

# Example of report on managing in a global economy

[Sociology](#), [Population](#)



**ASSIGN  
BUSTER**

## **Introduction**

Following my company's decision to go global, a research was to be carried out on different countries that were of interest to the company. The company wanted to construct a solar power production facility in a foreign country, target countries being Algeria, South Africa, and Egypt. Algeria seemed the best location for the said project and this paper gives a detail research on the country.

## **Background information of Algeria**

Algeria is a country found in the Northern part of Africa. Its official name is the People's Democratic Republic of Algeria. The capital city of Algeria is Algiers. Other major cities are Oran, Constantine, and Annaba. The country borders the Mediterranean Sea on its Northern side. To its west, are Morocco and the Western Sahara. Tunisia and Libya are on the eastern side and to the South, are Niger, Mali, and Mauritania. Algeria has a total land area of 2, 381, 740 sq. km, making it the largest country in Africa, since Sudan was split (Kagda, & Latif, 2007).

## **Geographical information**

The country's terrain is mostly comprised of High plateaus and deserts, and a number of mountains (Kagda, & Latif, 2007). The mountains are as a result of earthquakes and mud slides that are experienced once in a while. The climate of Algeria ranges from arid to semi-arid, with mild winters and hot dry summers on the coast line, and cold winters and hot summers on the high plateau. The highest point of the country is Mount Tahat which is in the

Sahara, since 85% of the country is in the Saharan region. The kind of climate in Algeria is conducive for the project.

## **Natural resources**

Algeria is best with a wide range of natural resources from where it is able to fetch some revenue to run affairs. The country has got petroleum, natural gas, iron ore ( which is in very low quantities). Other minerals found in the country though not in large quantities are phosphates, uranium, lead, and zinc (Kagda, & Latif, 2007). These minerals are of utter economic importance to the country.

## **People and ethnicity**

The country has an estimated population of 36. 3 million people and an annual growth rate of 1. 177%. The birth rate is estimated to be 16. 7/1000, infant mortality rate is 26. 7/1000, and a life expectancy rate of 74. 2. The original habitats of the country are Berbers who got assimilated into the Arab culture and hence, Arab-Berbers constitute the major part of Algerian population. A few Europeans can also be found in the country. Arabic is the official language. Other languages are French and Berber dialects.

## **History**

Algeria is known to have an interesting history. Ages ago, the country was known as the Kingdom of Numidia (Kagda, & Latif, 2007). The kingdom had links with Carthaginians, Romans and Ancient Greeks and its population consisted of Berbers. Trading activities between the Berbers and the Carthaginians led to enslavement of most Berbers. However, the

Carthaginian state crumbled when their city was destroyed in the Punic and Roman wars. Romans later took over. All this while, agricultural activities had helped develop the area. In the 7th Century, Arab-Muslims invaded the region converting most of the Berbers from Christians to Islam. Muslim leaders took to administering the Northern region. The Spanish enclaved the region and were able to conquer the largest cities in the region. The country was later colonized by the French in 1830. Algeria was made a province of France in 1848. Algeria gained its independence in 1962.

## **Government**

Algeria has a republican government which is provided for in the Algerian constitution. According to amendments made to the constitution in 1976, the government is comprised of the Executive and Parliament. The president heads the parliament and is usually elected to serve a five-year term, after which, he can vie for a second term. The prime minister heads the government and is appointed by the president. The bicameral parliament has 389 members of the National People's Assembly and 144 members of the Council of Nations. Members of the NPA are elected to a five-year term while 1/3 of the members of CN are chosen by the president while the rest are elected on indirect vote. Algeria is divided into 48 provinces which are elected by governors. Each province is then further divided into dairas, which are further subdivided into communes. The governors of the divisions are members of the elected assembly (Kagda, & Latif, 2007).

## **Education and employment rates**

Algeria, just like many other countries in the under developed world, has not made major strides in its education system. Its literacy rate, as of 15 years and above is estimated to be at 69. 9%. 60. 1% of the total population of literates is female and 79. 6% are male. A third of the total population of Algeria makes up the working population (Oxford Business Group, 2008).

## **Economy and Sources of revenue**

For the past five years, the exportation of hydrocarbons and other natural gases has been the back bone of the country's economy (Oxford Business Group, 2008). The country also garners quite some foreign revenue by exporting unprocessed petroleum. However, the country's economy is largely controlled by the state, and private organizations do not have the total support they deserve. This is as a result of the socialist stand of the country. The country has also set a number of limitations on foreign business dealings, a thing that has slowed its economy further. Despite all this, poverty rates and youth unemployment rates are still very high in the country.

## **Monetary system**

The Algerian currency is referred to as the Algerian Dinar whose currency code is DZD. The denominations of coins in circulation are 1 Dinar, 2, 5, 10, 20, 50, and 100 Dinars. The bank notes in circulation are 5, 10, 50, 100, 200, 500, and 1000 Dinars. Different colors are used for the different denomination, for instance, a 100 DA note is blue and that of 1000DA is red. Due to inflation and frequent changes in the economy being experienced

worldwide, the exchange rate keeps varying from time (Oxford Business Group, 2008).

## **Trading relations**

Despite previous restrictions on business dealings with foreign countries, Algeria has been in business transactions with France, the U. S. A, Japan, Indonesia, Canada, and the European Union (The Country facts and Information, 2004). Business partnership has resulted to the formation of unions and policies meant to promote and enhance business. One such policy is one between Algeria and the European Union; European Neighborhood Policy. This policy is meant to encourage harmony and peace among neighboring countries, so as to have a good platform for regional and international business. Algeria is also a participating member of many African organizations such as the OAU and NEPAD, and WTU.

## **Transportation**

Algeria is accessible by air, road, and water (Afro Asian Business Chronicle, 2011). There is even a reliable railway system that covers 3, 975 km, with 285 km of this being electrified. The country has a road system of 104, 000 kilometers. This road system is comprised two of super regional highways and several kilometers of unpaved road. The country has a well constructed system of pipelines dedicated to the transportation of petroleum and natural gases. There is a pipeline that extends up to Spain, and more are under construction extending to other foreign countries. The country also has a number of ports and harbors that are mostly used for the transportation of

petroleum and its products. In addition to these, the country boasts of 31 paved airports and airstrips, and a heliport.

## **Communication system**

Algeria has got a domestic satellite system that is used for telephone communication. However, this is not enough to support the heavy density, and so more satellites are being set up. There are postal centers in the major cities of the country where one can send mail or faxes. The country enjoys good telecommunications network. With this, internet access is efficient and still more is being done to improve on this (Afro Asian Business Chronicle, 2011). The media is also has a major contribution in Algeria's communication system.

## **Why the place is fit for the said project**

The above factors make Algeria a perfect location for the project. This is because with a reliable communication and transport system, then the project can be initiated with little challenges. Further on, labor would not be a problem since there is a lot of unemployment in the country, hence, finding people to work for the project will not be much of an issue. The country is easily accessible and has a friendly climate.

## **Listing of problems**

The most probable challenge of setting up the project is the limiting policies on dealings with foreign countries that are in existence. Another problem would be trying to convince people to take to the use of solar power, since the country already has an established hydro-power system. Again, acquiring

skilled labor would be a challenge since the education system is quite under developed. Language is also expected to be a hindrance to the project since the official language is Arabic and national language Berber.

### **Recommended solutions to make the region more conducive**

Once all the needed documents are put in place, siting a proper location for the solar power center will be necessary. This is important since the country is comprised of high plateau. Mechanisms will also be put in place to avoid losses in the event that disasters such as earthquakes occur.

Training programs will also come in handy. These will help ensure that those recruited to work for the project will have the proper skill and knowledge needed to have the project running smoothly. On the same note, it would help if a common knowledge was established or translators be availed, so as to ease the problem of language barrier.

Another solution to the country's problems will be having a solar power system sufficient enough to support industrial and home use. This will serve as a back up to the hydropower system already in existence, as well as ease the expenses incurred when running the hydropower plants.

### **References**

Country facts and Information. (2004). Algeria Trading Partners. Country facts: The world at your fingertips, 1. Retrieved from <http://www.kwintessential.co.uk/articles/algeria/algeria-trading-partners/5015>



Afro Asian Business Chronicle. (18th, Oct. 2011). Public works and Infrastructure Development.

You are here. Retrieved from [http://www.aabc.co.in/africa/algeria/leading-sectors-for-](http://www.aabc.co.in/africa/algeria/leading-sectors-for-investment/public-works-a-infrastructure-development.html)

[investment/public-works-a-infrastructure-development.html](http://www.aabc.co.in/africa/algeria/leading-sectors-for-investment/public-works-a-infrastructure-development.html)

Kagda Falaq, Latif A. Zawiah. (2007). Algeria. New York: Marshall Cavendish Corp.

Oxford Business Group. (2008). The Report: Algeria 2008. Panama: Oxford Business Group