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FROM RAGS TO RICHES TO RAGS AGAIN: DECONSTRUCTING THE NARRATIVES OF CRONY CAPITALISM AND NEOLIBERAL IDEOLOGY THROUGH THE EXAMPLE OF ALGERIA

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Abstract

The analysis put forward in this paper strives to unveil the ideological and power balance dynamics of crony capitalism. It underlines the existence of two classes within this system: political sponsors and crony capitalists. It tries to demonstrate how the tension between these two groups puts the whole system into motion and provides it with vitality and dynamism. Far from being static, friction between these two classes is marked by various phases that form a coherent sequence that can be analyzed through the ideological narrative that is articulated during each phase of this sequence. It also aims to demonstrate that, in the case of Algeria, the power balance is in favor of political sponsors, despite attempts from crony capitalists to challenge this status quo. This research also tries to expand the learnings from the 5 case studies taken to a wider analysis of the ties between crony capitalism and neoliberal ideology, raising the following questions: are the rise of the two always correlated? If they are, can they even be separated or are they simply two sides of the same coin? What could be the future of crony capitalism's ideological discourse?

JEL Classification: F50, F54, F60, N950, N97, P49

Keywords: Algeria, crony capitalism, neoliberalism, ideology, economic discourse, transnational networks, informal economy, self-made man, oligarch, tech capitalism, surveillance capitalism

ملخص

يسعى التحليل المقدم في هذه الورقة إلى الكشف عن ديناميكيات توازن القوى والأيديولوجية لرأسمالية المحسوبية. ويؤكد وجود فئتين داخل هذا النظام: الرعاة السياسيون والرأسماليون المحبوبون. يحاول إظهار كيف أن التوتر بين هاتين المجموعتين يضع النظام بأكمله في حالة حركة ويوفر له الحيوية والديناميكية. بعيدًا عن كونه ثابتًا، يتميز الاحتكاك بين هاتين الفئتين بمراحل مختلفة تشكل تسلسلًا متماسكًا يمكن تحليله من خلال السرد الأيديولوجي الذي يتم التعبير عنه خلال كل مرحلة من هذا التسلسل. كما يهدف إلى إثبات أنه في حالة الجزائر، فإن ميزان القوى لصالح الرعاة السياسيين، على الرغم من محاولات الرأسماليين المحسوبين لتحدي هذا الوضع الراهن. يحاول هذا البحث أيضًا توسيع الدروس المستفادة من خمس دراسات حالة التي تم أخذها إلى تحليل أوسع للعلاقات بين رأسمالية المحسوبية والأيديولوجية النيوليبرالية، مما يثير الأسئلة التالية: هل صعود الاثنين مرتبط دائمًا ؟ إذا كانوا كذلك، فهل يمكن حتى فصلهم أم أنهما ببساطة وجهان لعملة واحدة ؟ ما هو مستقبل الخطاب الأيديولوجي لرأسمالية المحسوبية ؟

Introduction

Though not entirely novel, the study of crony capitalism in Algeria has increasingly gained traction in recent years as a result of the growing scholarly regional interest that followed the so-called "Arab Spring" movement of the 2010s and the Algerian "Hirak" that started in 2019. This paper aims to further develop this body of literature through a multi-dimensional approach. At its simplest level, this analysis first aims to contextualise scholarship on Algerian crony capitalism by giving an overview of the literature that has been published on this topic and on its history. It then focuses on an in-depth analysis of a number of case studies as a contribution to this body of literature in order to allow others to further build on these examples should they find them relevant in future.

From a more general perspective, this paper also aims to present more global generalisations that can be derived from Algeria's crony capitalism as an example of the tensions that lie at the heart of the dichotomy between the Neoliberal discourse of the 1990s and 2000s and its on-the-ground application. Indeed, the Algerian example demonstrates that, at least in this one instance, though many parallels can be found in both richer and poorer countries, Neoliberalism served as an ideological façade to the creation of a crony capitalist class that had little in common with the discourse of "laissez-faire" meritocracy. Besides analysing the mechanisms of this tension as well as the synergies that emerge from it, this paper also speculates on what could be the future mutations of crony capitalism in terms of industrial opportunities, ideological discourse and political implications.

However, before delving into these points, it is first necessary to clearly identify the essential tension that lies at the heart of crony capitalism as it will allow us to better grasp the dynamic nature of this system. This is the case not only in Algeria, but everywhere that crony capitalism can be found, which is to say in all places, albeit in different forms. At first, it might appear as if cronyism and capitalism are entirely compatible in nature. Indeed, capitalism would be the system through which goods and services are produced, and cronyism the mechanism through which they are distributed.

However, this simple model overlooks the true nature of both 'capitalism' and of 'cronyism'. Capitalism is not simply a productive system nor is cronyism exclusively a method of distribution. Indeed, in a capitalist economy, markets, and particularly the labour market, also define the rules of distribution. Capitalism distributes economic wealth as part of its production process. Conversely, and for the same reasons, cronyism can only successfully shape the mechanisms of wealth distribution if it also controls the system's economic production. Furthermore, cronyism also requires the direct production of specific services and goods, such as money laundering services or inefficient employment of members of the cronies' clientele. Therefore, cronyism sets a series of well-defined constraints on the shape of any given economic system.

Thus, cronyism forces capitalism to produce goods and services that can sometimes have a negative impact on profits while capitalism forces cronyism to redistribute part of the economic wealth to investors, its new clientele. Therefore, in an idealised and simplified version of these two economic models, there is an inherent tension that emerges in situations when they are both mixed together. From this tension, a struggle between two competing classes emerges: political sponsors on the one hand and capitalist cronies on the other. We must underline here that real life examples are always more complex. Indeed, almost all political sponsors also own and accrue significant economic capital and capitalist cronies often have access to rents through monopolies created by artificially established barriers to entry and competition. In fact, crony

capitalism as a system aims to merge these two classes by providing political sponsors with privileged access to economic wealth and by providing some capitalist cronies preferential treatment over their competitors. However, the struggle between these two classes still remains. Indeed, even cronies who have both functions are often faced by the dilemma of choosing between these two roles or finding the best compromise between their competing objectives. Additionally, these two classes should not be envisaged as monolithic blocs. This is particularly true of the political sponsors. Algerian politics is often the theatre of high levels of factionalism, with local and international analysts generally colloquially describing these factions as 'clans'. In that sense, these classes are the results of sporadic and temporary coalitions resulting from a convergence of interests and objectives as well as a convergence of social, political and economic status.

However, taking a more simplified approach, where the two economic functions of production and distribution are idealised as two purely separate classes, allows us to better apprehend the dynamics of crony capitalism. Given the tensions that exist between these two classes, if one seeks to create an economic model where both cronyism and capitalism are allowed to thrive, mechanisms must be found to diffuse the tensions that emerge between these two classes, such as quid-pro-quo arrangements and kickbacks. It is these mechanisms that allow the two classes to form an alliance and merge over time. These mechanisms create converging interests. This is why these two classes never truly exist in their purest forms, they form a continuum. On one end, individuals with more political clout are often closer to the idealised version of a political sponsor, though they almost always own capital, while individuals with rapid economic success but little political clout are closer to the idealised version of a capitalist crony. Members of this continuum are often referred to as 'oligarchs' as this term best describes their control over the country's economic and political system.

This converging class then requires a narrative to legitimise its oligarchic position and stabilise the alliances that led to its emergence, if only temporarily. The narrative of the self-made man provides an almost ideal solution. Indeed, it manufactures a worldview in which neither strong networks nor capital are required in order to thrive economically. Nepotism, corruption and other forms of illegitimate accumulation of capital and wealth are altogether omitted and replaced by an alternative fiction.

However, far from providing stable legitimacy to both classes, this narrative actually thrusts the whole economic system into movement, with a full sequence that has a beginning, a middle and an ending. Indeed, in the early phases of this sequence, political sponsors and capitalist cronies both need to accumulate wealth, and their interests are fully aligned. Nevertheless, this narrative quickly provides an advantage to capitalist cronies as it provides stronger ideological legitimacy to their accumulation of wealth. In this phase, political sponsors allow capitalist cronies to thrive, they even encourage it with their networks as it provides them with one of the services they need most to maintain their control over the system's economic wealth: an ideological façade. However, providing direct support to their economic success gives them a strategic advantage over their counterparts. As soon as they feel threatened by the economic and political power that the capitalist cronies have gained, they use judicial institutions to precipitate their downfall and expose the contradictions between the narratives of the self-made man that has been built around them and the reality of the origin of their wealth. However, by eliminating their capitalist counterparts, political sponsors quickly find themselves in a position where they can no longer enjoy the benefits with which they once provided them. They no longer have an ideological façade to help them continue to accumulate further economic wealth and political clout. Faced with this challenge, measures are often taken to foster the emergence

of a new capitalist façade by providing undue competitive advantages to hand-picked individuals in their networks. When this is the case, and if there are no further mutations to the country's economic and political equilibria, the whole sequence starts anew.

These downfalls and renewals can be triggered by two main types of events. At the lowest level, it is when capitalist cronies start accumulating wealth and power in such a way that it starts posing a threat to at least some political sponsors. This is the point where political sponsors will start trying to dispose of them through all the means that are available to them, including if that means entering in conflict with other political sponsors who might still be supporting the capitalist cronies that are being targeted. This type of downfall is the most common, it can sometimes be very limited in its nature, targeting only one specific individual, or somewhat larger, targeting a handful of capitalist cronies. However, larger downfalls are triggered when there is a restructuring of elite coalitions within the political sponsors' class. In these instances, as most political sponsors are part of, or at least tied to, the political elite, they lose their position, which in turn means that capitalist cronies lose their political sponsors, which therefore causes their own downfall. The only capitalist cronies that survive this changing of the guard are those with political sponsors that are so strong that they remain unaffected, or those with a large enough base of political sponsors that they are able to save at least part of their economic empires, or those with allies in the new political elites. These types of downfalls will often send shockwaves through the political and capitalist crony class continuum and will often take the shape of a crackdown on corruption.

Looking at this whole sequence of rise and fall, we see a clear asymmetry in the system: crony capitalism is first and foremost a crony system that uses the ideological apparel of capitalism. In this system, political sponsors have a wider political berth and have more control over the country's political system and institutions than their capitalist counterparts, which in turns gives them more control over the economy. What we notice is that the distribution of wealth has a more direct and immediate political impact than production, and therefore, crony capitalism thrives wherever a rent can be secured. Rents provide political sponsors with a strategic advantage as the economy can generate income in ways that do not depend solely on the existence of a crony capitalist class. Almost all political sponsors succeed in accumulating wealth in this system, but few façade capitalists are allowed to gain sustainable political clout.

With these generic principles in mind, the case of Algeria proves particularly illuminating as many of the key ingredients required for crony capitalism to thrive are easily identifiable. Thus, the rent generated from oil and gas revenues allows political sponsors to maintain the upper hand over their capitalist counterparts. In that sense, the predominance of the oil and gas sector in Algeria and its nature as a rent-based economy provides an analytical advantage as it allows for a simplified model of wealth production and distribution in the country. However, it also oversimplifies the mechanisms of crony capitalism. In more diversified economies, the existence of multiple discrete rents often results in more varied forms of crony capitalism. However, in almost all cases, political sponsors control access to rents but are unable to directly access their benefits, hence the need for crony capitalists. It could even be argued that it is often in the interest of the political elite to create such rents in places where they do not exist in order to accumulate political and economic power, even though this strategy can sometimes backfire if crony capitalists succeed in accumulating more political and economic power themselves. In that sense, the degree of economic diversification and the nature of a country's economy plays a pivotal role in the shape and nature that crony capitalism will adopt as a system.

In addition to its rent-based economy, Algeria's liberalisation movement in the 1990s and early 2000s offers a clear opportunity to analyse the rise of crony capitalism and of the ideological discourse that accompanied it. Indeed, it has been argued that the measures implemented did not create a level playing field that empowered the private sector and often had the opposite effect to the goals initially presented. What is unclear here is whether this is specific to Algeria and other comparable countries or if it was in the nature of the global neoliberal movement itself. Indeed, while these measures have both their detractors and supporters, it remains clear that their implementation has been accompanied by the onset of a widening of economic and political inequalities both across and within countries.

Finally, targeted downfalls during the 2000s and 2010s and more recently, the 'Hirak' protest movement and resignation of then-President Abdelaziz Bouteflika in 2019, as well as the corruption crackdown that ensued, all offer an interesting window into the second half of this system's sequence. It may be recalled here that 'Hirak' is the term commonly used to describe a widespread protest movement that manifested itself mostly through large popular demonstrations generally held on a weekly basis, notably in the streets of central Algiers and other large cities but also throughout other parts of the country. The movement also saw a significant number of weekly protests by the Algerian diaspora in other countries. It is usually deemed to have been triggered by the announcement in February 2019 that President Abdelaziz Bouteflika would be running for a fifth term. Despite Abdelaziz Bouteflika's resignation from office on 2 April 2019, demonstrations continued until the onset of the covid pandemic, after which the number of people involved in the protests started to dwindle. The movement is then considered to have continued at a smaller scale and in a more sporadic fashion until mid-2021. This period also saw the election of Abdelmadjid Tebboune as President on 12 December 2020 and the organisation of early parliamentary elections on 12 June 2021.

While the Hirak can be considered to be one of the most striking illustrations of the downfall phase of the crony capitalist sequence, it is only its most recent illustration in the country. Furthermore, though downfalls are often more public and demonstrative in nature, other phases offer crucial insights into some of the more discrete mechanisms of crony capitalism.

In order to focus in detail on all the different aspects of the crony capitalist sequence, we will endeavour to explore the narratives of crony capitalism by analysing five specific case studies that together provide a full picture of all these elements. We will do so through a thematic approach that focuses on the different phases of the crony capitalist sequence. This approach will allow us to conclude with the lessons learnt and that can be generalised to better understand crony capitalism throughout the world. However, before doing so, it is first necessary to define in greater detail the exact terminology that will be used in this analysis in order to avoid confusion over well-established technical terms commonly used for the analysis of crony capitalism, local terminology used by Algerian analysts, and more specific language developed in the context of this analysis.

Untangling the vocabulary of Algerian crony capitalism

Confusion over terminology has multiple causes, some of which are by design, while others are more accidental in nature. However, at the root of both of these causes lies a common issue: the difficulties of writing on Algerian corruption.

On the one hand, analysing Algerian corruption is often a difficult technical exercise. Information, data and evidence on the matter is often scant and impossible to access outside of the country. Even within Algeria, it is not always readily available, and when available, it can

often times be poorly structured, paper-based, fragmented across multiple sources and languages, incoherent or even sometimes incorrect or difficult to back-up. On the other hand, it is also the result of this topic's sensitive nature, as many analysts, particularly those whose position is by nature more exposed, such as journalists, will sometimes find it easier to tiptoe around it and use language that is vaguer in nature. Additionally, different social groups will have developed their own lexicon over time, be it within research, where there can be variations from one school of thought to another, or across social groups, where everyday language often differs significantly from scientific language.

In this analysis, the phrase **'crony capitalist'** is used to refer to individuals who have been at the helm of large companies, business conglomerates or even informal business networks and who have been formally subjected to legal enquiries, trials and were then sentenced. These individuals are primarily defined by their wealth rather than by their political power. They tend to be high profile business individuals, captains of industry or heads of large informal business networks. They are also often referred to as **'golden boys'**, particularly in panegyric articles about their accomplishment, though this expression is also sometimes used ironically to highlight their downfall.

The expression **'political sponsor'** is used here to refer to individuals who are able to accumulate wealth in this system by providing political support to 'crony capitalists'. This category of individuals is mostly composed of members of the political elite or of members of the army.

Finally, the word **'oligarch'** is used to refer to both categories of cronies as it focuses on the oligarchical nature of their power, be it economic or political in nature. Less specific in nature than the phrases **'crony capitalist'** or **'political sponsor'**, it can be a better descriptor when relating to matters of power structure. It is also one of the most commonly used terms in everyday conversation or in newspaper articles and can therefore serve as a connection between academia and more commonly used terminology.

With this terminology in mind, we will now strive to analyse the literature that has been published on the theme of crony capitalism in Algeria, in order to offer more detailed context on this topic.

Algeria's crony capitalism in review

Research on Algeria's crony capitalism is extremely fragmented across both disciplines and languages. Most researchers working on Algeria's political economy, particularly Algerians, prefer to write in French, with a much more limited corpus in English, mostly from foreign researchers. As such, a very different analytical tradition has emerged among researchers depending on the language that they use. However, these traditions are not in separate silos, many researchers are fluent in both languages, as well as Arabic and Tamazight, and they appear increasingly to be converging towards each other.

The paternity of the concept of 'crony capitalism' is often attributed to George M. Taber, the former business editor of *Time* magazine who used this phrase in his article "A Case of Crony Capitalism" from 21 April 1980. He was referring to the economy of the Philippines under the presidency of Ferdinand Marcos. This phrase then gained in usage, culminating in its arrival in popular culture with the creation of the crony-capitalism index by the magazine *The Economist* starting in 2014.

While this concept has been applied to multiple geographies, scholarship has been prolific in Far Eastern and Middle Eastern studies. Although Algeria is sometimes considered to be part of the latter, there has been very little focus on its specific context. In the introduction of their book *Crony Capitalism in the Middle East*[1], authors Ishac Diwan, Adeel Malik and Izak Atiyas underline extreme opacity as an obstacle to accessing the field and obtaining data and therefore to studying crony capitalism in Algeria. They nonetheless underline the crony nature of the privatisations that have taken place in the country in its recent history. They assert that the private sector is both 'weak' and 'depoliticised' as is the case in many other countries of the region. However, they also claim that the country's political regime has an 'extreme resistance' to economic reform which they link to the system's 'factionalised nature' and its 'extreme risk aversion toward the emergence of independent business actors'. They also underline the key role played by Algeria's 'military and security services' in its political economy.

Access to the field constitutes a direct obstacle to the study of Algeria's political economy by foreign researchers. Among these obstacles, the country's policy of diplomatic reciprocity, its resistance against foreign interference and its relative lack of exposure, particularly in English-literature, have in large part contributed to its lack of visibility. Some foreign authors, such as Bradford L. Dillman[2], have found themselves in a position where they could easily access Algerian primary sources, and though they did not specifically use the phrase 'crony capitalism', their work is often cited. While few researchers in the English-speaking world have made the choice to focus their research entirely on Algeria's crony capitalism and were able to access the field directly, some of them nonetheless provide useful insights.

Thus, authors Stephen J. King[3,4], Mojammed Halim Limam[5], Steffen Hertog[6], Francesco Catavorta[7], Ali Arshad[8] and Raymond Hinnebusch[9,10] contend that liberal reforms demanded by international monetary institutions during the 1990s led to the emergence of the country's crony capitalism. Building on this analysis, Juliet-Nil Uraz[11] describes the transition from state-led development strategies and import-substitution industrialisation to a model that allocated former state-monopolies to private-sector oligopolies under the auspices of the International Monetary Fund and the World Bank as the mechanism through which crony capitalism emerged and thrived. Sayres S. Rudy[12] puts this analysis in the context of the country's 'Black Decade' and suggests that regime insiders took advantage of not only liberalisation and globalisation, but also of the country's Civil War to entrench crony capitalism in the country. She also underlined the role played by oil-rents as underpinning to corruption. Hinnebusch[13]

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[8] Arshad, A. (2017), *Challenges to Democratization Process in Algeria*, Contemporary Review of the Middle East
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also links the emergence of crony capitalism in Algeria to the nature of its rentier economy. Crony capitalism contributed in the view of many of these authors to a stalling of the country's democratisation or led to a 'façade democracy'.

It is worth underlining that other authors, such as Oliver Schlumberger[14], have adopted similar positions, but have favoured other conceptual approaches, such as 'patrimonial capitalism', in lieu of exclusively referring to crony capitalism. This terminology is generally much more in use in literature that focuses on the African continent. It is geographically surprising to note that Algeria is seldom mentioned in this literature. However, in the case of Algeria, as in many other African countries, the evidence for patrimonial transfer of capital remains rather scant when compared to the rapid acquisition of wealth by first-generation oligarchs.

In line with this school of thought, several authors, such as Fréderic Volpi[15], Mosin Khan and Karim Mezran[16] have affirmed that crony capitalism, and the type of patronage and clientelism that is inherent to this system, explained, at least in part, the lack of significant social movement in Algeria during the so-called 'Arab spring'. Paradoxically, other authors take the opposite view. Laures Aernout Christiaan van der Poel[17] thus argues that it is the rise of inequalities caused by crony capitalism that led to significant uprisings in Algeria during the Arab Spring. Meanwhile, other authors, such as Ben Fishman[18], assert that Algeria was not part of the Arab Spring but that it was precisely because crony capitalism either did not exist or was less developed than in other countries. These intellectual discrepancies show the difficulty that English-speaking researchers face when analysing a country with such an idiosyncratic and poorly studied political tradition. They do not even agree on whether Algeria was part of the Arab spring. Volpi[19] may have gone some way to helping bridge these analytical approaches by suggesting that Algeria experienced the Arab Spring, but that contestation was channelled into non-revolutionary political action.

On a different topic altogether, author Jon Marks[20], for his part, attributes the lack of regional economic integration in the Maghreb in part to 'the prevalence of crony capitalism' across the area. A position also shared by authors Alex Walsh and Alma Boustati[21].

Significant lessons can be drawn from the English-speaking literature. First of all, the concept of crony capitalism is relatively recent and its application to the Middle East only seems to date back to the late 2000s and early 2010s. It also seems to have gained in popularity in the aftermath of the uprisings that started in 2010 and which are now often called the 'Arab Spring'. While Algeria, given its political, economic, demographic and geographic weight, can hardly be ignored altogether, it is only very rarely studied on its own and is often given marginal attention. Even when English-speaking researchers focus on it, the concept of crony capitalism is often used as a way to explain why Algeria is an exception to the rule.

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Obviously, this approach creates and relies on a set of mostly unintentional biases: the idea of a coherent MENA region, which corresponds roughly to the Arab world, to which Algeria belongs, even though it is an unusually obscure, opaque and hard to reach area. More generally speaking, the restrictive geographic use of the concept of crony capitalism often gives the impression that there are two types of countries, those that have crony capitalist economies, and those with other forms of economies. It also gives the impression that history has a clear direction: there is a 'natural will of the people' to move towards more 'liberal', 'democratic' and 'integrated' economic and political systems. This is not to say that researchers ignore these biases, it is simply that even when they proactively combat them, the structures of English-speaking academia and the need for conciseness can be hurdles to a much more nuanced approaches to these analytical premises.

It must be highlighted that the issue is not exclusively linked to language. The phrase used in French-speaking research is 'capitalisme de connivence' or 'connivance capitalism'. French-speaking researchers often face similar challenges, but there are notable differences. Thus, a report directed by Jean-Pierre Chauffour and published by the World Bank, the Islamic Development Bank and the Centre for Mediterranean Integration in Marseilles[22] on the 'economic awakening of the Arab world' links the Arab Spring to crony capitalism and presents economic integration and foreign investment as an obvious way to confront the region's economic challenges. However, even in schools of thought that hail from a liberal tradition, we rapidly notice some key differences in terms of approach. Thus Algeria, far from being an exception, is presented as one of the more integrated countries in the region and one with the most potential for further integration.

These nuances are noticeable throughout the ideological spectrum. Algeria is not a marginal country in the specialised literature. Thus, while author David Goeury[23] also attributes the emergence of crony capitalism to the liberal reforms of the 1990s and presents it as one of the possible causes of the Arab Spring, he asserts that North African countries all followed separate trajectories. He uses crony capitalism in conjunction with other analytical tools, affirming that it was only reinvigorated by the liberal reforms of the 1990s through a privileged access to the rent economy. He also takes into account social and geographic inequalities in his approach. It is also worth mentioning that his article was published in a book that focused on the African continent and more specifically on the Sahara and Sahel regions rather than on the MENA region.

In parallel, author Samir Amin[24] attributes the emergence of crony capitalism in the MENA region to the liberal reforms of the 1990s. However, he also diverges from the English-speaking tradition by combining the concept of crony capitalism with other conceptual tools, such as that of the 'comprador State' and 'lumpen development'. Furthermore, he also contextualises his regional analyses in the global undoing of the principles put forth by the 1955 Asian-African Bandung Conference.

With regard to Algerian researchers specifically, the corpus of relevant literature can either be perceived as daunting or very limited. The topics addressed today by the literature on crony capitalism have been studied by Algerian researchers hailing from a wide variety of historical

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[23] Geoury, D. (2017), *Printemps arabes, divergence des destinées nationales* and *Les inégalités socio-territoriales et les politiques de lutte contre la pauvreté*. In *L'Afrique : du Sahel et du Sahara à la Méditerranée*, Paris : Ellipses
[24] Amin, S. (2013), *Les révolutions arabes deux ans plus tard*, Recherches internationales

periods and disciplines, including economics, politics, history, sociology, and other social sciences. Furthermore, they also hail from a wide variety of intellectual currents, including liberal schools of thoughts but also conservative currents, colonial studies, post-colonial studies, neo-colonial studies and panafricanism, among many others. As such, over the years, Algerian researchers have developed and relied on a wide-variety of concepts, including, but not limited to, 'rentier capitalism', 'bazar capitalism', 'comprador bourgeoisie' or simply by referring to 'corruption'. Furthermore, an intersectional approach to these concepts has been developed over this timeframe which means that a new concept has to be able to provide new insights in order to become fully accepted. As such, we have been forced to narrow our scope to research that explicitly refers to crony capitalism, which leaves us with a very small corpus, and a rather recent one.

It is nonetheless worth mentioning precursor articles and books that are often cited in the specialised literature. Thus, Rachid Tlemçani in his 1999 book *Etat, bazar et globalisation: l'aventure de l'infitah en Algérie*[25] described in great detail the mutations of the country's economic system resulting from liberalisation, and though he never explicitly referred to crony capitalism, the concept is present in his work in all aspects but terminology. Focusing more on the role of entrepreneurs, author Amel Boubekeur[26] delved into the tensions that traverse their economic and social class, describing them both as 'agents of change and means of preservation of the system'. Mohamed Hachemaoui[27] analysed further the structure of Algeria's crony capitalism without explicitly using this term, notably by focusing on the intersection of political corruption, clientelism and the oil rent.

If we limit ourselves to literature that explicitly uses the phrase crony capitalism, there is almost no relevant literature before the year 2017. Similarly to their English-speaking peers, authors Hamza Hamouchene[28] (in a joint book published with several peers) and Alexandre Kateb[29] prefer to analyse the MENA region as a whole but their approach is more prescriptive in nature and seems less focused on research. Focusing more narrowly on the descriptive research literature that explicitly refers to the concept of crony capitalism, we immediately observe a key difference between Algerian researchers and their peers. Indeed, most of them start from a radically different geographical perspective: far from being marginal to their approach, Algeria plays a central role. As such, they focus less on whether it conforms to a given analysis on the MENA region and prefer to assess it from its own perspective. They only refer to regional events when national factors fail to fully explain a given economic or political phenomenon.

Among these authors, we find notably Mohamed Hachemaoui[30], El Mouhoub Mouhoud[31], Naoual Belakhdar[32] and Nadji Safir[33]. All of their research relates to the widespread protest movement that started in February 2019 and that is generally referred to as the 'Hirak'. We

[25] Tlemçani, R. (1999), *Etat, bazar et globalisation : l'aventure de l'infitah en Algérie*, Hikma
[26] Boubekeur, A. (2013), *Rolling either way ? Algerian entrepreneurs as both agents of change and means of preservation of the system'*, The Journal of North African Studies
[27] Hachemaoui, M. (2011), *La corruption politique en Algérie : l'envers de l'autoritarisme*, Esprit
[28] Said, S. et al. (2017), *Vers un développement socialement juste dans la région MENA*, Friedrich Ebert Stiftung
[29] Kateb, A. (2019), *Les économies arabes en mouvement : un nouveau modèle de développement pour la région MENA*, De Boeck Sup
[30] Hachemaoui, M. (2020), *Algeria: from one revolution to the other?*, Sociétés politiques comparées
[31] Mouhoud, E. M. (2020), *L'économie politique du soulèvement algérien: quelles perspectives pour la transition économique*, Mouvements, La Découverte
[32] Belakhdar, N. (2019), "*L'Indépendance, c'est maintenant!" Réflexion sur le soulèvement populaire en Algérie,* L'Année du Maghreb
[33] Safir, N. (2020), *l'Algérie à l'heure du Hirak: quand le pouvoir rentier s'effrite*, Confluences Méditerranée

Notes and references

note another striking difference with their foreign peers: most of them did not find a direct use for the concept of crony capitalism to analyse Algeria's political economy during the period of the Arab Spring. However, they also have a key point in common with their peers: they have adopted this concept to better contextualise what can be described as the country's recent revolutionary effervescence, similarly to what others had done in relation to the Arab Spring.

All of these authors were also keen on combining the concept of crony capitalism with other key concepts from Algerian research literature. As such, many of them refer to the country's post-colonial history and the oil rent. E. M. Mouhoub mentions the country's deindustrialisation, N. Safir refers to the deterioration of youth unemployment and rising poverty, he also links the movement's emergence to economic predation, as does M. Hachemaoui. N. Belakhdar and M. Hachemaoui also try to assess the relationship between the Hirak and the Arab Spring. While N. Belakhdar underlines that Algerian protesters took advantage of the experience that resulted from past revolutionary movements in their country and in other nations, M. Hachemaoui focuses on the lessons drawn by the Algerian ruling class in order to better manage the protest movement.

On a more formal note, there is another point of convergence between foreign and Algerian researchers that is worth mentioning: the growing popularity of bilingualism. Two of the aforementioned authors have made the rather novel choice to publish their research both in English and French. These are all clear indications that though the concept was mostly developed by foreign researchers with only a marginal interest in Algeria, local researchers are now seeing significant explanatory value in this new concept and are willing not only to fully appropriate it and redefine it, but to do so in a language-neutral way in order to better collaborate with their foreign peers.

Looking to the future, we see significant potential in crony capitalism as an analytical concept. This concept is most promising not when seen as a typology within the different varieties of capitalism, but rather as one of its aspects. Corruption did not emerge with the global economic liberalisation of the 1990s, nor did capitalism. As such, the combination of the two is as old as capitalism itself, regardless of which country or region one is looking at. The concept's true potential comes not from its novelty but from analysing the tensions that lie at the heart of this system.

The 'scandals'

In order to better understand the narratives that accompany the ebbs and flows of crony capitalism in Algeria, we will focus on a series of specific cases. However, before giving a brief overview of these case studies, it is worth taking a moment to reflect on the word 'scandal'. It is used here as a proxy translation for the French phrase *'l'affaire'*. This phrase has become the go-to expression to describe instances of corruption once they become public. In some ways, it is the everyday word used by journalists to talk about crony capitalism and it often carries connotations of 'illegality' but also 'shoddiness' and 'foul play'. This primary meaning might suggest that an investigation into one of these scandals will uncover damning evidence. Yet, this expression is also very 'vague' in nature. What is an '*affaire*'? A public and moral scandal, a legal inquiry, an in-depth media investigation, a political and economic crisis that calls for a comprehensive reform of the country's institutions? Here lies the strength of this expression: it carries all of these meanings at the same time and therefore none of them specifically. It suggests that the 'scandal' is being investigated seriously, or at the very least that it should be, but it allows the person who uses this term to avoid providing a full enquiry themselves.

With the implications of this word in mind, we will present a brief overview of the case studies on which we have chosen to focus. Further details of each of these cases will be explored as part of the subsequent analysis.

The Khalifa scandal

In 1992, Rafik Khalifa created KRG Pharma. Then, on 12 April 1998, he founded Khalifa Bank before setting up Khalifa Airways in 1999. Khalifa Bank was, and remains to this day, the first and only attempt at creating a private retail bank in Algeria. Similarly, Khalifa Airways, was and remains the first and only attempt at creating a private airline.

However, on 27 November 2002, the Bank of Algeria blocked Khalifa Bank from making overseas currency transactions after detecting suspicious activity at the bank. This decision set off a chain reaction that saw the entire group fold within a year. On 18 August 2003, Interpol issued an international arrest warrant against Khalifa, who had left Algeria and was now living in the United Kingdom. On 22 March 2007, Khalifa was tried in absentia in Algeria and sentenced to life in prison. In 2013, he was extradited from the United Kingdom to Algeria. In October 2014, he was tried in absentia in France for embezzlement and sentenced to 5 years in prison and a 375 000 euro fine. On 23 June 2015, he was tried in Algeria and sentenced to 18 years in prison and a fine of one million dinars with the confiscation of all of his property. Most recently, on 15 November 2020 and 7 June 2022, Rafik Khalifa appealed and was re-tried in Algeria, but the verdict and sentence were unchanged.

As the earliest corruption scandal to emerge after the end of the Black Decade, the Khalifa case is particularly interesting in that it provides the initial template that will subsequently be copied and refined. Its length and evolution in ebbs and flow follows the various phases of the crony capitalist sequence. Rafik Khalifa's targeted downfall was to serve as a warning to all future crony capitalists who might be fooled into leveraging their economic wealth to try to accrue political status and compete with political sponsors. After its initial dramatic onset, this scandal vanished from the public sphere only to reappear regularly throughout the following two decades.

The Haddad scandal

Ali Haddad founded the construction company ETRHB Haddad, which stands for Entreprise des Travaux Routiers, Hydrauliques et Bâtiments, in 1988. It would take the company seven years, until 1995, before it would win its first major public contract. However, the first decade after the year 2000 would see the company win a large number of these contracts. While the group was primarily known for its construction and public works activities, including road and rail projects, it ultimately diversified and grew to encompass activities in the hospitality, petrochemicals, metals, media, healthcare, sport and real estate industries, among others. In 2014, Ali Haddad was elected President of the country's business leader federation, the Business Leaders' Forum, or Forum des Chefs d'Entreprise (FCE).

Similarly to Rafik Khalifa, Ali Haddad's success seemed unrivalled and unassailable. Yet he already appeared more vulnerable precisely because the Khalifa scandal had created a precedent. His downfall was as sudden and swift as his economic rise had been. His downfall also diverges from that of Rafik Khalifa in that it was part of a wider restructuring of elite coalitions. Against the backdrop of the Hirak protest movement, Haddad was arrested on 31 March 2019 as he tried to cross the land border into Tunisia at 4 o'clock in the morning. On 6 June 2019, he was sentenced to 18 months in prison for using false documents. He was then sentenced to 7 years in prison for corruption in the automotive industry on 10 December 2019

and to 18 years in prison for corruption in a separate case on 1 July 2020. The latter sentence was reduced on appeal to 12 years in prison on 3 November 2020. In May and June 2022, Ali Haddad was sentenced to four years in prison for 'money laundering, influence trafficking and non-declaration of assets' but was also partially acquitted for some of the charges brought forward against him, on 29 June 2022.

As one of the more recent scandals, this case provides a concrete example of the latest evolutions of the narratives that are built around crony capitalism. Its similarity with the Khalifa scandal shows direct continuity between the two.

The Orascom scandal

Naguib Sawiris, an Egyptian business magnate, founded Orascom Construction Industries Algeria (OCIA), Algerian Cement Company (ACC) and Orascom Telecom Algeria (OTA), nowadays better known by its brand name Djezzy, in 2001. The companies were all wholly-owned subsidiaries of his Egypt-based Orascom conglomerate. Orascom Telecom Holding (OTH) acquired a GSM licence on behalf of Djezzy on 11 July 2001. Djezzy was officially launched on 15 February 2002. In 2006, OCIA and Sonatrach created Sorfert, a joint venture that specialised in the production of ammonia and urea.

However, the sale of Orascom's cement operations to Lafarge on 10 December 2007, an apparently unremarkable divestment, lead to the targeted downfall of Naguibi Sawiris in the country. The sale triggered the launch of legal proceedings to recover unpaid taxes from the group in 2009. The same year, finding itself in an increasingly fragile position and at risk of seeing many of its investments being de-facto nationalised, Orascom attempted to sell Djezzy to MTN but the Algerian State activated its right to pre-empt the transaction. In reaction to this sale, an unnamed government official went as far as telling Reuters 'we don't want Orascom any more'[34]. In 2012, authorities in Oran opened an investigation into currency transfers at Sorfert Algérie. Most recently, the former Director General of Sorfert and its finance manager were sentenced to 5 and 2 years in prison respectively on 17 October 2017.

As mentioned previously, Egyptian crony capitalism has been the subject of comparatively significant research, and therefore it is to be expected that there would be significant transnational links between the networks that underpin crony capitalism in both countries.

The BRC scandal

The company Brown & Root-Condor (BRC) was created in 1994 when the Algerian state-owned company Condor sold 49% of its share capital to the UK-headquartered company Kellogg Brown & Root (KBR), which was, at the time, a subsidiary of the US oilfield services company Halliburton. The remaining Algerian-owned 51% of BRC was shared between the state-owned oil and gas company Sonatrach (40%) and the Nuclear Research Centre of Draria (11%). Although it was initially created to specialise in petroleum engineering projects, from the year 2000 onward, BRC began taking on infrastructure construction projects. By 2003, infrastructure contracts made up the majority of its revenues. BRC was awarded a total of 41 contracts for a total value of 185.7 billion DZD (value as in July 2006), of which, 27 were awarded by the state-owned company Sonatrach and 14 were awarded by the Ministry of Defence.

However, on 4 February 2006, then-Prime Minister Ahmed Ouyahia instructed the General Finance Inspectorate[35] to look into BRC's finances. Less than a year later, on 15 January 2007,

[34] Reuters editorial team (2010), *Algeria urges Orascom to exit mobile mkt*¸ Reuters
[35] Inspection Générale des Finances, or IGF

BRC was dissolved on the orders of Abdelaziz Bouteflika as part of another targeted downfall. In early 2007, its CEO Abdelmoumen Ould Kaddour, who later became CEO of Sonatrach from 2017 to 2019, was arrested on spying charges before being subsequently convicted on 27 November. On February 2020, a court in Algiers announced that the BRC case had been re-opened and formally identified Abdelmoumen Ould Kaddour and former Energy Minister and Sonatrach CEO Chakib Khelil as being involved. It was revealed in January 2023 that sentences of 20 years and 10 years had been requested against Chakib Khelil and Abdelmoumen Ould Kaddour respectively in connection to corruption cases at Sonatrach, chief among them the BRC scandal and the procurement of 13 contracts with the company through single sourcing procedures.

The BRC scandal clearly constitutes a further departure from a strictly narrow national or even regional focus. It allows us to consider crony capitalism as a truly global phenomenon that does not confine itself to a specific region.

The Madame Maya scandal

The story of Madame Maya, whose real name is Zoulikha-Chafika Nachinache, starts where most of the other scandals end, her trial. The legal proceedings revealed that she allegedly met with President Abdelaziz Bouteflika in 2004. She is said to have sought the President's help initially with regard to a plan to open a service station in the Wilaya of Blida, before also seeking assistance with a separate project to renovate the Oum Droue amusement park in the Wilaya of Chlef. Bouteflika's former private secretary Mohamed Rougab stated that the former President asked him personally to introduce Nachinache to the then-Wali of Chlef, Mohamed Ghazi. Nachinache is said to have used this access to acquire land and building permits, gradually expanding her wealth to include luxury cars and villas as well as investing 1.5 million euros in real estate in Spain. Nachinache is also reported to have used the favours she received from the President as evidence of her influential position, enabling her subsequently to leverage her position to act as an intermediary on behalf of other investors and businessmen.

However, little was publicly known of Ms Nachinache until 16 February 2017 when her villa in the Moretti area of Algiers was raided for the first time by the country's internal intelligence services, the DGSI. She was held for questioning for a number of days before being released. On 14 July 2019, her Moretti villa was raided for a second time and she was arrested alongside a number of public officials. The case subsequently went to trial on 9 October 2019. She was convicted and sentenced to 12 years in prison and a 6 million dinar fine on 14 October 2019. Her two daughters, Imene and Farah, were sentenced to 5 years in prison and a 3 million dinar fine each. All of their belongings were seized. These sentences were confirmed on appeal on 31 December 2020. Similarly to Ali Haddad, her downfall was also part of the wider restructuring of elite coalitions that took place in parallel to the Hirak protest movement.

The Madame Maya scandal serves as a counter-point to the other case studies. While the other examples centred on public companies and businessmen, this case relates to a private individual, a woman, whose identity and wealth were kept intentionally, and at least temporarily, out of the public eye. It shows continuity between informal and public networks and helps us better understand the nature and objectives of the narratives built around these networks. Furthermore, it also offers a particularly interesting insight into the intersection between class and gender.

'A brave new world'

At the onset of each of these scandals, and long before they ever come to light, there is a sense of political and economic renewal with a promising future ahead. Four of the companies involved peaked or started their peak in the early 2000s, in the immediate aftermath of Algeria's Civil War. Three of them, BRC, ETRHB and Khalifa were created during the 1990s, in the midst of the Black Decade. BRC in particular was created in 1994, the same year that Algeria sought financial assistance from the International Monetary Fund (IMF). Many of these companies operated in strategic industries that were, up until that point, mostly closed to private investors, thus showing a direct link between this new form of crony capitalism and the economic liberalisation instigated by the IMF during that period.

However, in a country where legitimacy had been built around narratives of socialist-inspiration, new narratives had to be manufactured in order to justify this privatisation. During the 1990s, the Civil War dominated the news cycle, and the general public was not immediately concerned by the meteoric rise of these private groups, though it would be inaccurate to conclude that Algerians ignored them altogether, they simply had other priorities. While the volatile security situation and the relatively low-public profile of these companies limited their growth potential, this period nonetheless laid the foundation to their subsequent achievements.

The narratives manufactured during this period to provide legitimacy to this new system co-evolved with the wider neoliberal narratives put forward around the globe at that time. As a school of thought, the history of neoliberalism in Algeria is as old as neoliberalism itself, but it was initially confined to a limited circle of liberal economists and professors. It is only in 1994 and 1995, when a rescheduling of Algeria's sovereign debt is signed with the Paris Club under the aegis of the IMF, that neoliberalism becomes the de-facto dominant ideology in the country. Neoliberalism in Algeria immediately emerges as crony capitalism. Therefore, the ideologies of these two systems are inseparable; it is ultimately the same ideology. We also see a strong connection between the transnational networks that encourage the fusion between two. The IMF is not concerned with cronyism in its measures; it chooses to simply ignore it, as if it did not exist.

Why did neoliberalism succeed as an ideology when previous attempts to reform Algeria's political and economic system had failed? Much can be attributed to the context: if change had not been made necessary by the country's economic and political crisis, there is no guarantee that neoliberalism would have thrived. However, once reform became unavoidable, other alternatives had been proposed. Some of them dated back to former President Houari Boumediene's 1976 National Charter, which aimed to address the failure of the 'industrialising industries' model. At the start of the country's debt crisis, from 1989 to 1991, the government of Mouloud Hamrouche worked on a new economic model under the banner of 'market socialism'. Both of these alternatives were closer to the country's traditional socialist narratives. One might argue that it was external pressure from the IMF, neoliberal networks or even global crony capitalist networks that gave an edge to neoliberal ideology. While it is undeniable that transnational influence groups did encourage the adoption of neoliberalism, there were also direct internal advantages to this new model.

In reality, neoliberalism was much less threatening to the political and economic equilibria that were in place in the country at that time. Furthermore, cronyism and neo-liberal ideology were in essence very compatible in the context of the challenges that the country was facing. A neo-liberal model requires the existence of a capitalist class to generate growth through investments. In an idealised version, investors should in theory slowly and incrementally

accumulate capital through risky economic enterprises, but in a developing economy with a long history of public investment, the capitalist class is, at best, insignificant. Therefore, the neo-liberal model was faced with the challenge of allowing for the rapid primary accumulation of capital in order to facilitate the growth of the private sector. Cronyism allows for the constitution of such a class at a rapid pace through the transfer of wealth and markets from the public to the private sector. Furthermore, the Civil War of the 1990s made this privatisation of wealth much less conspicuous. The only risk here would have been if the capitalist class managed to accumulate wealth and then transform its economic power into political power. The solution to this challenge is in essence rather simple: accumulation of wealth can be permitted as long as it remains supervised, dependent on crony networks and limited. Capitalism must be subordinated to cronyism.

This brief overview of the emergence of crony capitalism in Algeria demonstrates that it is intrinsically tied to a renewal of the country's ideology and economic and political classes. Furthermore, the idea of a new start was already a well-established trope of Algerian politics prior to the 1990s. Independence in 1962 was to mark a new dawn for the country. Then, Boumediene's 1965 'Revolutionary Rehabilitation' was another reset. It was subsequently followed by the National Charters of 1975 and 1986, which were to mark a renewal of the country's ideological foundations. The Islamic Salvation Front had also unsuccessfully held the ambition of remodelling Algeria. In reality, long before Algeria recovered its sovereignty, the idea of a new dawn had long been a trope of French colonialism. The conquest of Algeria was supposed to give new economic life to this 'underexploited land'. As the colonial project expanded, this project also started becoming more cultural and religious as Algeria was expected to reconnect with its Christian and Roman past. Forced to acknowledge that the country's 'indigenous majority' could not simply be erased, the ideology of renewal took on a progressive mantle: republicanism was supposed to 'elevate' the 'Arabs' and help them assimilate within the French population. During the Algerian Revolution, the slogan of a 'New Algeria' put forward by French Authorities was supposed to help bridge the divide between the 'Arab' and 'European' communities. Therefore, it could easily be argued that since 1830, the idea of a new start has been used to provide ideological justification for the redistribution of wealth and power across social classes and groups. It is therefore unsurprising that the election of Abdelaziz Bouteflika[36] as President in April 1999 was also presented as a renewal. Mere months after his election, in September 1999, a Civil Concord to 'end the Civil War' and to turn a new leaf was passed. It was later complemented by the Charter for Peace and National Reconciliation in 2005. He also reformed the constitution in 2002, and then again in 2008 and 2016.

This ideological and political narrative of a new dawn is accompanied by one of a new economic model. Rafik Khalifa's financial empire emerged into the public arena at the very end of Algeria's Black Decade, when he created Khalifa Bank. While rumours of cronyism did exist, the narrative put forward entirely ignored these accusations. In January 2001, Getty Images published a picture of Khalifa in a private jet titled '*Golden Boy brings new life to Algerian economics'.* Many press articles demonstrated that Khalifa was supposed to become the 'window display' of a 'new Algeria' that is 'more open to the market economy', 'the hope of real change for the youth'[37]. In the case of Naguib Sawiris and Djezzy, it was the launch of

[36] It is worth noting here that Abdelaziz Bouteflika was also Minister of Foreign Affairs from 1963 to 1979 under President Houari Boumediene and that he is often considered to have been one of his mentees.

[37] Some of these articles are critical of him and use this terminology as a form of irony, such as Lecadre, R, Aubenas, F., Garçon, J. and Mathiot C. (2002), *La face cachée de l'"empire" Khalifa*, Libération while others take a retrospective look at the way he was presented, such as Aït-Larbi, A. (2010), *Rafik Khalifa, le prisonnier qui fait trembler Alger*, Le Figaro, and Le Monde with AFP (2013), *Grande-Bretagne : l'ex-magnat algérien Rafik Khalifa bientôt extradé vers l'Algérie*, Le

a call to tender for Algeria's very first mobile licences in 2001 that opened up a new market in which investors were encouraged to finally compete with state-owned Algérie Télécom. For ETRHB, the launch of Algeria's large infrastructure projects and vast social housing programmes were both literally and figuratively presented as a way to build a new Algeria from the ground up. When Ali Haddad became head of the FCE in 2014, he encouraged this narrative of reform and renewal through several public declarations and reports[38]. The FCE itself was remodelled, it became a union instead of an association in 2018. The same year, he created the FCE Foundation as well as a new section for business leaders under the age of 40 called Jil'FCE. Before his downfall, he had also announced the construction of new headquarters and the foundation of a training centre. With regard to the BRC and Madame Maya scandals, the context is very different. There were no explicit narratives that were manufactured around the individuals at the centre of these cases and around their economic activities. As we will see later, it is mostly due to the nature of their wider networks and activities, particularly in the case of Zoulikha-Chafika Nachinache who had allegedly been operating more informally.

The nature of the industries involved is also key to this narrative. Many of them are of an extremely strategic and sensitive nature: oil and gas, construction, banking, telecommunications, transportation and the media. Capitalism does not discriminate between industries based on how strategic they might be, but cronyism certainly does. Indeed, political sponsors have better access and networks in these industries as they are often controlled, at least in a regulatory manner, by the State. As such, we see again the primacy of cronyism over capitalism. If the phrase crony capitalism is pertinent, it is because the system is crony in nature but wants to portray itself as a form of capitalism.

It is also worth assessing whether another path could have been possible. From a strictly theoretical point of view, primary accumulation of capital can be obtained through legal means, however it is often through much slower methods. In poorer nations, liberalisation and privatisation can facilitate this process by creating new opportunities for primary accumulation. However, these processes give a disproportionate advantage either to those who are already wealthy enough to buy stock in State companies or to afford to take risks. Indeed, it is worth underlining here that neoliberal models assume that economic agents can afford to take risks which implies that their basic needs are already covered. This is one of the empirical limitations of these models as freedom of enterprise is seldom a reality for most, and even more so in poorer nations.

Furthermore, the advantage given by neoliberal policies to those who already own capital creates another bias in countries where private enterprise was previously limited. Indeed, by essence, these countries will have few wealthy investors, which in turn will mean that foreign investors will be in a stronger position than national investors. Allowing large foreign investors to invest in the local economy would have a significant impact on matters of national sovereignty, particularly as state-owned companies often operate in strategic industries. Additionally, it also means that profits will be used to remunerate foreign investment, thus further slowing down local accumulation of capital. Therefore, in countries where political sponsors do not want a change in the political equilibria, resorting to foreign investment will not be the most favoured option, particularly if they themselves want to seize directly or indirectly some of the opportunities for wealth accumulation that liberalisation offers.

Monde, and Diffalah, S. (2013), *Algérie. Khalifa, la crainte d'un noveau procès explosive*, Le Nouvel Observateur and AFP editorial teams (2014), *L'ex-golden boy Rafik Khalifa condamné à cinq ans de prison*, L'Express

[38] Hamadi, R. (2017), *Ali Haddad appelle à accélérer le rythme des réformes*, TSA and Belmadi, Y. (2015), Les mesures d'urgence du FCE, L'Est Républicain

Political sponsors are thus faced with a dilemma: should they create an environment for slow primary accumulation of capital, or should they encourage rapid accumulation of wealth? Slow accumulation of wealth requires a fairer and more balanced business environment with a strong and transparent regulatory environment, but it has many drawbacks: it often does not align with the pressures put in place by the international institutions and globalised competition, it also means slower national GDP growth which is often unpopular, and more importantly, it offers slower return on investment for political sponsors, some of which can be made to feel particularly insecure by the rapid turnover of ruling elites in times of instability. Therefore, while it might be too categorical to say that no other option than crony capitalism was available in this context, it seems reasonable to assume that this was by and large the path of least resistance.

Achilles and the 'golden boys'

At the heart of almost all of these scandals, there is always a central figure. Before their downfall, these figures were the subject of many press articles and biographies that presented them as models to be emulated. Rafik Khalifa thus enjoyed several fawning qualifiers such as 'Algiers' Golden Boy', 'The African Bill Gates' and 'The Flamboyant Rafik'[39]. In 2001, Denyse Beaulieu published a biography of Khalifa, which did not shy away from using the title 'Rafik Khalifa, the story of a take-off'[40], a pun that played on Khalifa's ownership of an airline. Several articles presenting him under a flattering light were published. A 2001 article by French newspaper l'Express opened with the words 'were he not already married, Rafik Khalida would be the Algerian that every mother dreams of having as a son-in-law'[41].

Naguib Sawiris's management of his public image was much more direct. In 2004, Djezzy organised a star-packed celebration in an open space at Riadh El Feth – the country's largest cultural centre, which is located beneath Algeria's monument to the Martyrs of the Revolution – to mark the company reaching 2 million subscribers. Algerian press articles covering the event described the 'jovial and bantering exchanges' between Naguib Sawiris and the Algerian crowd. An article from newspaper El Watan describes 'a Khalifa-esque ambiance under the stoic watch of the Monument to the Martyrs'[42][43]. Naguib Sawiris was often described as a 'magnate' by the press, a term which finds its root in the Late Latin word for 'great man'. A somewhat ambiguous term which carries a meaning of strength but also sometimes of ruthlessness. Beyond Algeria, many flattering articles have been published on Naguib Sawiris over the years, notably in the English-speaking press[44].

The BRC scandal for its part has always been much less public. BRC's CEO, from its creation in 1994 to its closure in 2007, was Abdelmoumen Ould Kaddour. He often proudly presented himself as having strong American connections and was known to state in press interviews that he had gone to Harvard and MIT. While he is listed as having received a Masters' degree from MIT, his stay at Harvard consisted of a six-day course on the topic of 'Leading Professional Service Firms'. The BRC affair is also reported to have involved Chakib Khelil, who served as Minister of Energy from 1999 to 2010. Many of BRC's most lucrative contracts were awarded

[39] Huguen, P. (2014), *Au tribunal, l'acension et la chute de l'homme d'affaires Rafik Khalifa,* L'Express
[40] Beaulieu, D. (2001), *Rafik Khalifa, histoire d'un envol*, Servedit
[41] Barbieri, J.-L. (2001), *Qui se cache derrière Rafik Khalifa*, L'Express
[42] Liberté editorial team (2004), *Mami, Achiou et Sawiris*, Liberté
[43] Aziz, Y. (2004), *Célébration du 2 millionième abonné,* El Watan
[44] One recent and notable example would be Elizabeth MacBride's 2016 article in Forbes, *Naguib Sawiris: how my dad taught me to build a great reputation as an entrepreneur*

to the company during that time span. Khelil also simultaneously held the role of CEO of Sonatrach between 2001 and 2003. Furthermore, he had also studied in the US, at Ohio State University and Texas A&M University and was frequently portrayed in the Algerian media as being particularly sensitive to US economic and security interests in Algeria.

In his 2012 book *A secret history of Algerian oil*[45], Hocine Malti dedicated a whole chapter to Chakib Khelil which he titled: *Chakib Khelil, an "American" at the Energy and Mining Ministry*. Chakib Khelil was often perceived as being American in some way due to his family ties, studies and the many years he spent there[46]. The connotations of both individuals' 'American connection' are ambiguous. On the one hand, the US is perceived as a 'wealthy and powerful foreign land' that speaks an almost familiar language and that has no shared history of colonial exploitation. A country of 'innovation', 'entrepreneurship', whose economic model should be 'emulated'. On the other hand, it is also often portrayed as an 'imperial power', a land of 'authoritarianism', 'disproportionate consumerism' and 'a track record of playing hard and dirty' both in politics and business. It is notable that in this case, the connotations associated with Khelil and Ould Kaddour's American ties seem to have shifted over time as the BRC scandal became more visible in the public arena. In terms of the way they were and are often still portrayed in the press, both of them are presented as reformers, in line with the first set of connotations. One notable article published on Ould Kaddour by North Africa Risk Consulting (NARCO) in 2018 describes him as the 'man for his time and place'[47]. The piece shies away from using the word saviour, but the imagery used fully aligns with this narrative trope.

With Ali Haddad, we return to a more standard narrative. After becoming head of the FCE, he was commonly referred to as 'the Boss of Bosses'. Several favourable articles were written about him throughout the early 2000s. In 2008, Jeune Afrique wrote a detailed profile on him that described him as 'discrete and determined'[48]. In 2018, a year before his downfall, Jeune Afrique wrote another favourable, but more nuanced, article[49]. In it, Haddad is described as 'an extremely shy person', but we also find many of the qualifiers used for other 'oligarchs' such as 'magnate', 'golden boy' or the 'unassailable Ali Haddad', and while the term 'oligarch' is mentioned, it is swiftly discarded as a political ruse used by his opponents to discredit him. The article also mentions that 'some expect him to end up like Rafik Khalifa'. However, it quickly states that each time the 'vox populi is allowed to settle the matter, Ali Haddad triumphs over his adversaries'.

A number of common themes clearly emerge from all these descriptions. All of the individuals were presented at one point or another as exceptional figures who, thanks to their unique business savvy, hard work, risk-taking attitude, patience and proactive energy, were able to achieve unprecedented feats. The paltry evidence provided is based on the following circular logic: these golden boys have achieved exceptional feats thanks to their exceptional qualities, and as proof of their exceptional qualities, here is the list of exceptional feats that they have achieved. They impress on the reader the idea that they have a 'unique and ethereal je-ne-sais-quoi'. The terminology employed also presents them as primus interpares, their exceptional feats have placed them at their rightful place at the top of the social pyramid. Success is often accompanied by a sense of glitz, stardom and sometimes even ostentatious consumption. If one

[45] Malti, H. (2012), *Histoire secrète du pétrole algérien*, La Découverte
[46] Dupuy, G. (2008), Le coffer-fort de l'Algérie, L'Express
[47] Porter, G. (2018), *Sometimes there's a man*, Narcos
[48] Alilat, F. (2008), *Ali Haddad*, Jeune Afrique
[49] Alilat, F. (2018), *Algérie: le mystérieux Ali Haddad, magnat du BTP proche du cercle présidentiel*, Jeune Afrique

wants to enjoy similar spoils, it is best to emulate these role models, criticising can therefore only betray envy and bitterness. They are 'flamboyant' and 'unassailable'.

Social and economic inequalities are sometimes mentioned, but only to emphasise how exceptional these individuals are. Rafik Khalifa is described as a 'self-made man'[50] and Ali Haddad[9] is said 'not to have been born with a silver spoon in his mouth'. As for Abdelmoumen Ould Kaddour, despite the BRC scandal, his management of the company was presented as a 'success story' when he became head of Sonatrach, he is the antithesis of his predecessor Amine Mazouzi, 'the son of a former Minister'[51]. If the 'average joe' has not been as successful as these individuals, it is the result of his own individual choices, not because of economic inequalities or the lack of access to key social networks. These articles can sometimes read as the hagiographies of mythical heroes rather than objective reports. As a result, they provide the reader with an epic narrative that normalises the wealth of these individuals and the inequalities that result from it.

There is almost no mention of their social background. Rafik Khalifa is the son of Laroussi Khalifa, a former Minister of Industrialisation (1962-1963), Ambassador to the United Kingdom (1964-1965), CEO of Air Algérie (1965-1967) and pharmacist (1972-1990). Having followed in his father's footsteps and trained as a pharmacist, Rafik Khalifa took over his father's pharmacy before founding KRG Pharma two years later. He created Khalifa bank by leveraging the success of these initial business ventures and through the sale of a villa he had inherited from his father. When Rafik Khalifa's father is mentioned, it is as a 'Hero of the Revolution', rather than a former Minister, but more tellingly, there is no mention of the social and economic advantages that this might have entailed for his son[52]. It places Khalifa in a lineage of exceptional individuals who, through self-sacrifice, achieved incredible feats for the greater good.

As for Naguib Sawiris, he is the son of Onis Sawiris, the founder of Orascom and one of the richest men on the African continent. Presenting him as a self-made man might have appeared too brazen. Instead, the Sawiris family is presented as a 'dynasty', a modern aristocracy that has earned its place thanks to the business savvy of its founder. Naguib is presented as the son who most resembles the father, the one who most deserved to succeed him. Therefore, while he is not a self-made man per se, his social position is naturalised based on his specific talents and skills, which are never really fully explained[53]. In both cases, the obvious advantages provided by hereditary class-based positions are omitted, minimised or transfigured.

Class solidarities also played a key role in Chakib Khelil and Abdelmoumen Ould Kaddour's accomplishments. Born respectively in Oujda and Tlemcen, they both hail from the same region as former President Abdelaziz Bouteflika, who was also born in Oujda. Chakib Khelil and President Abdelaziz Bouteflika are allegedly reported to have gone to the same high school, the Lycée Abdelmoumen in Oujda. Little is known about Abdelmoumen Ould Kaddour's background and Chakib Khelil is often presented as the son of 'a tailor from Tlemcen'[54]. In the midst of Algeria's Revolution, Khelil was able to secure a scholarship from Algeria's National Liberation Front in order to study in France before securing a second scholarship in 1964 for

[50] Qattab, T. (2003), *Un regime nommé Khalifa*, Aujourd'hui le Maroc and El Watan editorial team (2007), *Banalisation de la rapine et perte des repères éthiques : une décennie de scandales*, El Watan
[51] Alilat, F. (2007), *Algérie: le mystère Ould Kaddour, nouveau patron du groupe pétrolier Sonatrach*,
[52] Peyrani, B. (2001), *Rafik Khalifa, le golden boy de l'OM*, Le Point
[53] Renault, M.-C. (2007), *Les ambitions de Sawiris, le "Bouygues" égyptien*, Le Figaro
[54] Riad (2016), *L'homme incontrounable dans la gestion des ressources pétrolières est là…: Pourquoi Chakib Khelil?*, Réflexion and Baker, S. (2016), *Chakib Khelil poursuit sa tournée dans les zaouïas*, Algérie Patriotique

his PhD at Texas A&M University. Furthermore, his friendship with Abdelaziz Bouteflika later lead to his reputation as a 'Boutef Boy'[55].

It is perhaps the profile of Ali Haddad that is closest to the construct of the self-made man as he undeniably comes from a humbler background. Born in Azzefoun, Ali Haddad grew up working in his father's grocery store in his hometown before studying for an Advanced Technician's Diploma in Civil Engineering from the Oued Aïssi Professional Training Institute, which he completed in 1983. He also reportedly studied in France but stated that he returned to Algeria to work at the request of his father. He is also alleged to have bought a small hotel with his brothers while still studying. He founded ETRHB Haddad in 1988 with an initial investment of a million dinars. According to press reports, Haddad admitted himself that the company had a low profile during the first decade of its existence and that contracts were initially hard to come-by. He affirms that his initial successes came as a result of 'self-sacrifice and patience'[56]. While the company's first major deal was a 93 million dinar contract to build a main road in Tizi Ouzou awarded in 1993, the firm's fortunes truly began to rise in the early 2000s after it was awarded a large number of public sector construction contracts during President Abdelaziz Bouteflika's infrastructure investment drive. According to later court testimonies, the ETRHB group was awarded a total of 124 public contracts worth an estimated 784.1 billion dinars between its creation in 1988 and the year 2019, the majority of which were awarded between 2012 and 2018. During his trial, it was heavily implied by the court that his friendship with Said Bouteflika, the brother of former Abdelaziz Bouteflika, was at least in part associated to this change in fortune[57].

The contrast between the narratives put forward and the social advantages, be them at birth or later in life, from which all of these individuals benefitted demonstrates how essential it is to the system of crony capitalism to omit, discard and dismiss anything that might reveal its true mechanisms. One might argue that the evidence put forward is selective and that there was no intention to manufacture such narratives. However, several of these individuals actively managed their image and tried to create, sometimes successfully, large media groups to manufacture these narratives. Thus, Khalifa hired Lebanese media professional Raghid El Chammah as his public relations advisor. It was reportedly El Chammah that recommended that Khalifa publish a short biography. Khalifa then later launched in 2002 the France-based Khalifa TV. A 2002 *Reporters sans Fontières* report states that Khalifa was untouchable and 'showered journalists with money'[58]. Despite a reportedly limited interest in sports, Khalifa sponsored the French football club Olympique de Marseilles and rugby club CA Bordeaux-Bègles Gironde, allegedly to improve his image among the youth as these clubs have a large Algerian fan base across both sides of the Mediterranean[59].

Similarly, in 2009 Ali Haddad launched a press group that published *Le Temps d'Algérie* (in French) and *Waqt El Djazaïr* (in Arabic) and later created two TV channels, Dzaïr TV in 2013 and Dzaïr News in 2014. In 2010, ETRHB bought USMA, one of Algeria's largest and most popular football clubs. Ali Haddad also had his own speechwriter, Brahim Benabdeslem[60]. It is worth underlining that many of the same newspapers that had a positive coverage of Ali Haddad, also had a positive coverage of Ould Kaddour and Khelil. These overlapping networks

[55] Jeune Afrique editorial team (2010), *Les hommes du Président*, Jeune Afrique and Jeune Afrique editorial team (2013), *Chakib Khelil : tout ce qu'il faut savoir sur l'ancien homme fort du clan Bouteflika*, Jeune Afrique
[56] Alilat, F. (2008), *Ali Haddad*, Jeune Afrique
[57] Merzouk, A. (2020), *Ali Haddad parle de ses relations avec Saïd Bouteflika*, Algérie 360°
[58] Locussol, V. (2002), *Algérie : la liberté de la presse victime de l'Etat de non-droit*, Reporters sans frontières
[59] J.D. (2002), *D'une petite pharmacie à la vie de pacha*, Le Parisien
[60] Alilat, F. (2018), *Algérie: les cartes maîtresses d'Ali Haddad*, Jeune Afrique

aren't only a sign of class solidarities, they might also in part explain the convergence of their respective narratives. Ould Kaddour and Khelil, who both occupied official positions, benefitted from the support of public institutions and media, if only by the implicit legitimacy that their positions gave them. As for Naguib Sawiris, the celebration he organised at Riadh el Feth, where journalists were invited to a private event, is a manifestation of his eagerness to manufacture a positive image for himself, not only vis-à-vis the general public, but also with the media.

However, it would be incorrect to assume that these narratives are the result of single-handed efforts by these individuals. In reality, these narratives are essential to crony capitalism and are mechanically manufactured by the system itself through various coordination mechanisms. Articles, biographies, media groups and public relations professionals are all forms of coordination mechanisms that lead to a convergence of narratives, even when the networks and individuals involved are independent and do not have any direct exchanges. The narrative of the 'self-made man' emerged as a natural extension of the wider crony neoliberal narrative. Any successful crony capitalist would have seen it automatically affixed to him. In reality, they would have had to take proactive steps to distance themselves from these tropes if they had wanted to do so. Furthermore, the fact that many non-Algerian writers, journalists, biographers and other types of professionals played a key role in manufacturing these narratives is a clear indication of the transnational nature of these coordination mechanisms.

It is also necessary to highlight the mutation of these narratives over time. Initially, criticisms were left aside and were only expressed as rumours. As time went on, they started to be addressed more directly, but only in order to swiftly dismiss them. Paradoxically, despite an apparently more balanced approach, these narratives also became easier to challenge. Ali Haddad was often the subject of mockery from the satirical Algerian magazine *El Manchar*. In reality, these superficial nuances were not there to manufacture more convincing narratives, their creation added resilience to the wider narratives of crony capitalism. 'If a given oligarch eventually proves to be corrupt, it is because these criticisms must have been well-founded'. Even satirical articles add to this resilience, if these characters are laughable, their downfall is only the logical consequence of their personal flaws, not of a whole ideology and system. The Khalifa scandal is constantly referenced precisely to that effect. It marked a turning point from a more naïve narrative to a more jaded position, it also served as veiled threat, a reminder of the golden boys' fatal vulnerability. It is hard here not to see a parallel with the tale of Achilles, a heroic demigod who soon after his birth becomes fatally flawed from the moment he gains his powers.

The case of Madame Maya constitutes a perfect counter-point. Nothing is known about her before the raid of her villa in 2017 and she only came to broader public attention in 2019, when her villa was searched for a second time following the resignation of President Abdelaziz Bouteflika. Indeed, when the case was first reported by Algeria's official press agency, the APS, on 15 July 2020, Zoulikha-Chafika Nachinache was referred to only by the initials 'N.Z.CH.' The only origin story provided for her is a posteriori and was made public through judicial proceedings. These proceedings revealed that prior to the raid of her villa, she had reportedly met President Abdelaziz Bouteflika in 2004. Bouteflika's former private secretary Mohamed Rougab stated in his testimony at trial that Nachinache was never granted an official audience with the President at the Presidential Palace; though he nonetheless confirmed that he himself met with her there on one occasion in 2004, on the President's instructions. Shortly after, Rougab introduced her to Mohamed Ghazi, who was at that time the Wali of Chlef. It

appears to be at around this time that Nachinache first began to be viewed as a member of the President's family or even as Bouteflika's secret daughter[61].

At trial, Nachinache denied ever having introduced herself as such, stating that she referred to herself simply as 'Madame Maya'. However, Ghazi suggested in his testimony that Bouteflika had telephoned him to say that he was sending some 'members of his family' and requested that he 'take care of them'. Ghazi also stated that he believed that Algerian Police Chief Abdelghani Hamel, to whom Nachinache was known, would have spoken out against the rumours if they were untrue, given his access to privileged information. Whatever the case may be, this association earned Nachinache privileged access to the highest levels of influence within the Algerian State.

This narrative does not refer to Nachinache's qualities as an individual, only to rumours of a family connection. She is at times called 'Madame Maya', 'Maya B.' or 'El Maalma' - The Boss. One of her monikers, 'The Blonde of Moretti', even refers to her physical attributes. Furthermore, her nicknames are aliases, not qualifiers, they exist to hide her true identity, not to underline her successes. The absence of any 'golden girls' shows that there is a direct intersection between the patriarchy and crony capitalism. There is nothing to indicate that crony capitalism is patriarchal in its essence, this bias seems to result mostly from an intersection with the patriarchy that exists in the wider society in general. However, it would be overly simplistic to assume that the use of aliases for Nechinache is the sole result of the patriarchy. It is first and foremost a result of the types of networks and activities that were at the heart of the Madame Maya scandal. In recent years, the networks associated with crony capitalism have become colloquially referred to as the 'Issabas', or the mafias.

'It's not what you know; it's who you know'

The Madame Maya scandal is particularly unusual as very little is known about her and her activities. The absence of any narratives and her reported role as an intermediary could suggest that her activities and accumulation of wealth were mostly tied to informal activities. Interestingly, while the 2017 raid of her villa reportedly led to the discovery of substantial sums of cash in both Algerian and foreign currency in addition to documents including passports, this case was never brought to trial, for reasons that are still unknown. Press coverage was notably muted and only referred to Zoulikha-Chafika Nachinache by her aliases rather than her legal name. According to press reports and her own testimony, former President Abdelaziz Bouteflika was reportedly an acquaintance of her parents when she met him at his private residence in 2004. We also see that the networks she was involved in allegedly also included Bouteflika's private secretary, Mohamed Rougab, the Wali of Chlef, Mohamed Ghazi, and Police Chief Abdelghani Hamel. If this were true, it would suggest a direct continuity between formal institutions and the informal sector.

The case of Madame Maya also offers insight into the more general mechanisms used to craft and manufacture the ascent of crony capitalists. As may be expected, their rise relies entirely on advantages provided by the State. This is another key aspect of crony capitalism. Indeed, in other economic and political systems, primary accumulation of capital can often be illegitimate and the role of the State in providing strategic advantages can also be key, however, it is not entirely exclusive. Thus private-sector networks, particularly those based on social class, often

[61] BBC editorial team (2020), *Nachinachi Zoulikha-Chafika; "la fille secrete de Bouteflika", jugée pour corruption et blanchiment d'argent*, BBC and Alilat, F. (2020), *Madame Maya : comment une inconnue a amassé une fortune en prétendant être la fille de Bouteflika*, Jeune Afrique and Jeune Afrique avec AFP (2020), *Algérie : "Madame Maya", "fille cachée" de Bouteflika, condamnée à 12 ans de prison*, Jeune Afrique

play a key role. In some cases, influence on public policy and lobbying of strategic advantages only comes at a later stage. However, in the case of crony capitalism access to public sector networks, be they political institutional, military or tied to secret services, is essential and constitutes the most essential aspect of primary accumulation of capital.

As such, it appears that many Algerian crony capitalists allegedly benefitted from preferential treatment from State institutions. These advantages can be categorised as follows:

- Access to heavily discounted means of production: notably access to land permits, to cheap capital through loans, or even factories, labour and technology in the case of privatisations,
- Access to competitive advantages: creation of de-facto monopolies, preferential treatment for State procurements, creation of barriers to market, trade and FDI protection, formal and informal preferential regulatory treatments,
- Access to financial advantages: in the case of Algeria, these include energy and food subsidies, preferential foreign exchange rates, favourable payment terms and low tax payments, among others.

This intrinsic link between state-controlled industries and primary accumulation of capital implies that the emergence of crony capitalists often takes place in industries where the influence of the State is strongest. Therefore, crony capitalists tend to emerge in industries that are at the crossroads of the private and public sector. These industries often rely heavily on public procurement contracts, are heavily regulated and require large capital investments. In June 2021, the public prosecutor at the court of Sidi M'hamed underlined that 'public procurement contracts were the main source of corruption in Algeria'[62]. He further underlined the four mechanisms most commonly used:

- Amendments: crony capitalists submit prices that are much lower than the competition in order to obtain public contracts but subsequently find reasons to make amendments that can cause prices to inflate significantly,
- Abuse of office: the prosecutor estimated that 27.6% of all corruption cases processed by the country's financial crime unit involved clerks who abused the advantages provided by their offices,
- Misappropriation of funds: the proportion of cases involved was estimated at around 27,5%,
- Concealing or disguising funds from corruption: he estimated that 6% of cases fell into this category.

As a result, it is unsurprising that crackdowns always cause the downfall of senior political figures, including former Prime Ministers. The industries in which crony capitalism thrives the most are those in which most of these ingredients can readily be found. We can thus classify them as follows:

- Public procurement industries: these industries depend heavily on public sector contracts and are therefore often where crony behaviours are most common. This is notably the case in construction and healthcare,
- Foreign trade: owners of companies that operate in Algeria's import-export sector have often been nicknamed 'barons of the import-import industry'. Indeed, the country has a structurally high import bill and extremely limited exports outside of the energy industry. Furthermore, with many constraints put in place to limit access to foreign currencies, carrying out imports has always been a tightly regulated activity and access

[62] TSA editorial team (2021), *Marchés publics, voie royale à la corruption en Algérie*, TSA

to this segment is both very lucrative and extremely restricted. Most recently, many corruption scandals have involved investors in the automotive and electronics industries, but these are only some of the more high profile examples,

- Heavily regulated industries: these industries have high barriers to entry, as is the case in the telecommunications, pharmaceuticals, media and advertising industries. Sometimes, when the industry is nationalised, it is the services that relate to it that are subject to crony behaviour. This is most obvious in the case of oil and gas services and the distribution, retail and marketing of refined products,
- Privatised and subsidised industries: in these sectors, the privatisation of public means of production at a discount or access to public subsidies is primarily given to insiders. The agrifood and cement industries are often cited as examples. Trade Minister Kamel Rezig thus once spoke of the 'Milk Mafia'[63], while the term 'mafia' has at other times also been used to describe wholesalers who have chokehold on the potato, semolina and citrus fruit markets, among many other examples[64],

From an economic perspective, we notice that these are almost all industries where competition is difficult to develop, and which are therefore more susceptible to the creation and allocation of rents. Many of them are also natural monopolies or oligopolies, which is why they are often state-owned or state-controlled. In other cases, competition and regulation raises the barrier to entry. As discussed previously, the allocation of rents is essential to the success of crony capitalism as a system and also as a means to manage power dynamics during the various phases that put this system in dynamic motion. In addition, though it is not always the case, these industries are also very often deemed to be strategic, in the sense that they are of such public concern and play such a key role in preserving sovereign interests that the role of the State is rarely contested. Even the most staunch anti-statist intellectual currents would, in most cases, reluctantly accept and sometimes even encourage public oversight and regulation of these industries. However, the exact nature of these industries can vary from country to country. For instance, a doubly-landlocked country is more likely, though not always, to place less emphasis on its maritime industry and naval forces than most other nations.

However, this simple approach neglects to fully take into account the class antagonisms that pit political sponsors and capitalist cronies against each other. Some industries are so strategic that providing advantages to capitalist cronies in order for them to accumulate wealth and power could destabilise the fragile equilibria of the entire system. An obvious case is that of the military industry, or in the case of Algeria, the oil and gas industry. Therefore, the ideal industry for crony capitalism to thrive is one that is deemed strategic enough that State oversight or State monopolies can be justified, but not strategic enough that it might disturb the power balance between political sponsors and capitalist cronies.

This is where the case of Madame Maya may be most illuminating. The informal sector is almost ideal from this perspective. Indeed, on the one hand, informal activities can only thrive in two types of spaces: in spaces where informal networks can directly challenge the sovereign monopoly of the State and in spaces where the State is happy to recede in favour of such networks but where it continues to keep ultimate control and still has the sovereign means to crackdown on informal networks, however costly that might be. The first type of space is more commonly observed during wartime or moments of high volatility, as was the case in Algeria during the 1990s. The instability of that period allowed many parallel networks to thrive. The

[63] Imene, A. (2020), *Rezig lance la guerre à la mafia du lait*, Algérie Eco
[64] Hani, R. (2020), *Après la pomme de terre et la semoule, la mafia de l'orange et du citron sévit*, Dernières Infos d'Algérie

second category of spaces is more reminiscent of the parallel import and currency markets of the 2000s. Indeed, the State could crackdown on these markets, but simply choses not too.

These kinds of grey markets constitute an almost ideal medium in which crony capitalism may thrive. In these murky waters, political sponsors have the full sovereignty of the State to gain and distribute undue advantages. As we can see, it was her ties to public agents at the highest level of Algeria's institutional power structure that allegedly allowed Zoulikha-Chafika Nachinache to accumulate capital and power. She thus reportedly benefitted from direct access to means of production in the form of loans, to competitive advantages in the form of building permits and financial advantages in the form of foreign currency and informal tax exemptions or undeclared wealth and income. Yet, her power was never threatening to the country's political equilibria as it was allegedly acquired via illegal means and could therefore easily be taken away from her.

In almost all narratives, regardless of the country, official and informal segments of society are presented as an obvious dichotomy. The Madame Maya scandal clearly points to the opposite. Cronyism is founded on informal networks and capitalism does not discriminate between activities in terms of their legality. Large-scale grey and black-market activities also require significant investments, and therefore, it is an area in which some capitalists have found a niche and thrived. In both these systems, there is a direct continuity between formal and informal activities, and it is therefore to be expected that crony capitalist networks also would not discriminate between the two.

We thus also find hints of these informal networks in the other scandals. It appears that in many cases, it is from these informal ties and activities that more formal structures and narratives later emerge. Yet, despite their essential role, these activities and connections are never comprehensively investigated. It is interesting to see that a number of articles have titles starting with the words 'who's hiding behind' or 'the mystery of'[65]. However, even the most critical of these articles never fully investigate these networks and activities. Whether by accident or design, this category of articles acts as a red herring, particularly in recent times, when key word referencing and search engine optimisation have become so crucial to the manufacturing of narratives.

However, through testimonial accounts, legal proceedings and allusions in the press, details have emerged about these networks and activities. In the case of Khalifa, he initially operated his pharmaceuticals packaging operations as an as-yet-unregulated activity. When he eventually obtained the country's very first official permit to package generic pharmaceuticals and launched KRG Pharma in 1992, he attributed his success to his 'perseverance'. However, rumours relayed in the press at the time suggested that his business partner was 'the son of a general' and that this connection likely contributed to the company's prosperity.

According to press reports, the subsequent creation of Khalifa bank was the result of 'a stroke of luck' when, having missed three flights in a row, he explained his plans to a man sitting next to him on the plane he eventually managed to catch. The unnamed individual 'turned out to be

[65] We find these articles almost for all of the individuals involved. Here are some significant examples :

- Barberi, J.-L. (2001), *Qui se cache derrière Rafik Khalifa,* L'Express
- Dumond, J. and Bouchet, S. (2002), *Qui se cache derrière monsieur Khalifa ?,* Le Parisien
- Alilat, F. (2017), *Algérie : le mystère Ould Kaddour, nouveau patron du groupe pétrolier Sonatrach*, Jeune Afrique
- Alilat, F. (2018), *Algérie : le mystérieux Ali Haddad, magnat du BTP proche du cercle présidentiel*, Jeune Afrique

a senior government official' who was so convinced by Khalifa's plan that he decided to support him and assist him in obtaining the necessary permits. Following the bank's creation, it is reported that a number of state-owned companies, institutions and even other banks were directed to deposit large sums of money with Khalifa bank. Other individuals also profited personally from the company's success. In one notable example, a company executive affirmed during questioning at trial that Khalifa Group had 'granted' an apartment in Paris to Abdelghani Bouteflika, brother of then President Abdelaziz Bouteflika, who was also employed as the group's Legal Counsel.

The narrative manufactured around Ali Haddad took a radically different approach. Up until his nomination as head of the FCE, his political ties were rarely addressed openly. His 'friendship' with Said Bouteflika was sometimes evoked, but it had no legal basis although it did provide him with a certain aura of unassailability. Although the brother of the President is not an official figure, investigating the activities of one of his friends might prove unnecessarily troublesome. Throughout his trial, Haddad maintained that his relationship with Said Bouteflika was limited to friendly exchanges and seasonal greetings, suggesting that he had called him 'during Ramadan or for Eid'.

However, the prosecution presented evidence of 255 phone calls and 30 texts exchanged between the two men during the 18-month period leading up to his arrest, including a text sent by Haddad on the night of his arrest at a border crossing with Tunisia that read 'I'm stuck at Oum Tboul'. In reality, his political ties had already become more apparent after he became head of the FCE. From 2014 onwards, Haddad openly supported former President Bouteflika in his bids for election for a fourth and fifth term and with regard to policy decisions. In public, this support took the form of press statements in favour of the President and government. He is also reported to have had close ties with former Prime Minister Abdelmalek Sellal, former Minister of Commerce Amara Benyounès and former Minister of Industry and Mines, Abdeslam Bouchouareb.

The case of Naguib Sawiris gives a clear insight into the transnational nature of these networks. According to press reports, Bouteflika's links with Orascom predate his election in 1999. Bouteflika served as Algeria's Minister of Foreign Affairs between 1963 and 1981. However, following Chadli Bendjedid's appointment as President in 1979, Bouteflika found himself outside of the circles of influence of the Algerian State and spent much of his time abroad. This period of his life was later described as his 'crossing of the desert' or a period of political exile. By 1984, Bouteflika was reportedly living in a suite at the Intercontinental Hotel in Abu Dhabi (UAE), where he allegedly received a generous monthly allowance and had all of his expenses covered by Sheikh Zayed bin Sultan Al Nahyan, the Emir of Abu Dhabi from 1966 and president of the UAE from 1971 until his death in 2004. In his 2012 book *A secret history of Algerian oil*, Hocine Malti suggests that Bouteflika was employed as an advisor to the Emir at that time. It was during this time that Bouteflika is said to have met Mohamed Al Shorafa, a man who Malti describes as the Emir's Director of Protocol and Chief of Staff. Other sources variously describe him as Bouteflika's 'old friend' and/or 'former employer'. Upon Bouteflika's election as President, Al Shorafa is then reported to have leveraged his position to ensure that Orascom was able to acquire a telecommunications licence in Algeria. The exact nature of Al Shorafa's links with Orascom remain unclear as it was reported that he may have been one of its shareholders or simply a 'godfather' to, or 'supporter' of, Sawiris.

While the aforementioned reports have never been substantiated, what is known is that on 11 July 2001, OTH acquired a GSM telecommunications licence for 737 million dollars on behalf

of its new Algerian subsidiary trading under the name 'Djezzy'. Even from the earliest days of Orascom's entry into the Algeria market, there were rumours that the deal was not entirely above board. At the time, press reports suggested that the license was 'undervalued', particularly in comparison to similar GSM licence awards in neighbouring Morocco. Indeed, as early as 2002, journalists Abla Cherif and Hassane Zerrouky published articles and documents in the daily paper Le Matin implicating Al Shorafa in illegal practices with regard to the GSM licence. In 2003, Orascom officially contested this information, stating that Al Shorafa had been in no way involved in Orascom's entry into the Algeria market nor was he responsible for Orascom's subsequent commercial successes. Orascom also accused Al Shorafa of 'tarnishing its image' in Algeria and involving it in 'local political rifts'. Al Shorafa eventually launched legal proceedings against the two journalists, which resulted in both of them being sentenced to two months in prison in 2005.

This version of events, if true, suggests the existence of regional networks that operate throughout the Arab world. However, concluding that crony capitalism is essentially a MENA phenomenon would require us to ignore the existence of larger, global networks. If crony capitalism coevolved with neoliberalism, it would be unsurprising for their respective networks to have organically become intertwined. The BRC scandal is particularly telling from that perspective.

In his 2009 book *The Dark Sahara: America's War on Terror in Africa*, author Jeremy Keenan suggests that Halliburton's decision to invest in Algeria in the midst of a Civil War and economic crisis was 'a particularly significant but scarcely publicised contribution to the regime at this critical time in its survival'. Keenan also suggests that BRC's subsequent dismantling had 'disastrous consequences […] for US relations with Algeria'. From there, it has been alleged that Chakib Khelil played a pivotal role as he helped create a junction between US oil networks and the networks that were in power in Algeria at that time. He was described as being one of the few individuals who could enter President Abdelaziz Bouteflika's office without an appointment, and it is said that he had the President's full trust. In his book *A secret history of Algerian oil*, Hocine Malti suggests that Bouteflika's brothers were also involved in this scandal.

The individuals at the heart of these scandals appear to have been aware of the importance of international networks and class solidarities and often explicitly tried to expand their networks beyond Algeria. Thus, Khalifa launched various businesses in France and acquired the small German bank Erste Rosenheimer Privatbank. His Public Relations Advisor Raghid El Chammah reportedly helped him develop his business overseas and introduced him to businessmen and politicians in Lebanon, Saudi Arabia, the Emirates and the US. Similarly, the Presidency of the FCE positioned Ali Haddad as a key point of contact for overseas organisations looking to find opportunities in Algeria. Notably, he participated in the Transatlantic Economic Forum in Washington, was on the Board of Directors of the United States-Algeria Business Council and signed a strategic partnership with the Washington Post to promote Algeria as a business destination to American Investors. Under Haddad's leadership, the FCE also signed an agreement with the French MEDEF[66] to increase business ties between the two countries.

Indeed, expanding their international network seems like an obvious strategy for many of these capitalist cronies. As described previously in the case of the Madame Maya scandal, even the

[66] The MEDEF is the French equivalent of Algeria's FCE.

capitalist cronies that had the most official and legal activities are alleged to have benefited from various advantages. Rafik Khalifa benefitted from alleged competitive advantages in the form of permits and authorisations as well as alleged financial advantages in the form of deposits at his newly formed bank. Similarly, it is alleged that Ali Haddad benefitted from preferential treatment during public procurement processes. In the case of Naguib Sawiris, the most obvious example was the contested price at which OTH acquired its GSM licence, which many have reportedly described as preferential access to a heavily discounted strategic means of production as well as an undue competitive advantage as no other private operator was granted a telecommunications licence for another two and half years, until December 2003. In the case of BRC, it appears that it was access to public procurements that provided the clearest example of alleged undue advantages provided to the individuals and networks involved in this scandal.

Yet, while all of these individuals are rumoured to have benefitted from such advantages, only three of them, Rafik Khalifa, Ali Haddad and Zoulikha-Chafika Nachinache, were officially imprisoned or tried directly for allegations directly related to their respective scandals. Naguib Sawiris and Chakib Khelil never appeared in Algerian courts. The illegal nature of wealth accumulation in crony capitalism is the Achilles heel of the system's capitalist cronies. From that perspective, international networks can allow capitalist cronies to diversify and spread their risk. As such, it is an obvious temptation for many of them to try to expand their geographical reach. Nonetheless, it seems that not all international networks are made equal. It seems that these networks are most effective when they predate the rise of these capitalist cronies in Algeria and when they constitute the foundation on which their wealth is built. They seem much weaker when they only rely on superficial real estate or capital investments abroad or on temporary institutional ties. It appears that one cannot truly penetrate these international networks through simple wealth accumulation or financial investments, individuals can only be co-opted into them and are then expected to contribute to increasing their political and economic reach.

Furthermore, what this analysis of the networks of crony capitalism shows is that the narratives manufactured around their structure can be seen in layers. It starts with a simple linear narrative of success with a clear set of protagonists. Then, we find vague allusions, deflections and denials with a set of secondary characters that are sometimes high-profile public figures, or sometimes simply unnamed individuals. The narrative put forward for this layer seems much more improbable, filled with coincidences, and unexpected providence. As we leave this layer, we no longer have any public narrative; we find hazy allusions, rumours, testimonial accounts that only offer us a glimpse into the existence of unfathomably large networks, often international ones, in which unsuspectedly strategic stakes are involved. This narrative tension builds up until finally a corruption scandal irrupts on the public arena.

'You scratch my back and I'll scratch yours'

As underlined previously, in exchange for the advantages that they are given, capitalist cronies are expected to perform a certain number of services. These services generally fall in the following categories:

- Political and economic services
- Financial services
- Strategic services
- Personal services

In the first category, we find services that aim to buttress the political influence and widen the base of the crony capitalists' political sponsors. Their main purpose is to help manage the sponsors' political and economic clientele. The most common type of quid pro quo is access to privileges in exchange for economic growth and job creation. Indeed, by providing these two services, capitalist cronies help to expand their sponsors' political and economic clientele and help them prop up the legitimacy of the country's economic model, and indirectly, that of its political system. However, in the case of Algeria, oil and gas income allows political sponsors to put in place various rent redistribution schemes and practices that allow them directly and openly to solidify their position through legal means.

Thus, public companies often have large overheads with very low productivity key performance indicators. Furthermore, large social housing programs, such as the National Agency for the Improvement and the Development of Housing (AADL), or subsidized loan schemes, such as the National Youth Employment Support Agency (ANSEJ), have often been alleged to have very low rates of return with a high number of non-performing loans. However, given the lack of data, it remains difficult to fully assess the success of these schemes, or of other more specialised programmes that are aimed at specific segments of the population. These schemes could also simply be part of the country's social model.

Another well-established political tradition is the exclusion of potential challengers. Indeed, traditionally, one of the many functions of public companies has also been to occupy the economic space and pre-empt the emergence of independent investors. Left unchecked, their potential accumulation of wealth could have resulted in the simultaneous accumulation of political clout. As a result, the privatisation of the 1990s could have theoretically led to the creation of a new political, economic and social class that could have ultimately tried to challenge the power of the ruling class. Therefore, once the choice had been made to privatise large segments of the Algerian economy, it became essential to mitigate this threat. This is of particular concern in industries that play a strategic role in the exercise of power. Some of these industries, such as defence, were left almost entirely untouched by the subsequent waves of privatisations, but others, such as the media, telecommunications or cutting-edge industries, represented a more complex dilemma. An obvious solution was to select and favour a series of champions who would then come to dominate their given industry thanks to the numerous advantages that would be given to them. The rise of these new figures should also be controlled by, and dependent on, the favours of their sponsors to avoid them ever posing a significant political threat. In many ways, this exclusionary role is one of the primary functions played by crony capitalists.

Another common example of the type of political services provided by crony capitalists is that of campaign financing. Following his arrest, Ali Haddad himself admitted that he had played an active role in Bouteflika's re-election campaign, having kept donated funds at ETRHB's company offices at the request of Said Bouteflika. He also admitted that he had accepted a donation cheque from fellow businessman and FCE member Ahmed Mazouz on Said Bouteflika's behalf. Nonetheless, it must be underlined that he denied contributing funds of his own to the campaign.

Besides campaign financing, we also find rent and surplus redistribution through commercial contracts with other potential supporters. Here, the BRC scandal is perhaps most telling. An investigation by the General Finance Inspectorate eventually produced a damning report that described the illegal and widespread use of single sourcing contracts where services were agreed privately between companies rather than being put to tender. Invitations to tender were

required by law for all public sector contracts at the time, except in cases that could be reasonably justified by the extreme urgency of the project in question. The report also revealed that BRC made excessive use of subcontracting arrangements and practiced systematic overbilling, including, on one occasion, artificially inflating the price of goods and services supplied to over 20 times their original cost.

These practices are also commonly used for financial services. The nature of these services is even more directly tied to the intrinsic nature of crony capitalism and its narratives. The advantages provided to crony capitalists often constitute the tragic flaw that eventually leads to their demise. It follows from this conclusion that their sponsors will want to insulate themselves from these pitfalls as much as their political clout will allow, particularly as some are public figures. Indeed, if political sponsors could openly and freely dispose of public funds, as is the case in absolute monarchies for instance, they would not rely on crony capitalists to provide them with financial services. Common examples here include kickback payments, fictitious employment, facilitation payments or access to foreign currency and investments abroad, among others.

These types of services are some of the most commonly found examples of bribery across the world and across political systems, as was demonstrated by numerous scandals, such as the Panama papers. Several Algerians have been mentioned in these scandals, including notably Chakib Khelil[67]. The case of Khalifa Bank is even more revealing. On 27 November 2002, the Algerian Central Bank blocked Khalifa Bank from making overseas currency transactions after detecting suspicious activity at the bank. Some reports suggest that the group had received warnings about suspicious transactions as early as 2001, just three years after its creation. Furthermore, several public institutions and companies[68] are said to have had accounts at Khalifa Bank[69]. Estimates that these institutions had lost 200 billion dinars in this scandal led some observers to allege that the bank was used to funnel public funds into private accounts locally and abroad. With regard to Orascom, unsubstantiated rumours that Mohamed Al Shorafa was one of Orascom's shareholders also raised suspicions of alleged services to international sponsors.

With regard to strategic services, this category relates to activities that often fall under the aegis of the State due to their sensitive nature. Their privatisation constitutes a direct challenge to official institutions and can sometimes weaken them significantly. However, political sponsors will sometimes attempt to find informal means to expand their political grasp over the country by privatising strategic sovereign powers. This is generally a risky and brazen move that is only attempted once a network of political sponsors finds itself in such a strong position that it no longer considers the State as a means to further expand its power, but rather as an obstacle and a hindrance. In *A secret history of Algerian oil*, Hocine Malti, citing Jeremy Keenan and several other anonymous sources, affirms that BRC's activities allegedly extended beyond furthering commercial and economic interests to include State security interests. He asserts that

[67] Le Monde editorial team (2016), *« Panama papers » : comment l'élite algérienne a détourné l'argent du pétrole*, Le Monde Afrique

[68] Notable public institutions and companies said to have had accounts at Khalifa Bank include :

- The National Agency for the Improvement and the Development of Housing, also known by its French acronym AADL
- The Office for Housing Promotion and Management, also known by its French acronym OPGI
- The National Social Insurance Fund, also known by its French acronym CNAS
- The National Social Security Fund of Self-Employed Workers, also known by its French acronym Casnos
- The National Pension Fund, also known by its French acronym CNR

[69] Saïd, Y. (2013), *Cinq clés pour comprendre l'affaire Khalifa*, El Watan

BRC was involved in the building of a secret base for the American military in the Sahara, a suggestion that has been denied by authorities in Algeria and the US. Malti also alleges that BRC was the conduit through which the US provided Algeria with communications equipment that was ultimately used by US intelligence services to listen in covertly on Algerian communications. While it must be underlined that the aforementioned details have not been verified, it is known that former CEO Abdelmoumen Ould Kaddour was arrested by intelligence services in early 2007, shortly after the company was wound up.

The last category of services is surprisingly one of the most secretive as it often involves private matters and relationships. They often include services of a more hedonistic nature, such as providing illicit drugs, sexual favours or satisfying illegal wants and needs that rely on the existence of informal networks. Due to her gender and the informal nature of her networks, several such allegations have indirectly been made against Zoulikha-Chafika Nachinache. Yet, facts have failed to corroborate these accusations and the nature of her ties and influence remains unknown. Tangible evidence made public thus far would suggest that, at this stage, these allegations are more likely to be the result of patriarchal assumptions that seek to provide a simple answer where none currently exists.

'Everything must change so that everything can stay the same'

This review of services might suggest that capitalist cronies tend to specialise in one specific category, but in reality it is quite common for them to expand the range of services they offer to political sponsors. Indeed, besides expanding their local and international networks to spread their risk, this is in appearance one of the most effective tool they have at their disposal to strengthen their position. All of these services are by their nature illegal, or at the very least compromising. Therefore, it can easily be assumed that they provide crony capitalists with political and legal leeway that can allow them to readjust the power imbalances that are intrinsic to the functioning of crony capitalism. Some capitalist cronies even try to accumulate evidence of the services they have provided to their sponsors, as a form of insurance policy that is to be used as a silver bullet should they ever find themselves in a precarious position.

Thus, following the Hirak movement and the resignation of Abdelaziz Bouteflika, Sawiris announced via his Twitter account on 7 April 2019 that he planned to reveal the details of the 'conspiracy' that had led to Djezzy being 'seized' from him in order to allow the Algerian people to achieve their goal of 'getting rid of the issaba'[70]. However, as yet, no additional details surrounding the alleged conspiracy have been released. In a similar vein, Ali Haddad is reported to have shouted "I'll take them all down with me!" after he was sentenced in court[71].

Yet capitalist cronies often fail to follow through on these threats. Indeed, the accumulation of evidence does little to help readjust the intrinsic power imbalances of the system. Capitalist cronies are only able to provide these services because they are first given various types of advantages by political sponsors. Therefore, it can be assumed that these services are not unexpected favours that they provide to political sponsors and on which the latter depend, but are in fact their main function and objective as front-men and intermediaries, and that failing to provide them would, at best, mean losing access to the advantages they are being given.

It can thus be deduced that if a capitalist crony were brazen enough to try and use this evidence as leverage in a negotiation, even timidly, he would rapidly feel the full force of the system's

[70] Benali, A. (2019), *Naguib Sawiris promet des révélations sur l'affaire Djezzy en Algérie*, Algérie Eco
[71] Amrouni, M. (2019), *Ali Haddad menace: "je vais les dénoncer tous !"*, Algérie 360

power imbalance. He would not only lose the support of his former sponsors, he would rapidly find himself having to fight an uphill battle against the official institutions of the State, but also against informal networks of many sorts. Once again, we see the strategic importance of having a full continuum between official networks and informal networks for political sponsors. Indeed, they would logically be disposed to use all means necessary to make sure that capitalist cronies never pose a genuine, or even a symbolic threat to their political power or personal accumulation of wealth.

In reality, a poor understanding of the balance of power is often what precipitates the fall of crony capitalists. Thus, it is often reported that the downfall of Naguib Sawiris in Algeria was triggered by the sale of Orascom's cement operations to French company Lafarge on 10 December 2007. According to Hocine Malti, Lafarge had previously attempted to buy some of the cement plants included in the deal directly from the Algerian State, which had turned down Lafarge's more lucrative offer in favour of Orascom. Reports suggest that the Orascom-Lafarge transaction was not disclosed to the Algerian government in advance. While the transaction was legal, it was understood to have caused a great deal of upset at the head of the Algerian State given that Orascom had built its cement subsidiary on the back of substantial tax breaks and loans from public banks before selling it to a foreign investor for 10.2 billion euros. According to Malti, it was this transaction that reportedly provoked the ire of the networks that had supported Sawiris in Algeria thus far and effectively put an end to the group's rapid growth in the country, although it continued to operate there.

In 2009, Algerian authorities hit Djezzy, Orascom's biggest earner in Algeria, with a bill for 597 million dollars in unpaid taxes dating from between 2004 and 2007. Orascom contested the bill, while Algerian courts blocked the company from repatriating its earnings until the issue had been resolved. On 15 February 2010, Sawiris told MarketWatch that Orascom was keen to stay in Algeria but 'we need to understand if our investment is welcome there or not. If not, we will consider other options'. Two days later, on 17 February, an unnamed government official cited by Reuters was categorical: 'we don't want Orascom anymore'. Nonetheless, when Orascom moved to sell Djezzy to the South African telecommunications company MTN in May of the same year, the Algerian State announced its intention to exercise its right of first refusal on the sale. The resulting negotiations stretched out for another four years, when Algeria's National Investment Fund[72] acquired 51% of the company from Orascom in April 2014.

In parallel, Orascom was also facing legal difficulties involving its majority-owned subsidiary Sorfert, which it also managed. In 2012, the company's appointed auditor refused to sign-off on a certain number of transactions involving the company, including an attempt to transfer 300 million dinars overseas. An investigation was launched by authorities in Oran, although the matter only came to trial in October 2017. The trial resulted in the company's former Managing Director, an Egyptian national identified by the initials O.A.B., being sentenced in absentia to 5 years in prison. Sorfert's former finance director – or legal director, depending on reports – was sentenced to 2 years in prison while a number of officials from state-owned bank BEA were acquitted during the same trial. The company was also accused of having attempted to send 16 million dollars overseas in 2015, with BEA executives noting that the transaction had been signed off by the Central Bank. It is worth noting that despite all these legal proceedings, there have never been any official investigations into Sawiris's person. In fact, Orascom continues to own 51% of Sorfert, which remains one of North Africa's largest

[72] Fonds National d'Investissement, or FNI

integrated nitrogen fertilizer producers to this day. The group also has various other investments in the country.

The BRC scandal also shows that there are unspoken red lines that set a limit on the power of crony capitalists. The first signs of BRC's impending demise came on 24 February 2006, during the inauguration of the new Ministry of Energy headquarters in Algiers, which the company had been contracted to build. After cutting the ribbon, it is alleged that then-President Abdelaziz Bouteflika turned to Chakib Khelil and stated 'All of that, for what?'[73]. The statement was interpreted by some as a veiled reference to alleged overbilling and corrupt practices during the construction of the building. In fact, investigations into corruption at BRC were already underway. Indeed, Prime Minister Ahmed Ouyahia had already instructed the General Finance Inspectorate to launch an investigation into the company earlier that same month on 4 February. The Inspectorate would go on to produce a damning report that was drip fed to the public via press leaks over the following months. As mentioned previously, the report described the illegal and widespread use of single sourcing contracts, subcontracting arrangements and systematic overbilling.

Then, on 15 January 2007, it was announced that BRC's Board of Directors had met under the orders of Bouteflika and had decided to dissolve the company. No additional explanation for this decision was provided, however, the then US Ambassador to Algeria, Robert Stephen Ford, appeared to suggest that the company had been dismantled based on political, rather than commercial, considerations. In February 2007, he stated in an interview broadcast via Algeria's national radio station that the dissolution of BRC was 'an Algerian affair' and that 'Algerian officials took the decision to dissolve it'.

While a legal case was opened as a result of the IGF investigation, no individuals were ultimately prosecuted. Abdelmoumen Ould Kaddour was tried on 27 November 2007 for 'disclosing information classified as defence secrets' alongside an army officer and another civilian and sentenced to 30 months in prison. He did not appeal against the sentence, but was released from prison after 26 months, after an unnamed 'figure from the War of Liberation' allegedly 'intervened' on his behalf and made a pardon request to Bouteflika. He was later appointed as CEO of the state-owned oil and gas company Sonatrach in 2017. He remained in that role until 23 April 2019, when he was relieved of his responsibilities by interim Head of State Abdelkader Bensalah less than a month after Abdelaziz Bouteflika's resignation on 2 April. Chakib Khelil, meanwhile, continued in his role as Minister of Energy until he was eventually forced out of the government in May 2010 after a separate corruption scandal was unearthed at Sonatrach. In relation to the BRC scandal, Chakib Khelil declared in 2009 on Algeria's public service broadcaster, the ENTV[74], that it was a 'modest private company' and that the IGF 'had no right to investigate it'[75]. While he was questioned in relation to the Sonatrach scandal, and arrest warrants were issued against him on a number of occasions, Khelil never faced formal charges in court and was never convicted of involvement in either the BRC or Sonatrach corruption cases.

On 3 June 2018, Abdelmoumen Ould Kaddour stated in an interview with Le Quotidien d'Oran that he had been sent to prison and released again without any documentary evidence and that the BRC affair was 'complicated, sordid'. He stated his belief that the affair had been 'created by the secret services to break Chakib Khelil' because the latter 'had never accepted that the

[73] He is alleged to have used the following words in French 'Tout ça pour ça?'
[74] Entreprise Nationale de Télévision, or National Broadcasting Corporation.
[75] Chérif, A. (2020), *L'affaire BRC revient sous les projecteurs*, Le Soir

secret services should get involved with companies affiliated with Sonatrach, never mind with his Ministry'. Meanwhile, in 2016, Khelil stated in an interview that his problems with the justice system in Algeria could have been avoided if he were to have 'agreed to play football with Toufik'[76]. He additionally noted that he had 'refused requests from people at the secret services for them to be involved in a number of significant contracts'.

On 21 February 2020, the General Prosecutor's Office of the Court of Algiers announced that it had re-opened its investigations into a number of historic corruption cases and released the names of a number of individuals that it considers to be officially implicated. The list included Chakib Khelil for his alleged involvement in the BRC, Sonatrach II, SNC Lavalin and Algérienne des Autoroutes (ADA) corruption cases as well as Abdelmoumen Ould Kaddour for his alleged involvement in the BRC case. This has led to speculation that the Hirak had weakened the networks that had resulted in 'protracted judicial proceedings' after the IGF's initial investigation. Sonatrach is now a claimant in the case[75]. The case has not yet gone to trial.

In January 2023 it was revealed that sentences of 20 years and 10 years had been requested against Chakib Khelil and Abdelmoumen Ould Kaddour respectively in connection to corruption cases at Sonatrach, chief among them the BRC scandal and the procurement of 13 contracts with the company through single sourcing procedures instead of public tenders. It was also revealed that BRC had spent significant sums on money on Board meetings in the United States and Great Britain that included numerous guests. It was also disclosed that the company had in some instances included 185% in beneficiary margins in these contracts and that the majority of them had not been completed by the time the company was dissolved.[77]

We clearly see that the downfall of the crony capitalists' empires is almost always swift, dramatic and extremely public. This is not only a way to ensure that they never become a threat, but also serves as a clear message to those who would be confident enough to try to emulate their model. From that perspective, the Khalifa scandal is particularly dramatic. The Algerian Central Bank's decision to block Khalifa Bank from making overseas currency transactions in 2002 set off a chain reaction that saw the whole Khalifa Group collapse with alarming speed. In February of the following year, three unnamed 'collaborators' of Khalifa were arrested at Algiers airport while waiting aboard a private Khalifa Airways jet bound for France and carrying two million euros in cash. By 7 March 2003, the Bank of Algeria's banking commission placed Khalifa Bank under the supervision of an external administrator as a result of its 'inability to contain the risk of a deterioration of the bank's financial situation'. Days later, all of Khalifa Airways' domestic flights were suddenly cancelled with no explanation.

The group was placed into liquidation but not before, as the court-appointed auditors later testified, it was unlawfully stripped of most of its assets, leaving a 3.2 billion dinar hole in its finances. On 18 August 2003, Interpol issued an international arrest warrant against Khalifa, who had been living in the UK since the start of the year. Authorities in the UK finally authorised Khalifa's extradition in June 2009, however, he was not returned to Algeria until December 2013 following a protracted legal process. In the meantime, Khalifa had been tried in absentia by a court in Algiers and sentenced to life imprisonment. Upon his arrival in Algeria, he was tried again and sentenced to 18 years in prison and a fine of one million dinars on 23

[76] It is often assumed that he was referring to General Mohamed Mediène, who is also known by the moniker Toufik, and who was at the head of the Algerian secret services, the Intelligence and Security Department - Département du Renseignement et de la Sécurité, or DRS -, from 1990 to 2015.
[77] TSA editorial team (2023), *Corruption : de lourdes peines requises contre Khelil, Bedjaoui et Bouterfa*, TSA

June 2015. Following the resignation of former President Abdelaziz Bouteflika in April 2020, Khalifa was retried in November of the same year and in June 2022. However, the verdict remained unchanged. During his original trial in 2015 and re-trials on appeal in 2020 and 2022, Khalifa's defence team maintained that the 'former regime' had 'decided to liquidate Khalifa Bank even before any so-called infractions' were discovered in order to 'get rid' of Khalifa, who was 'a young and ambitious Algerian who had chosen to invest in his country'. He continues to deny all of the charges for which he has been convicted.

In the case of Ali Haddad, it is the fall of a much wider network of individuals that resulted in his demise. While his downfall served as a message, it was much less designed to indicate that he had made a mistake himself, but to signal that the country's power balance had shifted and that some key networks were quickly seeing their political power erode. Thus, it was against the backdrop of the mass protest movement of the Hirak and the resignation of former President Abdelaziz Bouteflika on 2 April 2019 that Haddad resigned from the FCE on 29 March. He was subsequently arrested on 31 March as he tried to cross the land border into Tunisia at 4 o'clock in the morning. It was reported that he had made a number of unsuccessful attempts to leave the country by air in the days leading up to his arrest and had had his Algerian passport confiscated. With this arrest, Haddad became the first 'oligarch' to be arrested in the wide-ranging corruption crackdown that followed the resignation of former President Abdelaziz Bouteflika. On 6 June 2019, he was convicted and sentenced to 18 months in prison and a fine of 100,000 dinars for using false documents. At a separate trial, on 10 December 2019, he was sentenced to 7 years in prison following his conviction for corruption offences in relation to the automotive industry. His property was also seized. Subsequently, on 1 July 2020 he was sentenced to 18 years in prison and an 8 million dinar fine in a separate corruption affair, which was later reduced to 12 years on appeal on 3 November 2020. In May and June 2022, Ali Haddad was sentenced to four years in prison for 'money laundering, influence trafficking and non-declaration of assets' but was also partially acquitted for some of the charges brought forward against him, on 29 June 2022.

The case of Madame Maya is in some ways even more dramatic. She went from being entirely unknown to suddenly finding herself at the centre of a public scandal when her villa in the Moretti area of Algiers was raided for the first time by the country's internal intelligence services in February 2017. The second search of her villa in July 2019 led to the discovery of 113,439,200 dinars, 270,000 euros, 30,000 dollars and 17kg of jewellery. Zoulikha-Chafika Nachinache was arrested alongside her two daughters Imene and Farah, as well as Abdelghani Hamel and a number of other individuals identified only by their initials. In a trial that began just under three months later on 9 October, Nachinache was sentenced to 12 years in prison and a fine of 6 million dinars and had her property seized. Her daughters were each sentenced to 5 years in prison, a fine of 3 million dinars and had their property seized. Former Public Works and Transport Minister Abdelghani Zaâlane and former Police Chief Abdelghani Hamel were each sentenced to 10 years in prison and a fine of one million dinars while two private investors, Abdelghani Belaid and Miloud Ben Aicha, were sentenced respectively to 7 and 10 years in prison and a fine of one million dinars each. Former Wali of Chlef, Mohamed Ghazi, was sentenced to 10 years in prison and a fine of one million dinars, while his son was sentenced to 2 years in prison and a fine of 500,000 dinars. Finally, the retired Member of Parliament Omar Yahiaoui was sentenced in absentia to 10 years in prison and a fine of one million dinars, while an international arrest warrant was issued against him. These sentences were confirmed on appeal on 31 December 2020.

In all of these scandals, we see a brutal and eye-catching crackdown. Within months, the protagonists go from riches to rags, their demise is much more dramatic than their meteoric rise. The figures alleged to be at the centre of these scandals suffer the harshest sentences and their demise is the subject of detailed public accounts. Some of their reported acolytes, often high-level officials, are also tried, which suggests that the objective of the crackdown is to fully dismantle the networks of corruption and cleanse the country's economy and public sector. The law is the legitimate instrument of this purge. The aim here is finally to start with a clean slate. President Abdelmadjid Tebboune notably ran his campaign on the promise of a 'New Algeria' that would be devoid of corruption. Prior to his election, President Abdelmadjid Tebboune had had a long-standing career at the highest levels of Algeria's public institutions. Starting in 1984, he was Wali in several Wilayas and Minister in various governments under former President Abdelaziz Bouteflika. He was notably Prime Minister from May to August 2017. Following his election as President, a new constitution was approved on 1 November 2020 in order to 'contribute to the edification of a new Algeria'[78] according to several declarations from the government, but also the head of the Army and other officials.

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As highlighted previously, we see two main categories of triggers for these downfalls: targeted events and widespread corruption crackdowns. As illustrated by the Khalifa, Orascom and BRC scandals, in the first instance, it appears that the downfall is the result of what might be described as hubris. That is to say a situation where an emboldened capitalist crony overestimates the extent of his bargaining power relative to that of political sponsors. This can either be by acting in such a way as to lose the support of the political sponsors that had been sponsoring him thus far or by antagonising other more powerful capitalist cronies or their political sponsors. Often, it is both at the same time. This seems most obvious in the cases of the Orascom and BRC scandals as there seems to have been growing fiction and tension with high level political officials. In the case of Orascom, Hocine Malti suggests that this was because authorities felt betrayed by the sale of Orascom's cement operations to Lafarge, a lucrative operation only made possible by the alleged advantages that had been given to Orascom and where all of the financial returns had seemed to benefit exclusively Orascom. The operation was also public, which has led some to speculate that this operation had laid bare the mechanisms of crony capitalism and exposed political sponsors to popular discontent.

Meanwhile, the BRC scandal also seems to have at least in part been triggered by this need to keep the mechanisms of crony capitalism at least somewhat hidden. Indeed, it seems that it was the alleged discrepancy between the public budgets allocated to construction projects and the physical buildings that were visible to all that caused the dissatisfaction of the political elite. For his part, Jeremy Keenan argues that security matters played a much more central role. If

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that were to be true, it would have been the challenge posed to members of the security apparel that would have triggered this scandal. Rafik Khalifa's demise seems more straightforward: he tried to leverage his wealth to strengthen his political position. It is unlikely that political sponsors necessarily felt that he was a genuine threat to their position, but it is likely that it would have ruffled some feathers and could have created a precedent or at least whet the appetite of other capitalist cronies. It has also been alleged that he had mismanaged funds in such a way that it would have negatively affected the wealth and accumulation of capital of his sponsors.

In comparison, downfalls tied to corruption crackdowns have much less to do with the capitalist cronies themselves. The examples of the Haddad and Madame Maya scandals suggest that they might have been the collateral damage of the reshaping of the country's political equilibria. Their demise could have either served as a warning shot to specific members of the ruling elite by those challenging their position or could have been directly triggered by the prior downfall of the political sponsors that were supporting them.

Beyond the common narratives that are manufactured, we see also some key differences in the outcomes of these various crackdowns. We can see that the scandals involving Naguib Sawiris, Chakib Khelil and Abdelmoumen Ould Kaddour had very different endings to the ones involving Zoulikha-Chafika Nachinache, Ali Haddad and Rafik Khalifa. The contrast is particularly stark when it comes to prison sentences and financial repercussions. Coincidentally, we also notice a generational gap between the two sets of individuals: Chakib Khelil was born in 1939, Abdelmoumen Ould Kaddour was born in 1951 and Naguib Sawiris was born in 1954. Meanwhile, Rafik Khalifa and Ali Haddad were born in 1966 and 1965 respectively. Nachinache's birthdate is unknown. It is not unlikely that the first three had more time to build stronger networks with peers from the same generation as them. It might also explain why they had such strong international business networks. Furthermore, the types of services provided also seem to come into play. The strategic services alleged to have been provided by BRC might have resulted in this scandal having a lower profile. Meanwhile, Djezzy, which operates in a highly sensitive industry for the military and the secret services, was never dismantled.

Therefore, it may be hypothesised that large diversified sets of local and international networks and the provision of key strategic services could prove much more effective than evidence of illegal practices against cronies as a means to survive, or at least mitigate, the effects of a full-blown attack. These are not bullet-proof mechanisms, but it could be surmised that in the best of cases, they may help some capitalist cronies reach such a pivotal role in the international networks of crony capitalism that their political clout grows over time, thus allowing them to also become fully-fledged political sponsors. Successful individuals will do the utmost to cover their tracks, remain unassailable and fly under the radar, thus allowing them to avoid public investigations into their wrongdoings, even when they are somewhat public figures. In the worst of cases, when they are stripped of their assets and sentenced to prison, they can hope, at the very least, to leverage their newfound clout to protect their assets and sometimes recover the positions they had prior to the attack.

In less rent-based economic systems, capitalist cronies can develop their own economic clientele and manufacture their own narratives through privately-owned media. As described by Luigi Zingales[79], in the case of the US, some large corporations, and therefore the capitalist

cronies who control them, have been able to develop economic and political resources that are much larger than that of many national governments, allowing them to directly influence, if not outright control, the country's economy, politics and institutions. In these systems, capitalist cronies can become fully-fledged political sponsors and even supersede sponsors who derive their power from their political position. However, regardless of the economic structure, friction between political sponsors and capitalist cronies is all but inevitable in crony capitalism.

Therefore, in more rent-based economies, political sponsors will do their utmost to avoid expanding the capitalist cronies' access to genuine political power and economic control and will try to thwart the transition to a less rent-based model. Allowing new members to join their class would only weaken their relative position and might lead to their eventual marginalisation from the system, sometimes leading to their own dramatic downfall. Meanwhile, capitalist cronies know that their time in the sun is limited, and that a sword of Damocles hangs over their head. However, they are condemned to try to expand their networks and clout, even though it implies increasingly challenging, or at the very least, compromising and weakening the relative position of their own sponsors and original networks.

In must also be underlined that many of these scandals are still open, and the Algerian justice system continues to evaluate and investigate the evidence that relates to those that are currently being investigated. While the downfall of crony capitalists is often very dramatic, the scandals and legal proceedings surrounding their demise often last years and even decades and are sometimes reopened when new crackdowns take place. This suggest that these scandals, and sometimes crony capitalists themselves, can still be used by local and international political sponsors as bargaining chips to readjust the relative powers of the various networks that compose their social class. From that perspective, it can be surmised that even dormant evidence from old scandals can be used as a means to threaten, contain and limit the influence of a rival network. The evidence accumulated by crony capitalists, while of little use to themselves, is therefore essential to the constant readjusting of the system's power equilibria. It helps the system remain reactive and dynamic, thus insuring its durability and resilience.

Lessons learned from Algerian scandals

Though we have centred our analysis on Algeria, we see that in almost all of the scandals involved, crony capitalism is a transnational phenomenon that relies on the existence of international networks. While individuals or sections of this network might discriminate between the formal and informal segments of economic activities, it must be underlined that there is a continuum between the two types of activities. The system and its networks, when taken as a whole, do not discriminate between these two segments and they operate in both. What we notice, is that, at its heart, crony capitalism is not a variety of capitalism but rather a variety of cronyism: it is a crony system that wishes to portray itself as a form of neoliberal capitalism. The uncomfortable secret of crony capitalism is that it does not have any true capitalists within it, only a set of cronies of different sizes and with different social, political, and economic functions.

The Algerian example suggests that the foundation of this system lies in an exchange between political sponsors and capitalist cronies. The former are happy to provide privileges to the latter, in the form of access to heavily discounted means of production, competitive advantages as well as financial advantages. Several means can be used to provide these privileges, such as amendments to contractual terms, abuse of office, misappropriation of funds and concealing or

disguising funds. As a result, crony capitalism will often thrive in industries where competition is difficult to develop, and which are therefore more susceptible to the creation and allocation of rents. Many of these industries are also natural monopolies or oligopolies, which is why they are often state-owned or state-controlled in the first place.

In exchange, capitalist cronies are expected to provide various types of services. The most common type are political and economic services that can help political sponsors widen their base through economic growth and job creation, though in rentier States such as Algeria, political sponsors can achieve these goals directly through public spending and investment. Another means of providing these services is through campaign financing. Capitalist cronies also help exclude potential challengers simply by occupying a specific economic space or taking advantage of new opportunities. Services of a more financial nature typically include, among others, kickback payments, overbilling, fictitious employment, facilitation payments, access to foreign currency and investments abroad. There are also other categories of services which are often less discussed and more secretive in nature. These include strategic services, that is to say the partial or full privatisation of some of the State's sovereign prerogatives or the cover up of such activities, at least according to author Hocine Malti. The last category is that of private services, which are usually of a much more hedonistic nature.

In order to facilitate this quid pro quo exchange, an ideological narrative both has to naturally emerge and be manufactured by the system's institutions and agents. This narrative is in reality composed of two semiotic layers. We first find a superficial narrative structure built around the tropes of neoliberal ideology. This narrative starts with a phase of reform and renewal which brings new blood and more dynamism to the economy. From there, heroic, self-made pioneer investors emerge with incredible individual qualities, breaking away from the masses by virtue of their patience, hard work and business savvy. However, as time passes, we discover that there is a deeper subtextual layer to this narrative that becomes increasingly apparent and explicit. As rumours become press allegations and narrative tension builds, we come to realise that these tragic heroes were likely doomed from the start.

Their characters are extremely reminiscent of the figure of the famed Achilles in ancient Greek mythology. After being bathed by his mother Thetis in the river Styx, Achilles became almost invulnerable and embarked on a heroic journey. However, as Thetis held Achilles by the heel, his heel was not washed over by the water of the magical river. As such, his heel became the tragic flaw that sentenced him to a certain death. Similarly, in order to gain the influence and networks required to achieve their meteoric economic successes, the golden boys of crony capitalism must first engage in acts of cronyism that will forever remain a fatal flaw and one that often leads to their sudden and tragic public demise.

From this angle, the original narrative is flipped on its head, and the full power of its subtext becomes apparent. The superficial golden boy narrative appears almost naïve. It appears that they were in fact figureheads held by their heels by much wider networks. Networks, which are often not only national or transregional, but transnational in nature. In this new narrative structure, visibility is a weakness. As the most visible individuals, the crony capitalists are in the most fragile position, and as we move away from them, the less an individual is named or alluded to, the more stable their position becomes. Simply holding a public office and having legal powers, even at the highest levels, does not necessarily shelter an individual from the repercussions of a scandal.

While the original superficial layer of this narrative helps provide a neoliberal ideological façade to the structure of crony capitalism, we rapidly realise that its true strength is in its subtext. The deeper layer provides the system with resilience. It makes the sacrifice of its hero, and sometimes of other key protagonists, not only possible, but often inescapable as a means to ensure the survival not only of the wider issaba, but of the system as a whole. It is a cautionary tale, a warning to future crony capitalists that they should never forget the social hierarchy that separates their class from that of their sponsors. Then it is not unusual for the entire system to enter a new phase of renewal with a purge. During this purifying cleanse, many of the heroes of yore are dropped by their networks, a few manage to survive at least until the next purge, and undoubtedly, new ones are tipped into the river Styx.

From this perspective, we understand more clearly why the vocabulary used to manufacture these narratives is so vague, why the logic behind them seems so circular and ultimately devoid of true meaning. Its true meaning hides only in its subtext. What is interesting however, is how similar this narrative is to the one of neoliberalism. They appear almost indistinguishable. What is the true distinction between the two systems' ideological framework? The Algerian example strongly suggests that rents encourage the transfiguration of neoliberalism into crony capitalism. Does this imply that in economic segments where legal and economic systems provide rents to cronies, neoliberalism always becomes the façade of crony capitalism? Or could it be that instead of crony capitalism being a special case of neoliberalism, neoliberalism is an extension of crony capitalism? The use of the exact same vague value-based narratives could suggest that the narratives of neoliberalism might be better suited to masking the true mechanisms of wealth accumulation than to actually exposing them.

In any case, the Algerian example clearly suggests that crony capitalism is a transnational phenomenon that can be observed in many countries, at least in some specific segments, and it would be interesting to compare examples from around the world in order to better understand the true nature not only of crony capitalism, but also of neoliberalism in general. Expanding this analytical framework would also result in a better understanding of the functions played by crony capitalism and its networks at a more global level and also of its history and changing mechanisms.

We will conclude here on the likely ideological future of crony capitalism. The past can be extremely informative in order to better understand the future directions of this system's narratives. As we have seen, the emergence of neoliberal crony capitalism was preceded by oddly reminiscent periods of symbolic cleanse. If today we talk of crony capitalism, this system surely must have had precursors. In Algeria, it seems that the ideological framework that preceded neoliberal crony capitalism was what can be called State crony capitalism. This variety of cronyism would have surely been more common in countries with left-leaning ideological inspirations. Other countries, would have had their own variations of this system. The analytical framework put forward by the varieties of capitalism school of thought suggest that it is likely that liberal crony capitalism and coordinated crony capitalism were other such examples of precursors to neoliberal crony capitalism.

While varieties of this system can be found all around the world, it is undeniable that neoliberal ideology has been the dominant framework in most countries since the late 1980s and 1990s. It seems today that another ideology is taking over large swathes of the world, one which is often referred to as 'tech capitalism'. Interestingly, this new ideology is also sometimes given another name, one with much darker connotations: 'surveillance capitalism'. The tension between the two aspects of this ideological system offer ample room for text and subtext. Many

countries, including Algeria, seem to have fully embraced the language of this new ideological system. Tech bros, start-ups, disruption, hacking, digitisation… Has crony capitalism already started changing its garments? The old tale of Prometheus suddenly comes to mind… One should never think himself so clever and powerful as to be able to beat the gods, one should be weary of offending them and remember one's place if he wishes to live long enough to tell the tale.

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