



Third (special) sitting

Tuesday, 7 June 2005, 10 a.m.

President: Mr. Alsalim

**ADDRESS BY HIS EXCELLENCY MR. ABDELAZIZ
BOUTEFLIKA, PRESIDENT OF THE PEOPLE'S
DEMOCRATIC REPUBLIC OF ALGERIA**

Original Arabic: The PRESIDENT

It is a great honour for me to declare open this Third (special) sitting of the International Labour Conference and to welcome, on behalf of the Conference, His Excellency Mr. Abdelaziz Bouteflika, President of the People's Democratic Republic of Algeria.

I shall now give the floor to the Secretary-General, Mr. Somavia, to welcome our distinguished guest.

Original French: The SECRETARY-GENERAL

Today, in welcoming His Excellency, Abdelaziz Bouteflika, to the ILO we are turning a page of our history. We are paying tribute to an exceptional person, a hero of the struggle for Algerian independence, who also heralded the advent of a free Africa on the international stage.

Mr. President, it is an honour for the ILO to welcome you here today. For me it is a privilege to acknowledge you as an exponent of the freedom of peoples as an essential instrument of global security.

At a very young age, and when people are usually wondering about their future, you were already aware of a sense of history. You joined the National Liberation Front, you joined the combat for the national cause with its need to understand, explain and act – and, of course, rebel.

You entered the epic of African independence, an epic which has inspired me, because of my own Latin American beliefs with a feeling of solidarity and admiration. Those feelings, in my life, have led to many friendships with and commitment to Africa.

I receive you as a friend from Africa and the Arab world. And as a Chilean, I would thank you most warmly for the Algerian solidarity with our democratic struggle during the dark night of dictatorship in my country.

At the age of 25, you became Minister for Youth, Sport and Tourism in the first independent Algerian Government. Then you were very quickly appointed Minister for Foreign Affairs, for 15 years, you engaged in committed and robust diplomacy. Your energy and your talent contributed to the prestige and influence of Algeria and the Third World. The causes you defend with conviction and passion in-

clude African unity, non-alignment, the rights of the Palestinian people, aid to decolonization and the new international economic order.

Your contribution, as President of the 29th Session of the United Nations General Assembly, has remained in our memory.

I recall the time that you honoured the Third World, your voice represented us and we felt proud of you.

You have also experienced the ups and downs of political life. You have had your difficult times. You have not escaped those moments of solitude common to all those who shape destiny – indeed you even had to go into exile. But you returned to your home country.

Algeria went through many years of suffering and division and it is in that context that you were elected President of the Republic, to re-establish peace, relaunch the economy, promote a more fair united society and return Algeria to its place amongst nations.

These challenges and hopes are very much in keeping with your integrity and renown. We are proud to welcome the architect of civilian peace and national reconciliation in Algeria, the President of the Arab League, we are proud to welcome one of the promoters of the African Union, one of the pioneers of the New Partnership for Africa's Development (NEPAD).

During an exceptional political career, you never swayed from your convictions in favour of freedom and human dignity.

We welcome your commitment in the African Union Extraordinary Summit on Employment and Poverty Alleviation held in Ouagadougou. Thank you for your support last September in New York for the recommendations of the World Commission on the Social Dimension of Globalization.

As you stressed in February in Algiers when opening the Congress of the Arab Labour Organisation, we need, in future, to contribute to drafting other rules for this globalization with a view to making the whole process more humane – whilst taking account of the social dimension and guaranteeing equality in the distribution of its fruits.

We thank you, for having come here. Your presence is an honour for us. I think that it is your words, your conclusions and your thoughts that we shall remember because in today's world, we need inspiration from people like you who have fought throughout your life.

It is now my honour to give the floor to President Bouteflika.

Original Arabic: His Excellency Mr. Abdelaziz Bouteflika
(*President of the People's Democratic Republic of Algeria*)

It is a great honour and pleasure for me to find myself here on the rostrum today as the first President of Algeria to address the International Labour Conference.

I think it is auspicious that Algeria is currently President of the Arab League at the same time as the President of the 93rd Session of the International Labour Conference is also an Arab – a very eminent Arab – as this is a sign of the very close ties between the brothers of the Arab world.

I would like to have made my statement in Arabic this morning. Owing to certain circumstances, I have, however, drafted the text in French. May I therefore crave your indulgence and disappoint you and perhaps not live up to your image of Algeria and the Arab League by speaking in a language which is not Arabic. We are here to talk about extremely complex and delicate problems, and that is why I would prefer to speak in a language which I also master, so that no details of my message are lost. Having said that, you may be reassured that I shall say absolutely everything I intended to say and at this point I would like to speak to you in another language.

(The speaker continues in French.)

It is a great honour and a real pleasure for me to have been invited here to share with you my country's experience of building democracy and creating employment, particularly for young people, as part of structural reforms aimed at generalizing what is usually termed "the market economy".

I should like to begin by congratulating His Excellency Mr. Bassem Khalil Alsalim, Minister of Labour of the Hashemite Kingdom of Jordan, on being elected President of this 93rd Session of the International Labour Conference. I am convinced that under his wise leadership the work of the Conference will be a complete success.

I am also very happy to be able to express my warmest thanks to the Director-General of the ILO, Mr. Juan Somavia, with whom I share cherished memories going back to our meeting in Algeria which was then a country of asylum for political exiles from Africa and Latin America in particular, and the place where many national liberation movements had been made welcome.

My friend and brother Juan Somavia and I were waging the same battle for freedom, respect for human dignity and solidarity among defenders of humanist values throughout the world.

I am happy to say that we are still continuing that struggle, albeit in different circumstances. We have not renounced the essential values constituted by the freedom of nations and individuals, peace and social progress for all, but neither have we clung to the way they were formulated 30 years ago.

Talking of labour and work will consist in my frankly, sharing with you my country's experience of democracy after breaking with a socialist development policy, which was mainly focused on industrialization and principally implemented by a one-party State and mass organizations with the occasional populist stirrings.

Talking of labour and work will also consist in referring to the battle we have been waging for more than five years against the mass unemployment, particularly that of young people, which affected my country in the 1990s before the restructuring of the economy on the basis of a market economy was completed, since there are never any "good" economic reasons which would justify the suffering endured by millions of men and women who are debarred from this fundamental right, without which "freedom" is just a word, namely the right to work, to decent work.

Our experience of democracy may seem to be disconcerting. Although, in principle it was supposed to tame conflicts, our experience of democracy led to a wave of brutal violence which, from time to time and in some places, resulted in the abnegation of the principles of humanity. Although it was supposed to open the way for debate based on freedom of expression and the discussion of different views, at times it gave birth in some sections of society to an explosion of extremism accompanied by religious intolerance, arrogance and sectarianism.

Although in principle, it was supposed to improve the workings of the Government and lend it fresh legitimacy, it sometimes endangered its very existence. Although in principle, it was supposed to be the counterpart to reforms designed to bring our national economy into step with the worldwide process of globalization, it sometimes obstructed and distorted them.

In order to understand the difficulties and the backsliding, but also for the need for democracy in Algeria and its stormy zigzag course until it took root, two commonly held misapprehensions, which confuse the analysis, must be dealt with.

I am personally convinced that the riots of October 1988 were wrongly depicted as a democratic revolution. In Algeria at the end of the 1980s, there was no strong demand for political democracy from large sectors of society led by political organizations which were so well structured and established that they could present themselves as an alternative to the Government in power. Admittedly, the riots affecting most of the major cities in the country started in 1980, but they did not call into question the development strategy or political system which had been in operation in Algeria since independence.

There was no democratic revolution because Algerian society did not consider the hegemony of the authoritarian one-party State as being either despotic or totalitarian. Algerian men and women, whatever their position in society had, albeit unequally, benefited from the goods and services provided by the one-party State which therefore took the form of a welfare State for all.

Society more or less accepted the hegemony of the one-party State in exchange for what it provided in order to meet social needs: food, education, healthcare, wages, housing, up-to-date imported goods, etc. For 25 years this social contract secured a remarkable level of social and civil peace, and protest was hardly ever directed against the system itself, but against the level and means of access to the goods distributed by it.

The strength of what could be described as specific Algerian socialism, its significance for society, indubitably resided in the fact that, until the beginning of the 1980s at least, it was not just an ideology or a way for the Government to justify its po-

litical legitimacy, it was the set of effective practices which integrated the majority of the Algerian population into education, paid work and society.

Between 1963 and 1984 the total number of jobs in the country rose to 1.7 million in 1966 and then to 3.7 million in 1984. Despite substantial growth in the working population in the course of the 1970s and a halt to labour emigration in 1973, the unemployment rate dropped steadily from 30 per cent of the active population in 1967 to less than 19 per cent in 1977. Although, contrary to planners' forecasts, full employment was not achieved by 1980, the spectre of unemployment nevertheless began to recede and, from then on, jobs were created faster. With an employment rate standing at 11 per cent in 1984, that was the year when, in my opinion, Algeria came closest to full employment. This specific form of socialism certainly produced general greater well-being in Algerian society for 20 years. But it was unable to go beyond certain bounds and to generate a surplus which could be efficiently invested. At the same time, it generalized a mentality which unfortunately still persists, of relying on the welfare State to solve both individual and collective problems.

One of the major reasons for this failure lies in the sudden halt to investment, particularly in industry. The drastic fall in oil prices, together with the inexorable increase in external debt which was typical of the Algerian economy in the second half of the 1980s, showed that the development strategy based on the predominance of state enterprise was out of date and that keeping to it was likely to cause Algerian society to seize up entirely.

This shrinkage was particularly visible on the employment market. From 1985 the number of unemployed began to rise relentlessly. It reached 1.2 million in 1988. In that same year less than 100,000 new jobs were created, whereas new jobseekers numbered 250,000.

Vain attempts to restructure public enterprises, while strengthening the structure of the one-party State, weakened both and led to the rise of predatory practices. A new strategy was developed which caused the break up of the consensus on which the political system in Algeria was based by deliberately opening up the political field.

Generally speaking, there are four key periods in Algeria's democratic experience.

The first could be described as the period of the general break up of the centralized system and the undertow of populism. It was marked by the stirrings of associations and political groups advocating libertarianism and challenging authority in a festive mood, but which were incapable of producing organizations which could properly handle the democratic experience and make sure that it became deeply rooted in Algerian society, while respecting its cultural and historical features and its civilization.

At the same time, society was hesitant and suspicious, out of cautious prudence, about the introduction of democracy and the spread of the market economy by a section of the elites which had administered Algerian socialist system under the one party State.

For most of Algerian society, the working classes, but also a significant portion of the middle classes, the reforms were accompanied by a real deterioration in their living conditions. Between 1987 and 1995 the unemployment rate rose from 17 to 28 per

cent. Per capita expenditure dropped by 28 per cent and the number of people considered to be poor rose from 23 per cent to more than 42 per cent of the total population.

This divide between those managing the democratic process and society at large led to an unexpected phenomenon which we probably should have seen coming, given that society was unprepared for these reforms: the return of a populist wave which was no longer just nationalist and pro-independence but totalitarian and millenarian. There are many reasons for this, but the main cause is the virtual genocide of Algerian identity through French colonization with its systematic policy of depersonalization and wiping out of all the indicators of Algerian identity.

Thankfully, this deadlock was broken by the return to prominence of the fundamental aspects of the state administration, particularly the National People's Army which, by stopping the election process in January 1992 in a spirit of patriotism and republicanism, halted the absurd excesses of the democratic process, without halting the experience itself, particularly the experience of political pluralism and freedom of expression.

The second period saw a change in attitudes in Algerian society in the face of increasing danger particularly the awful wave of terrorism and the drastic management of the financial crisis. This can only be described as a period of extreme suffering, as you can imagine.

The millenarian populism was transformed, at least partially, into a nihilistic terrorist wave which caused tens of thousands of deaths and caused billions of dollars-worth of damage. At the same time, Algeria was forced to request the rescheduling of its foreign debt and to apply a structural adjustment plan, the major consequence of which was the closure of hundreds of state enterprises.

Algeria got through that time with great difficulty, a time when people's mentality changed and they experienced an awakening, which is a necessary step in the introduction to democratic life. This happened in two ways beginning with, the change from millenarian populism to nihilistic terrorism which led to a resurgence of populism. The vast majority of Algerian men and women, who at one time or another were part of the movement, did not turn to armed terrorism, but chose the sort of terrorism which kills through words and through the pen.

Like the majority of their compatriots they rapidly understood the importance of submitting voluntarily to the Republic as a political system and to the State as the guarantor of basic order and stability. Furthermore, the bitter pill of the structural adjustment plan had a galvanizing effect because it dealt the death blow to Algerian socialism and to the role of the welfare state which clearly could no longer be maintained.

At the moment, Algerian society is going through the third phase of its democratic experience. This can be characterized principally by the emergence of political pluralism and of economic reform. Nihilistic terrorism has been dealt a considerable blow by the three-pronged approach of the anti-terrorist struggle waged by the National People's Army and by our various security forces, the marginalization of terrorist groups and measures of clemency and reintegration into society, following the example of the "Civil Concord" of 1999 for those terrorists who had renounced terrorism and chosen peace. Even

though terrorism remains a problem which we must eradicate it is no longer a major handicap for the normal functioning of democratic institutions and particularly of multi-party elections.

After re-establishing an equilibrium in the Algerian economy we embarked upon an economic plan, a new strategy based on support for national and foreign private investment and active participation in economic globalization. Initial results are more modest compared to our ambitions, but they are positive nonetheless. The Algerian economy has gradually returned to a strong level of growth, approximately 5 to 7 per cent since 1999, which, other than in the oil industry, is driven mainly from the private sector. Furthermore, we have concluded an association agreement with the European Union and we are preparing to join the World Trade Organization.

Algeria is now preparing to move on to the fourth stage of its democratic process, that of national reconciliation, which basically means progressing from the structured democracy to the values of democracy, in which the whole nation will share. This national reconciliation marks the end of a dark period in our history, but it is more than that. It is, first of all, a deliberate act on the part of our democratic State to bring back into the national community, as active citizens, all those people who, at one time or another, were marginalized from it either by their own choice or by the choice of others.

The main objective of national reconciliation is to expand and diversify political and social pluralism. We want to energize a vast movement of solidarity which will push back the predatory trends that continue to burden our national economy.

Above all we want to release creative energy so that we can build a strong and distinctive civil society able to promote a new kind of humanist modernity, which is different from westernization, able to absorb the impact of globalization and enable our society to participate in an innovative way, according to its means and aspirations.

I have just referred to a new humanist modernity. I would like to take this opportunity to emphasize that this new humanist modernity will only mean something if every effort is made to ensure the right to decent work for all people of working age who are able to work.

The International Labour Organization, the *doyenne* international organization, has been able to survive all the upheavals of the contemporary world. That is because of the nature of its mission, which is to ensure respect for the rights of workers worldwide. It stems also from its commitments which have always been very clear-thinking and forward-looking.

The preamble of the ILO Constitution stated in 1919 that "injustice produces unrest so great that the peace and harmony of the world are imperilled" and that "universal and lasting peace can be established only if it is based upon social justice". A few years later, a particularly bloody worldwide conflict tragically proved those wise words to be true.

The message of the International Labour Organization has also fed the hopes of people fighting for their freedom. That was the case of the Algerian people whose national movement was born in 1926 in our *émigré* working class community in Europe as part of the North African Star Movement and also supported by the General Union of Algerian Workers created in 1956, in the midst of our na-

tional liberation struggle, which mobilized Algerian workers for independence before it returned, once we regained our freedom, to its original vocation of being a trade union movement.

It is therefore natural that Algeria recognizes itself in the International Labour Organization as it ratified 42 of its Conventions just three months after it regained its sovereignty.

Algeria is a full and committed member of this Organization, and, as part of its cooperation with the supervisory machinery of the ILO, it has shown that it performs its duty in terms of respecting the rights of workers and promoting their social well-being. This is only natural for a people which rose up against injustice, for a country where women have always been full and active participants in the national liberation struggle, and for a state whose institutions are striving to eradicate the exploitation of people by other people.

In the first 20 years of its independence, Algeria promoted social development while building an economy. It is true that the development model it chose helped us to make considerable progress, illustrated in particular by the very sharp drop in unemployment, despite a very high population growth rate which sometimes exceeded 3.2 per cent.

However, and as you are all aware, my country was then faced by a serious crisis, the effects of which have built up over the years. This crisis was financial to begin with, brought about by a drop in oil prices; oil is the main pillar of the Algerian economy, which, as a result, was more or less paralysed and forced to carry out structural adjustment measures, the consequences of which were very hard for our people.

The crisis then became political as Algeria moved into a phase of institutional instability; then the crisis became a bloody one with barbaric and destructive terrorist acts which tragically killed over 100,000 people and left hundreds of thousands of people handicapped, or injured or traumatized and destabilized by this turmoil and unexpected suffering, not to mention over US\$30 billion of physical and material damage.

The national tragedy of Algeria was bound to lead to a sharp increase in social difficulties, particularly the increase in unemployment and the arrival of hundreds of thousands of people who were fleeing terrorism in the countryside and poured into the cities, where they were met by precarious conditions and an unknown world of shanty towns, human suffering, poverty and social problems.

However, thanks to God and the courage and solidarity of the Algerian people, my country was able to begin on the road to recovery. The civil concord policies implemented since 1999 after it was supported by a nationwide referendum, and which now is leading to overall national reconciliation, has made it possible to re-establish civil peace and security throughout the country. This has led to the implementation of a policy of national reconstruction.

Now that we have re-established a peaceful situation, Algeria can concentrate on national reconstruction, using its own resources to rebuild the destroyed infrastructure and restore the well-being of the people as well as tackling unemployment head on.

Between 1999 and 2004, we invested more than US\$38 billion in development, with human development benefiting the most. The State budget has been boosted by US\$18 billion of investment from

Algerian or foreign private investors; this has produced positive results.

Over the last six years, the life expectancy of the population has increased from 72 to 74 years. The level of poverty, based on an income of one dollar per day per capita, has dropped more than 3 per cent to its current level of less than 1 per cent. The guaranteed minimum wage has increased by 80 per cent, and the unemployment rate has been reduced from over 30 per cent to 17 per cent. This is based on the strictest criteria applied by the International Labour Office and does not take into account the informal economy, which is immense, as we all know, and difficult to monitor.

State investment between now and 2009 will exceed US\$55 billion, and we hope that it will be accompanied by Algerian and foreign private investment of over half that amount. Such an initiative has clear goals.

First, we need to support the final stage of our transition to a market economy, and this means supporting local enterprises, attracting foreign investment into an energetic and thriving market and contributing to the emergence of a diversified economy, not based solely on oil which, is still dominant at the moment.

Second, we need to catch up in terms of human development, particularly in the provision of housing and in providing training at all levels, whilst taking into account our relatively young population.

Third, we need to use the potential of our country, including its human resources, to the maximum while bringing as many people as possible onto the labour market; this will both reduce unemployment and enhance growth, productivity, stability and security. We believe that we can only bring about stability if we eradicate violence and terrorism once and for all by implementation security measures together with social, economic, cultural, political and legal measures.

Algeria has sufficient resources, but needs to use them more effectively. Therefore, we intend to get our population in the workplace so that Algeria can become a full member of the global market and adapt to rules of international competition while maintaining social justice, which that is of utmost importance to us.

Once we have achieved this, and after having invested in national solidarity, Algeria shall offer each Algerian man and woman the possibility of becoming full members of society while participating in the production of national wealth.

I should now like to turn briefly to our experience in terms of tackling unemployment. Youth unemployment is a critical challenge for Algeria because of a total of around 1.7 million jobseekers, more than 73 per cent are young people under 30 years of age. Second, of a total population of more than 32 million people, 34.5 per cent are under 16 years of age, namely more than 11 million people.

These figures alone show that Algeria's struggle against unemployment, and particularly against youth unemployment, will be very difficult and will last more than ten years. It will also require us to take into account the marked drop recorded in recent years of population growth, which is now approximately 1.6 per cent.

Algeria intends to dedicate all its energy to meeting this challenge, which will determine the success of its social justice policy, and the preservation of social peace and stability nationwide. To meet these

challenges, Algeria is implementing a policy that has several complementary components.

The first of these components is a sustained effort to provide training at all levels. The Education Ministry is mobilizing approximately US\$3.5 billion each year to ensure that 8 million children are brought into state schools. The number of children in school is now stable after having doubled over the last 20 years. Ninety-five per cent of our children now go to school, and that figure applies to girls and boys.

The number of people receiving vocational training has increased by 150 per cent since the beginning of this decade with over 700,000 students at present. We hope that more than 1 million young people will receive such training by the end of this decade. This training will help not only to tackle a decline in schooling, but also to facilitate the access of young people to the world of work.

The number of Algerian university students has expanded from under 200,000 in 1990 to 740,000 last year; 800,000 if you include those who are in higher education but not at university. More than 56 per cent of these students are young women. We hope that a figure of 1.5 million students will be achieved by the end of this decade.

The second component of our effort against unemployment is to promote economic growth at levels which will make it possible to offer more jobs. Our public development programmes have helped to improve economic growth rates over the last five years.

We hope they will be consolidated over the next few years. At the same time, measures are being taken to encourage the creation of enterprises through benefits offered by our investment code. We are facilitating access to credit and providing guarantee mechanisms and stable interest rates.

Lastly, our policy to privatize state enterprises, which has now really taken off, gives fresh impetus to the private sector and facilitates employment creation. The third facet of Algeria's fight against unemployment is composed of a series of measures to promote and encourage job creation and access to the labour market. I would like to briefly run through the seven measures which we have implemented for this purpose.

First of all, the creation of temporary jobs through three mechanisms, namely local initiative salaried jobs, work of social benefit and highly labour-intensive public works programmes. These mechanisms, which were established during the period of economic structural adjustment, have been maintained and are now part of our temporary job programme. In 2004, these mechanisms provided the equivalent of more than 270,000 jobs on an annual basis. Over the last six years, some 1.5 million jobs have been created annually, with an operating budget of nearly \$1 billion.

Secondly, with the implementation of the national agricultural and rural development plan in 2000 some 860,000 jobs, including 362,000 permanent posts, have been created in the agricultural sector, which is one of the major areas of our economy and a provider of stable employment. These figures do not include job creation in other sectors.

These jobs have been created by implementing the various agricultural development programmes, including:

- the provision of land benefits for young, unemployed people, whether qualified or not. In

the framework of this programme, agricultural concessions are awarded to young, unemployed persons in rural areas. In six years, more than 41,000 agricultural concessions have been granted, which has led to the creation of over 126,000 jobs;

- the protection of natural resources through the fight against desertification and the protection of our river basins, as well as economically viable reforestation programmes with the participation of the local population has generated approximately 370,000 stable jobs;
- the modernization of farms and agricultural exploitations, the adaptation of crops growth to local circumstances and the intensification of agricultural production, with its attendant economic and employment benefits, have led to the creation of 337,000 jobs;
- the increase in support to farms for the creation of specialized units comprised of young, unemployed university graduates. Through this programme, over 20,000 young people from university have been able to create small enterprises where they can use their knowledge and their skills in agriculture, in veterinary science, etc., which are necessary for the modernization of our agriculture and which enable them to earn a decent living.

Thirdly, pre-employment contracts have been offered to university graduates and qualified technicians for a period of up to two years in public institutions and enterprises. This approach enables them to acquire professional experience, which makes it easier to get a job later. In 2004, approximately 60,000 young graduates benefited from this programme, which is expanding.

More than 100,000 graduates have been employed over the last six years, financed by \$110 million from the State budget and more than 300,000 young graduates will benefit from these pre-employment contracts over the next five years.

Fourthly, the implementation of microcredit programmes which has expanded rapidly during the last year, and has enabled us to create approximately 16,000 jobs, including jobs at home. The programme involved a private contribution by the beneficiary. Interest-free credit granted by the State and lower interest bank loans guaranteed through the use of State funds. We hope that the numbers of people benefiting from this measure will double over the next few years.

Fifthly, we have helped young people to create micro-enterprises. This approach also involves a personal contribution from candidates, interest-free loans provided by the State and bank loans based on profitability criteria subject to a partial reserve. In six years, more than 68,000 micro-enterprises have been created by young people aged between 18 and 35. More than 135,000 permanent jobs have been created. More than \$1.4 billion have been invested, including over \$235 million contributed by the beneficiaries in profitable projects that allow most of the loans to be repaid and are present in all sectors of the economy. These new measures have increased considerably the number of enterprises set up by young unemployed persons.

Sixthly, we provide assistance for the creation of micro-enterprises by unemployed persons between the ages of 35 and 50 for investments of up to US\$70,000. Again, there is a personal contribution, interest-free loans provided by the State and bank

loans at reasonable interest rates. The beneficiaries of this programme are also assisted to create their own investment and given advice during the initial set-up phase. In its first year, approximately 100 investment operations were carried out under this programme.

Seventhly and lastly, in order to remove the obstacles to job creation for unemployed persons, the Government has launched a programme to rehabilitate 100 sets of premises in each of our 1,541 municipalities for the benefit of the unemployed. This has facilitated the creation of over 300,000 jobs in the service and crafts industries. These provisions have been implemented throughout the country and should gain momentum over the next five years.

The efforts made in Algeria to fight against unemployment, to guarantee the rights of workers and to promote social development are being steered on a tripartite basis in a group which brings together representatives of Government, trade unions and employers or, if you prefer, business.

This tripartite forum has made a valuable contribution during the period of economic structural adjustment, for example by establishing the national unemployment insurance agency which made it possible to pay benefits to 400,000 workers who had lost their jobs as a result of downsizing over a period of three years while they were awaiting reintegration into the labour market.

Today, and now that economic growth is back to Algeria, we are working on a tripartite basis to set up a national economic and social agreement that will enable us to coordinate the efforts of all partners to facilitate true economic development in a context of guaranteed social peace in our country. At the same time, we have decided to amend Algerian labour legislation so as to have a real labour code, modelled on the ILO's core labour Conventions. This is an act of recognition and trust in the growing importance of the International Labour Organization in the era of globalization and will enable Algeria to provide its workers with guarantees in a context of increased deregulation in all areas. It is in recognition of this Organization, that I have the pleasure to announce to you today that Algeria has decided to ratify four new international labour Conventions, namely the Workers' Representatives Convention, 1971 (No. 135), the Occupational Safety and Health Convention, 1981 (No. 155), the Safety and Health in Construction Convention, 1988 (No. 167), and the Private Employment Agencies Convention, 1997 (No. 181).

Globalization, which is making rapid strides, causes considerable apprehension throughout the world. This apprehension was relayed by one of those best placed to do so, our friend and brother Kofi Annan, Secretary-General of the United Nations. In September last year, speaking to the World Commission on the Social Dimension of Globalization, he said, "globalizations benefits have been unevenly distributed, with many of its burdens falling hardest on those who can least protect themselves," adding that "too many people, particularly in developing countries, feel excluded and threatened by globalization; they feel that they are the servants of markets, when it should be the other way around".

The peoples of countries in the southern hemisphere, and particularly in our continent, Africa, are trying to mobilize their own energies whilst demanding that developed nations support them by helping to give globalization a vital human dimen-

sion. This is the ultimate objective of the New Partnership for Africa's Development (NEPAD) and was the message sent out by the African Union at its Extraordinary Summit on Employment and Poverty Alleviation in Africa in Ouagadougou last year.

Within the countries of the Northern hemisphere, too, we note with satisfaction that people are becoming more aware of what is currently at stake in social and economic terms. This could be seen in an international meeting convened by Spain last March on the subject of terrorism; where it was emphasized strongly that terrorism cannot exist in a vacuum, and that the fight against it must include substantial efforts in terms of economic and social development if it was going to be possible to pull the rug from under the terrorists' feet. This could also be seen in the commendable G8 initiative with regard to Africa, directed by the United Kingdom, which will be examined next month.

The United Nations has spoken out on the subject too, by convening a World Commission on the Social Dimension of Globalization – an initiative that was spearheaded by your Organization and more particularly by our friend and brother, Director-General Somavia, and the two Co-Chairs of the Commission, our friends the President of the United Republic of Tanzania and the President of Finland. Other very active participants included the Presidents of France, Brazil and Chile, the Chancellor of the Federal Republic of Germany and the Prime Minister of Spain. That is why I dare to hope, like so many citizens of the world, that the forthcoming United Nations summit to review the implementation of the Millennium Declaration, to be held in New York in September will give greater impetus to the international solidarity which is needed to build a globalization that has social dimension, for the sake of international peace and security. We have to accept the reality and realize that we are now subject to the regimes of globalization and the market economy. For those of us who thought that another, more humane approach was possible, it is a matter of urgency that we accept this reality and draw the necessary conclusions.

Before I conclude, I should like to share a very personal concern with you. The history of mankind has until now been marked by a succession of fears and alienations.

A certain Daniel Guérin, and many others too once expressed alarm, quite rightly, about the profound depersonalization created in the world of work by the internal pace of excessive Taylorism and Stakhanovism and by the frustrations born of repetitive piecework. Workers were being ground down by the inhuman speed of production lines and deprived at the same time of the satisfaction that they might have felt at seeing the finished product made by their own hands. A worker on a car production line who spends all day putting the same bolt in the same hole in the same type of car is doomed to working in an environment where, over the days and over the years, he sees only the limited results of the limited operation he or she is performing in the production process. As a result, his working world will be restricted, enclosed and crippled.

Today, we see other types of alienation, because in addition to the frustration of this repetitive piecework there is now a disease that is spreading with no regard for political borders. Unemployment, of any kind, is a major problem for many societies. As well as being an affront to the cleverness of the

concept of profitability, unemployment is an affront to human dignity. Work liberates; unemployment alienates. Unemployment figures are alarming in many countries. While Jeremy Rifkin was announcing "the end of work" just as his American colleague Francis Fukuyama once predicted "the end of history", long-suffering mankind is entering into what might be called a global civilization divided in two something which was very perceptively foreseen by two Germans, Martin and Schumann, in their book *The global trap*. We are heading towards a kind of civilization in which one-fifth of the active population will be sufficient to keep the world economy running, with the other four-fifths suffering the alienating phenomenon of unemployment.

I am sure all of us in opening a newspaper have noticed how transnational corporations worldwide are becoming more concentrated and are laying off thousands of workers everyday across the globe. With globalization, our economy is likely to become so sophisticated that it will take away from human beings what they have always considered to be a benefit – work. In a paradoxical about-turn, mankind will go back to the social conditions of ancient Greece, with a class of people without work.

I am sure all of us have also met graduates of prestigious universities reduced to working as night watchmen or a taxi drivers because that is the only way for them to survive on a leaden labour market.

This is the kind of major challenge which we face now at a time when human values are gradually being squeezed out of the labour market.

I would, however, like to conclude on another point which I think is equally urgent: we must not abandon our humanist ideals, we must not allow ourselves to be swept aside by post-modernist mercantilism, by the cold cynicism of "Money", with a capital M. We should always, everywhere, remember and fight for the idea that capital is the product of human labour and that it is therefore up to democratic states to take whatever measures necessary to ensure that the profit motive does not run counter to the legitimate aspirations of men and women to a decent, well-paid job for all. Only then can there be a globalization with a human face.

Original Arabic: The PRESIDENT

Your Excellency, President Bouteflika, this sitting is particularly significant because you are here amongst us today. Indeed, it is an honour for the Arab countries and for Jordan that you have honoured us with your presence at this session of the Conference.

You have raised a number of issues in your statement which affect the lives of all human beings, irrespective of their race, religion or nationality. You have focused on a number of problems which are under discussion all over the world.

Your appeal comes from a leader of a nation that has fought for independence; a leader who has worked, and is still working, in order to attain the national unity of Algeria; and a leader who is trying to strengthen the rule of law and institutions and democracy through the emphasis on the role of civil society and the participation of women and youth in political, economic and cultural decision-making.

I would like to thank you on behalf of the Director-General, Mr. Somavia, and all the participants at this special sitting of the International Labour Conference. Your presence was an honour for us and for

our Organization, and may peace and mercy be upon you.

I now declare this third special sitting of the International Labour Conference closed.

(The Conference adjourned at 11.15 a.m.)

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