid constitutional economy" that blends elements of market freedom and state paternalism.

The gap between constitutional text and practice stems from several factors:

- The persistence of executive dominance over economic policymaking;
- The absence of independent judicial enforcement;
- The reliance on hydrocarbons, which reinforces a rentier economic culture; and
- The weak institutionalization of civil society and private sector actors as constitutional stakeholders.

Ultimately, Algeria's constitutional protection of economic rights reflects both progress and paradox. It embodies a modern recognition of individual freedom and entrepreneurship, yet remains anchored in a constitutional ethos of collective guardianship and social equality. Bridging this divide requires a deeper constitutionalization of accountability, judicial independence, and participatory governance in the economic sphere.

III. The State, Regulation, and Economic Sovereignty in the Algerian Constitutional Framework

1. Constitutional Foundations of State Economic Sovereignty

Economic sovereignty represents one of the defining features of Algeria's constitutional identity. Rooted in the revolutionary heritage of national independence, the Algerian Constitution conceives the state not merely as a regulator of economic life, but as the guardian of the people's collective wealth. Article 21 of the 2020 Constitution stipulates that "the natural resources and subsoil wealth belong to the people," and that "the state exercises its sovereign rights over them." This constitutional language echoes the earlier formulations of the 1976 and 1996 Constitutions, which enshrined the principle that economic independence is a pillar of national sovereignty (Benamar, 2021).

This approach reflects what Brahimi (2017) describes as a "constitutional nationalism," where the economic domain is inseparable from the state's political legitimacy. Unlike liberal constitutional orders that separate public authority from market mechanisms, Algeria's constitutional system places the state at the center of economic organization, viewing it as a moral and institutional guarantor of equity, redistribution, and national autonomy.

However, this model also generates tensions between economic freedom and state prerogative. The state's constitutional authority to "orient and regulate" economic activity (Article 43, Constitution of 2020) gives it sweeping discretion to intervene in markets, including through the creation of public monopolies, restrictions on foreign ownership, and price control mechanisms. While these interventions aim to protect the public interest, they often blur the line between constitutional sovereignty and administrative overreach, limiting the predictability of the economic environment (OECD, 2021).

2. The Constitutional Regulation of Strategic Sectors

The Algerian constitutional tradition has always distinguished between ordinary market activities and strategic sectors—notably hydrocarbons, energy, mining, telecommunications, and banking. These sectors are constitutionally conceived as “national patrimony” subject to state control. Article 22 of the 2020 Constitution provides that the exploitation of natural resources must serve the national interest and be conducted “under conditions defined by law.”

This principle finds expression in Algeria’s Hydrocarbons Law (Law No. 19-13 of 2019), which reaffirms the state’s majority ownership in all oil and gas ventures through the national company Sonatrach. The constitutional link between sovereignty and hydrocarbons has been repeatedly invoked to justify limitations on foreign investment, including the 51/49 ownership rule that required Algerian majority participation in joint ventures until its partial relaxation in 2020 (OECD, 2021).

Comparatively, this constitutional protectionism differs from the Moroccan and Tunisian constitutional models, which—while preserving national control—open broader space for private and foreign participation. For instance, Morocco’s 2011 Constitution (Article 36) commits to the promotion of competition and transparency, while Tunisia’s 2014 Constitution (Article 13) mandates parliamentary approval for all natural resource contracts, enhancing democratic accountability rather than executive exclusivity (El Amrani, 2020).

In Algeria, by contrast, the executive branch retains constitutional primacy over resource governance, with limited parliamentary oversight. Although the 2020 reforms introduced a High Authority for Transparency and the Prevention of Corruption, its mandate remains largely administrative and consultative (UNDP, 2020). The absence of a constitutional obligation for legislative ratification of major contracts thus reinforces what Zoubir and Dris-Aït-Hamadouche (2019) call the “executive sovereignty paradigm,” where economic decision-making remains centralized and opaque.

3. Economic Regulation and the Role of Independent Authorities

In recent years, Algeria has begun to introduce independent regulatory institutions, reflecting a gradual constitutional shift toward governance pluralism. The 2020 Constitution (Articles 204–208) provides for independent authorities such as the Competition Council, the Court of Accounts, and the National Authority for Elections. While these bodies are not purely economic, their establishment signals a broader trend toward institutional decentralization and accountability (Benamar, 2021).

The Competition Council, reactivated in 2013, serves as a key constitutional instrument for ensuring market integrity and protecting consumers. However, its limited autonomy and political dependence on ministerial oversight undermine its capacity to enforce antitrust regulations (OECD, 2021). The Court of Accounts, constitutionally recognized since 1996 and reinforced in 2020 (Article 213), plays a vital role in monitoring the use of public funds and promoting transparency. Yet, as the UNODC (2020) review notes, its findings rarely lead to judicial or political sanctions, revealing the gap between constitutional design and enforcement culture.

Comparatively, France’s Constitutional Council and Tunisia’s Court of Audit have broader competences and more established traditions of judicial follow-up, enabling them to transform financial oversight into a genuine tool of constitutional accountability (Stone Sweet, 2019). Algeria’s challenge, therefore, lies in translating constitutional formalities into operational independence and effective sanctions.

4. Foreign Investment and International Economic Obligations

A major constitutional evolution in the Algerian economic framework concerns the treatment of foreign investment. While earlier constitutions (notably 1976 and 1989) approached foreign capital with suspicion, the 2020 Constitution implicitly recognizes its importance in achieving national

development goals. Article 43 guarantees the freedom of investment, while maintaining that it must align with the “objectives of national economic policy.”

Algeria’s membership in global economic institutions—such as the African Union, Arab League, and African Continental Free Trade Area (AfCFTA)—requires constitutional and legislative harmonization with international norms of investment protection and dispute settlement (UNECA, 2019). However, as Benamar (2021) notes, Algeria continues to maintain a constitutional preference for sovereignty over liberalization, especially in sensitive sectors.

The Constitutional Court’s future jurisprudence will likely determine how Algeria balances its international obligations with its domestic constitutional order. Comparative lessons can be drawn from South Africa, whose 1996 Constitution (Section 25) balances protection of property rights with the state’s right to pursue redistributive policies. Similarly, the German Federal Constitutional Court has upheld the constitutionality of economic regulation, provided it respects proportionality and the essence of individual rights (Habermas, 1996).

5. Constitutional Accountability in Economic Governance

The effectiveness of state regulation ultimately depends on mechanisms of constitutional accountability. The 2020 Constitution seeks to strengthen such mechanisms through transparency clauses and institutional oversight, notably the High Authority for Transparency, Prevention, and Fight Against Corruption (Article 204). According to the Transparency International (2022) index, Algeria scored 33/100 in corruption perception—below the global average, indicating persistent governance challenges.

Conclusion

The constitutional architecture of economic rights in Algeria embodies a unique synthesis of sovereignty, social justice, and controlled liberalization. Since independence, the Algerian constitutional tradition has grounded economic organization in the principle of national sovereignty over resources, reflecting the legacy of the liberation struggle and the enduring priority of collective ownership. This orientation has produced a model in which the state occupies a central constitutional role—not only as regulator but as owner, planner, and moral guardian of economic life.

The evolution of constitutional texts—from the socialist-inflected 1976 Constitution to the more pluralistic 2020 revision—illustrates Algeria’s gradual movement from state-centered economics toward a more diversified constitutional economy. Yet, this transformation remains constrained by the persistent tension between economic sovereignty and market freedom. The 2020 Constitution continues to affirm state prerogatives over natural resources and strategic sectors, while introducing provisions that recognize private initiative and foreign investment as engines of growth.

This duality reflects Algeria’s broader constitutional dilemma: how to reconcile national autonomy with the demands of global economic interdependence. In the contemporary context of globalization and digital transformation, absolute economic sovereignty has become both impractical and counterproductive. The challenge, therefore, is not to abandon sovereignty, but to constitutionalize interdependence—to establish rules, institutions, and judicial guarantees that enable Algeria to engage in global markets without compromising its social and national objectives.

Comparative experiences from South Africa, Tunisia, and Germany demonstrate that constitutional balance can be achieved through the institutionalization of judicial oversight, parliamentary scrutiny, and independent regulatory bodies. In Algeria, however, these mechanisms remain either underdeveloped or weakly enforced. Strengthening the autonomy of institutions such as the Court of Accounts, Competition Council, and High Authority for Transparency is essential for translating constitutional principles into tangible accountability and economic efficiency.

Moreover, the integration of constitutional rights with development policies must become a central focus of reform. Economic rights—such as the right to work, fair competition, and access to resources—cannot remain declaratory provisions. They must be operationalized through transparent governance frameworks, inclusive participation, and digital tools that allow citizens to monitor public action and exercise oversight.

Ultimately, Algeria's constitutional framework for economic rights stands at a crossroads between continuity and transformation. Its enduring commitment to sovereignty and social justice provides a solid foundation, but these principles must be reinterpreted within a modern constitutional economy that values efficiency, transparency, and equality before the law. The future of Algeria's constitutional order will depend on its capacity to institutionalize a dynamic balance between state control and market freedom—one that preserves the moral legitimacy of the state while empowering the creative forces of society and enterprise.

Nevertheless, reforms such as the **digitalization of public procurement**, and the adoption of **Law No. 22-09 (2022)** on anti-corruption measures, reflect a gradual alignment with global governance standards (OECD, 2021). Yet, the constitutional challenge remains one of **enforcement and independence**. The absence of **parliamentary inquiries** into public contracts, and the limited power of civil society to initiate judicial review, weaken constitutional accountability in economic management (Bouandel, 2019).

The integration of **digital governance mechanisms**, including e-auditing and transparency portals, could strengthen the constitutional principle of **public accountability**. As the **Carter Center (2021)** and **International IDEA (2022)** recommend, constitutional reforms must be coupled with operational tools enabling citizens to access information, monitor public expenditure, and participate in economic decision-making.

6. The Paradox of Sovereignty and Globalization

Algeria's constitutional insistence on **economic sovereignty**—while historically grounded in anti-colonial struggles—now faces the test of globalization. The contemporary economy operates within transnational frameworks of **trade, investment, and technology**, which require states to share or delegate aspects of sovereignty. As Loughlin (2010) argues, modern constitutionalism involves a **redefinition of sovereignty**, where autonomy must coexist with interdependence.

For Algeria, the challenge is to **preserve national control** while integrating into the global economy. The 2020 Constitution, while asserting sovereignty over natural resources, also embraces international cooperation (Article 28), signaling an emerging awareness of this dual imperative. The constitutional future of Algeria will thus depend on its ability to **institutionalize balance**—between protectionism and openness, between sovereignty and globalization.

Conclusion

The constitutional architecture of economic rights in Algeria embodies a unique synthesis of sovereignty, social justice, and controlled liberalization. Since independence, the Algerian constitutional tradition has grounded economic organization in the principle of national sovereignty over resources, reflecting the legacy of the liberation struggle and the enduring priority of collective ownership. This orientation has produced a model in which the state occupies a central constitutional role—not only as regulator but as owner, planner, and moral guardian of economic life.

The evolution of constitutional texts—from the socialist-inflected 1976 Constitution to the more pluralistic 2020 revision—illustrates Algeria's gradual movement from state-centered economics toward a more diversified constitutional economy. Yet, this transformation remains constrained by the persistent tension between economic sovereignty and market freedom. The 2020 Constitution

continues to affirm state prerogatives over natural resources and strategic sectors, while introducing provisions that recognize private initiative and foreign investment as engines of growth.

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Comparative experiences from South Africa, Tunisia, and Germany demonstrate that constitutional balance can be achieved through the institutionalization of judicial oversight, parliamentary scrutiny, and independent regulatory bodies. In Algeria, however, these mechanisms remain either underdeveloped or weakly enforced. Strengthening the autonomy of institutions such as the Court of Accounts, Competition Council, and High Authority for Transparency is essential for translating constitutional principles into tangible accountability and economic efficiency.

Moreover, the integration of constitutional rights with development policies must become a central focus of reform. Economic rights—such as the right to work, fair competition, and access to resources—cannot remain declaratory provisions. They must be operationalized through transparent governance frameworks, inclusive participation, and digital tools that allow citizens to monitor public action and exercise oversight.

Ultimately, Algeria's constitutional framework for economic rights stands at a crossroads between continuity and transformation. Its enduring commitment to sovereignty and social justice provides a solid foundation, but these principles must be reinterpreted within a modern constitutional economy that values efficiency, transparency, and equality before the law. The future of Algeria's constitutional order will depend on its capacity to institutionalize a dynamic balance between state control and market freedom—one that preserves the moral legitimacy of the state while empowering the creative forces of society and enterprise.

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