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Economic Intelligence as a Strategic Governance Tool: Assessing Institutional Readiness in Algeria

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a b s t r a c t

Economic intelligence (EI) has emerged as a critical strategic tool for states seeking to enhance competitiveness and governance capacity in an increasingly knowledge-driven global economy. Yet its adoption remains uneven across developing nations, particularly in the Arab Maghreb region. This paper examines whether Algeria's public institutions currently possess the structural capacity, legal frameworks, and human capital necessary to implement a national economic intelligence system. Employing a qualitative, document-based methodology grounded in institutional theory, the study analyses key legislative texts, governmental strategy documents, and comparative regional benchmarks. Findings reveal a significant institutional deficit: Algeria lacks a dedicated EI legislative framework, inter-agency coordination mechanisms remain fragmented, and the requisite information culture within public administration is nascent. However, existing strategic assets - including the 2020-2024 New Economic Recovery Plan, the National Agency for Investment Promotion (AAPI), and emerging e-governance initiatives - provide a viable foundation upon which a national EI system could be constructed. The paper concludes with a phased policy roadmap, drawing lessons from the French and South Korean EI models, adapted to Algeria's socio-institutional realities.

1. Introduction

In an era characterized by information asymmetry, geopolitical economic rivalry, and rapid technological disruption, the capacity of nation-states to systematically collect, analyse, and strategically deploy economic information has become a decisive governance asset. This capacity, broadly conceptualized under the umbrella of economic intelligence (EI) - or intelligence économique in the French tradition - transcends conventional market research or corporate competitive analysis. At the state level, EI constitutes an integrated system linking public institutions, private enterprises, and academic bodies in the pursuit of national economic sovereignty and strategic advantage (Martre, 1994; Harbulot, 2010).

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Algeria, the largest country in Africa by territory and a significant hydrocarbon exporter, occupies a paradoxical position in this landscape. Despite its resource wealth and a relatively developed administrative infrastructure by regional standards, Algeria has struggled to diversify its economy beyond hydrocarbons, which still account for approximately 94% of total export revenues as of 2023 (International Monetary Fund [IMF], 2023). This structural vulnerability has been compounded by an absence of institutionalized mechanisms for economic foresight, strategic information management, and coordinated national competitiveness policy - precisely the functions that a mature EI system is designed to perform.

The question of whether Algeria is institutionally ready to implement such a system is therefore both theoretically significant and practically urgent. Institutional readiness, in this context, encompasses three interdependent dimensions: (a) the existence of an adequate legal and regulatory framework authorizing and structuring EI activities; (b) the organizational and human capital capacity within public agencies to conduct EI functions; and (c) the presence of inter-institutional coordination mechanisms enabling the flow and synthesis of strategic information across government, business, and academia.

This paper systematically examines each of these dimensions, drawing on an analysis of primary legislative texts, national strategy documents, and secondary literature on EI systems in comparable economies. The overarching aim is to diagnose the current state of Algeria's institutional EI readiness and to propose an evidence-based, contextually sensitive roadmap for its development.

2. Literature Review

2.1. *Defining Economic Intelligence*

The concept of economic intelligence emerged prominently in France following the 1994 Martre Report, which defined it as "the set of coordinated actions of research, processing, and distribution, for exploitation, of useful information for economic actors" (Martre, 1994, p. 11). This foundational definition has since been refined by successive scholars. Harbulot and Baumard (1997) emphasized the offensive and defensive dimensions of EI, distinguishing between the proactive acquisition of strategic information and the protection of a nation's own economic assets against foreign intelligence operations. More recently, Delbecque (2012) broadened the concept to encompass state-level information management systems that simultaneously support national industrial policy, international negotiation, and regulatory design.

At the enterprise level, Porter's (1990) Diamond Model of national competitive advantage provides a complementary framework, demonstrating that the systematic use of market intelligence is embedded within the institutional environments that support industry clusters. Lesca and Lesca (2011) further argued that organizational intelligence - the capacity of institutions to interpret weak signals from their environments - is a prerequisite for strategic agility at both firm and state levels. This theoretical convergence underscores that EI is not merely a technical information-management exercise but a deeply institutional phenomenon, shaped by governance traditions, legal cultures, and administrative capacities.

2.2. *Economic Intelligence in Developing and Emerging Economies*

The adoption of EI frameworks in non-Western contexts has been documented across several regional clusters. In East Asia, South Korea's establishment of the Korea Trade-Investment Promotion Agency (KOTRA) and its integration with national industrial policy exemplifies a state-led EI model capable of accelerating economic transformation (Cho & Moon, 2013). In Latin America, Brazil's APEX-Brasil agency has operationalized competitive intelligence functions in support of export diversification (Fleury & Fleury, 2011).

Within the Arab world and the Maghreb specifically, scholarly attention to EI remains sparse. Mezouaghi (2010) noted that North African states have historically prioritized resource extraction over knowledge-economy infrastructure, resulting in an institutional deficit in strategic information management. Morocco represents a partial exception, having established a National Committee on Competitive Intelligence and piloted EI training programmes within its Ministry of Industry (Ben Tahar, 2018). Tunisia's post-2011 reform agenda similarly included provisions for economic foresight centres, though implementation has been inconsistent (World Bank, 2020).

Algeria's case has received limited dedicated scholarly treatment. Boukella (2016) examined the institutional dimensions of Algeria's economic diversification strategy but did not explicitly frame his analysis in terms of EI capacity. Gherbi (2019) provided a broader review of information culture within the Algerian public sector, identifying persistent deficiencies in data sharing, inter-agency communication, and analytical capacity. These findings establish the empirical backdrop against which the present study situates its inquiry.

2.3. *Theoretical Framework: North's Institutional Theory*

This study adopts North's (1990) institutional theory as its primary analytical framework. North conceptualized institutions as the "rules of the game" in society - comprising formal constraints (laws, regulations, constitutions) and informal constraints (norms, codes of conduct, conventions) that shape economic and political behaviour. Institutional change, in North's framework, is path-dependent: the historical trajectory of a country's institutional development constrains and conditions the feasibility of reform. This framework is particularly apt for analysing EI readiness, as it directs analytical attention toward the formal legislative architecture, the informal administrative culture, and the trajectory of institutional change that determines whether EI mechanisms can take root and function effectively within a given national context.

3. Methods

3.1. *Research Design*

This study employs a qualitative, interpretive research design, consistent with its aim of producing a rich, contextually situated assessment of institutional readiness rather than a generalizable statistical measurement. The approach is broadly consonant with Yin's (2018) case study methodology, treating Algeria as a bounded case within the broader comparative context of EI system development in middle-income economies.

3.2. *Data Sources*

Three categories of primary and secondary data sources were systematically analysed. First, primary legislative and policy documents: these included Algeria's Constitution (2020 revision), the Law on Investment Promotion (Law No. 22-18, 2022), the National Plan for Economic and Social Development (2020–2024), the legislative framework governing the National Agency for Investment Promotion (AAPI), and relevant ministerial decrees pertaining to economic information and statistical governance. Second, institutional reports and comparative benchmarks: documents from the IMF (2023), the World Bank (2020), and the United Nations Conference on Trade and Development (UNCTAD, 2022) provided macroeconomic contextual data and comparative assessments of governance quality. Third, academic literature: peer-reviewed articles and monographs addressing EI theory, North African institutional economics, and comparative EI models in France, South Korea, and Morocco were reviewed using systematic database searches in Scopus, JSTOR, and Google Scholar, covering the period 2000–2024.

3.3. *Analytical Procedure*

Data were analysed using qualitative content analysis (Mayring, 2014), with a deductive coding framework derived from North's (1990) three-dimensional model of institutions: formal rules, informal norms, and enforcement mechanisms. Each dimension was operationalized into a set of diagnostic criteria (see Table 1) applied consistently across all document categories. The triangulation of legislative texts, institutional reports, and academic literature served to enhance the credibility and completeness of the analysis.

Table 1
Diagnostic Criteria for Assessing EI Institutional Readiness

Dimension	Criteria	Indicators
Formal rules	Legislative framework	Dedicated EI law; data governance statutes; investment intelligence regulations
Formal rules	Organizational structures	Dedicated EI agency; mandated inter-agency coordination bodies
Informal norms	Information culture	Data-sharing practices; openness of public statistical systems
Informal norms	Human capital	EI training programmes; university curricula; professional associations
Enforcement	Monitoring & evaluation	Performance measurement of EI functions; accountability mechanisms

4. Results

4.1. *Formal Rules: Legislative and Regulatory Framework*

Analysis of Algeria's primary legislative corpus reveals the absence of any dedicated economic intelligence statute. No law explicitly mandates, structures, or regulates EI activities at the national level. Economic information functions are instead distributed across a fragmented array of sector-specific regulations, without an overarching coordination mechanism. The National Statistics Law (Law No. 10-01, 2010) establishes the National Office of Statistics (ONS) as the principal public data authority, but its mandate is confined to descriptive statistical production rather than strategic economic analysis or competitive intelligence synthesis.

The 2022 Investment Promotion Law (Law No. 22-18) introduced important provisions for economic monitoring and investment facilitation, and established AAPI with a mandate that partially overlaps with EI functions, particularly in the domains of investment environment analysis and economic promotion. However, AAPI's institutional design does not incorporate the analytical depth, inter-agency integration, or intelligence-sharing protocols that characterize a fully developed EI architecture (UNCTAD, 2022).

Algeria's 2020 constitutional revision introduced provisions for good governance and economic transparency (Articles 22 and 49), which could theoretically provide a constitutional basis for an EI framework. However, these provisions remain aspirational in the absence of implementing legislation.

4.2. *Formal Rules: Organizational Structures*

The mapping of Algeria's institutional landscape identifies several organizations with partial EI-relevant mandates, including the Ministry of Commerce (market surveillance), the National Agency for the Promotion of Foreign Trade (Algex), the Centre for the Development of Information Technology (CERIST), and the recently restructured AAPI. Critically, however, no formal coordination mechanism links these entities into a coherent national EI network. Information flows between ministries remain siloed, and there is no established analytical body tasked with synthesizing cross-sectoral economic intelligence for strategic policy use (Gherbi, 2019).

Comparative benchmarking against the French model is instructive here. France's Délégation Interministérielle à l'Intelligence Économique (D2IE), established in 2009, precisely addresses this coordination deficit by serving as an inter-ministerial hub for EI activities (Delbecque, 2012). No equivalent structure exists in Algeria's administrative architecture.

4.3. *Informal Norms: Information Culture and Human Capital*

The qualitative analysis of ministerial reports and World Bank governance assessments points to persistent informal norms that impede the development of an EI culture within Algerian public administration. These include a historically centralized, top-down decision-making tradition that limits horizontal information sharing; a bureaucratic risk-aversion culture that discourages proactive intelligence gathering; and a relatively limited tradition of public-private dialogue on strategic economic matters (World Bank, 2020).

At the human capital level, EI as a formal academic discipline is not yet embedded in Algerian university curricula. While the faculties of economics and management at the Universities of Algiers, Oran, and Constantine offer modules in strategic management and market studies, no dedicated postgraduate programme in economic or competitive intelligence has been formally institutionalized as of 2024. This contrasts sharply with Morocco, where the Institut Marocain de l'Intelligence Compétitive has offered certified EI training since 2015 (Ben Tahar, 2018).

4.4. *Enforcement: Monitoring and Evaluation Mechanisms*

The study found no systematic performance measurement framework for EI-related functions within Algerian public administration. Strategic planning documents, including the 2020–2024 National Economic Recovery Plan, include macro-level economic targets but do not specify EI-related performance indicators, benchmarks, or accountability mechanisms. This absence of enforcement infrastructure is consistent with the broader pattern identified in the literature regarding the weakness of results-based management within North African public administrations (IMF, 2023).

5. Discussion

5.1. *Interpreting the Institutional Deficit*

The convergent findings across all four diagnostic dimensions paint a consistent picture: Algeria currently exhibits a substantial institutional deficit with respect to EI readiness. This deficit is not attributable to any single cause but reflects a system-level institutional configuration - in North's (1990) terms, a self-reinforcing set of formal and informal institutional arrangements - that was not designed for the demands of a knowledge-driven competitive environment.

The path-dependency of this configuration is significant. Algeria's post-independence economic governance model was oriented primarily toward state-led hydrocarbon exploitation and redistribution, a strategy that required comprehensive monitoring of oil revenues and state enterprise performance but did not generate demand for the kind of outward-looking, market-oriented economic intelligence that the present global environment requires (Boukella, 2016). The institutional inertia this has produced cannot be overcome by incremental reforms alone; it requires a deliberate, phased, and politically sustained strategy of institutional construction.

5.2. *Strategic Assets and Opportunities*

Notwithstanding the foregoing, the analysis also identifies several institutional assets upon which an EI system could be constructed. AAPI, despite its current limitations, provides an organizational nucleus with an existing legal mandate, technical staff, and international linkages. CERIST's digital infrastructure capacity and its positioning within the national research ecosystem offer potential for data analytics and information synthesis functions. Algeria's engagement with the African Continental Free Trade Area (AfCFTA) creates external pressure and incentive for enhanced economic intelligence capacity in trade negotiation, market access analysis, and competitor monitoring (African Union, 2022).

5.3. *A Phased Policy Roadmap*

Drawing on the comparative analysis of the French D2IE model and the South Korean KOTRA model, and calibrated to Algeria's institutional specificities, this paper proposes a three-phase roadmap for EI system development. Phase 1 (Years 1–2): Legislative and Organizational Foundations. This phase would entail the drafting of a national EI framework law, the designation of AAPI as the lead EI coordinating agency (pending expansion of its mandate), and the establishment of a formal inter-ministerial EI committee. Phase 2 (Years 3–5): Capacity Building and Network Development. This phase would focus on the integration of EI curricula into at least three national university postgraduate programmes, the launch of a national EI certification scheme for public sector analysts, and the creation of public-private intelligence-sharing platforms in priority sectors (agri-food, pharmaceuticals, digital technology). Phase 3 (Years 6–10): Systemic Integration and Evaluation. Full integration of EI functions across major line ministries, establishment of a national EI performance dashboard, and institutionalized participation in international EI networks and benchmarking exercises.

5.4. *Limitations*

This study is subject to several limitations that should be acknowledged. The reliance on publicly available documentary sources means that informal institutional practices - particularly those operating within the opaque spheres of Algerian economic governance - may not be fully captured. The absence of primary interview data from senior Algerian public officials represents a notable gap; future research should incorporate elite interviews to triangulate and deepen the documentary findings. Additionally, the proposed roadmap, while grounded in comparative analysis, necessarily involves normative judgements about institutional priorities that would require further validation through participatory policy consultation with Algerian stakeholders.

6. Conclusion

This paper set out to assess whether Algeria's public institutions currently possess the structural capacity and legal frameworks necessary to implement a national economic intelligence system. The systematic application of North's (1990) institutional framework to a multi-source documentary analysis yields a clear answer: as of 2024, Algeria exhibits a significant EI institutional deficit across all four assessed dimensions - legislative framework, organizational structures, information culture, and enforcement mechanisms. This deficit is deeply rooted in the path-dependent legacy of a hydrocarbon-centric governance model that did not generate demand for knowledge-economy infrastructure.

However, the analysis also reveals a constellation of institutional assets - including AAPI, CERIST, Algeria's AfCFTA commitments, and nascent e-governance initiatives - that provide a viable foundation for EI system construction. The phased roadmap proposed here offers a contextually grounded strategy for translating this potential into institutional reality, drawing calibrated lessons from more advanced EI models in France and South Korea.

The broader significance of this finding extends beyond Algeria. As resource-dependent economies across the Global South confront the imperatives of post-carbon diversification, the question of EI institutional readiness will become increasingly central to development policy debates. Algeria's case offers a rich and instructive site for comparative institutional analysis and for the theory-building on the conditions under which EI systems can be successfully transplanted into diverse governance contexts.

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