

ANALYSIS OF THE EFFECTS OF DIGITAL TECHNOLOGY ON THE ALGERIAN ECONOMY

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ABSTRACT

This study aims to study the reality and prospects of the digital economy in Algeria through annual reports and statistics that present the usefulness of digitalisation in Algerian economic sectors. Using an analytical study, we conclude that the economic sector had not experienced remarkable development in terms of digitalisation, except for a few activities in a few sectors such as health, industry and services that have experienced a gradual evolution to new information and communication technologies, which have brought added value in Algeria.

Keywords: Digitalisation; digital economy; information technologies; Algerian economy; economic development; communication technologies

9.1 INTRODUCTION

The technological revolution is disrupting the economic sectors of the twenty-first century, as did the Industrial Revolution in the nineteenth century. On the other hand, technical progress opens up new economic prospects and gives new products, services and policies (Abdulquadri, Mogaji, Kieu, & Nguyen, 2021). The rapid evolution of information and communication technologies (ICTs) and their increasing use have led to the global economy's fundamental transformation (UNCTAD, 2019).

From the beginning of the 2000s until today, the engine of the growth of economies is the digital transformation of the economy because economic success no longer relies on the wealth of raw materials but intangible capital as a source of competitive advantage (Soetan, Mogaji, & Nguyen, 2021). This has radically changed the set of economic variables: the definition of skills and employment, production, investment, and consumption, the form of competition and competitiveness, market balance, trade relations between countries (international trade), the model of economic growth and economic development (Volle, 2015).