

The Constantine Plan

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Submission : 20.08.2025 | Acceptance : 01.11.2025 | Publication : 21.02.2026

Abstract

The Constantine Plan was announced in 1958 by Charles de Gaulle as a large-scale economic and social reform program intended to address the deepening crisis in colonial Algeria during the Algerian Revolution. Presented as a developmental alternative to military repression, the Plan aimed to improve living standards, expand employment, promote industrialization, construct housing, reform agriculture, and broaden access to education. It was also designed to reshape France's international image by portraying colonial governance as reformist and modernizing.

However, the implementation of the Constantine Plan revealed structural contradictions. Investment priorities favored the industrial and extractive sectors—particularly in the Sahara—while agricultural reform remained limited and ineffective. Employment targets were not achieved, regional inequalities persisted, and rural populations were largely marginalized. Although some progress was recorded in housing construction and infrastructure, the overall outcomes fell far short of declared objectives. Financial constraints, war expenditures, administrative centralization, and insecurity caused by the ongoing conflict further undermined the Plan's effectiveness.

Moreover, the National Liberation Front (FLN) strongly opposed the project, viewing it as a strategy to perpetuate colonial control under a reformist façade. The revolutionary movement mobilized public opinion against participation in the Plan and rejected foreign investment agreements concluded under French authority. Ultimately, the Constantine Plan failed to achieve its political objective of pacifying Algeria or weakening the revolutionary movement. Instead, it exposed the limits of colonial reformism in the context of a national liberation struggle.

Keywords: Constantine Plan; Charles de Gaulle; Algerian Revolution; colonial reform; economic development; FLN; French colonial policy; industrialization; Sahara investment; housing policy.

Introduction:

The tools of French colonial domination and control over Algeria were numerous. France consistently attempted to manage situations—particularly crises—by proposing a series of reforms which political experience in Algeria at the time proved to be unsuccessful. Nevertheless, the French government continued with the same policy in managing crises in colonial Algeria, including those resulting from the outbreak of the Algerian Revolution and its expansion both militarily and in the media. France, through General de Gaulle, announced what

was called the Constantine Plan as a parallel alternative to political and material repression, aiming to improve France's image before international public opinion by promoting the idea of improving social and economic conditions, integrating the local population, and reforming the internal situation.

The proposal of reforms as an alternative to achieving liberation could disturb liberation movements struggling for freedom and independence and relying on popular support. Therefore, such reforms were always received with absolute rejection, and efforts were made to publicly denounce them by objectively exposing these alleged reforms. This was what the Algerian National Liberation Front did by revealing the true nature of these reforms and their consequences for Algerian dignity and the homeland. It is therefore necessary to demonstrate the logic of economic exploitation and address the issue of the actual results of the Constantine Plan and the real transformation of the colonial structure by raising the following question: Was the Constantine Plan truly an economic and social reform for Algerians, or was it a reproduction of the mechanisms of colonial domination?

The General Context on the Eve of the Announcement of the Constantine Plan:

Discussing the economic and social situation of Algeria before the arrival of de Gaulle requires returning to the years 1950–1958, when attention to the industrial sector reached 66%, while the agricultural sector accounted for only 2%. The annual growth rate in industrialization ranged between 6% and 7%, and growth continued over eight years between 36% and 47%.

The discovery of oil marked the beginning of a new economic phase in Algeria. Its value reached 125 billion in 1957 and exceeded 460 billion between 1950 and 1958. Overall growth rose to 88%. However, this development mainly affected major cities in terms of industrial growth and services, especially Algiers and Oran.

As for agriculture, settler (colon) lands produced essential goods, particularly citrus fruits since 1954. In 1953, the value of agricultural land development per hectare for settlers was estimated at 34,000 French francs, compared to 6,400 francs for Algerian farmers. The means of production were in continuous decline, along with the number of farmers and workers. This reflects the demographic growth problem, which became inconsistent with economic growth. The population was estimated at 9 million in 1950 and reached 10 million in 1958. They suffered from food shortages and unemployment, and internal displacement spread due to France's repressive policies.

In reality, the economy was deteriorating, similar to the social situation. By October 1958, the economic crisis had intensified, poverty and hunger had spread, and this was reflected in people's worn-out clothing. The market economy was based on industrialization, from which only Europeans and some Muslims benefited, enjoying comfort, prosperity, and food availability.

Global economic crises also affected the French economy, both in Paris and Algeria. However, between 1950 and 1958, the Algerian economy experienced growth in industrialization and agriculture, which initially ranked first but fell to third place in 1958. It became necessary to improve and develop the agricultural sector by encouraging farmers to change their working methods in irrigation, land reclamation, and cultivation. Nine-tenths of Algerian farmers' lands were affected with government assistance through loans, techniques, and supervision.

These projects continued until the arrival of General de Gaulle, who pursued a policy of “reform” by presenting an economic and social reform project known as the Constantine Plan. The General traveled across Algerian provinces, and when he arrived in Constantine, he announced a project aimed at achieving equality between Algerians and Europeans. Constantine was predominantly Muslim, and from there he addressed Algerian men and women, stating that Algeria was a strong country facing difficulties that must be overcome, and that living conditions should be improved for everyone through development and dignity. Announced on October 3, 1958, the project proposed distributing 250,000 hectares of land, providing 200,000 housing units and 400,000 jobs, equalizing wages, and guaranteeing education for all, estimated at two-thirds of Muslim children.

This project was a continuation of the reforms of March 17, 1956. The decree of November 1, 1958 stipulated the establishment of a Directorate of Projects and Economic Studies in Algeria responsible for coordinating the implementation of the economic and social reform project and organizing its financing and equipment.

Economic and Social Projects within the Constantine Plan

1. Industrial Sector Projects:

One of the Constantine Plan’s priorities was establishing heavy industries, especially metallurgical and chemical industries, benefiting from Algeria’s hydrocarbons. The goal was to raise living standards by at least 6% annually. The industrial sector was considered the only sector capable of meeting these expectations and providing the largest number of jobs. Priority was also given to light industries that required less investment.

Investments in hydrocarbons were central. Examples include the Hassi Messaoud–Annaba pipeline (December 1959) and the Hassi R’mel–Arzew gas pipeline (June 1961), which cost 32 billion French francs. In 1960, oil refining began in Algiers, though production reached 2.5 million tons instead of the expected 4 million tons. The Annaba complex, started in October 1960, was completed, unlike the Arzew complex.

Light industry development was entrusted to the Algerian Distribution Fund (established in 1958), which equipped industrial zones near Algiers (Rouiba–Reghaïa), Oran (Tafraoui/Tlélât), Constantine (El Khroub), and Annaba. Other decentralized zones were revised in Béjaïa, Beni Saf, Tizi Ouzou, and 14 other main cities. The sector provided over 100,000 jobs. However, by October 1961, only about 20,000 of the expected 29,600 jobs (1959–1960) were created.

The hydrocarbon sector expanded rapidly from 1959, exploiting 8 million tons of raw materials within one year. Southern Algeria contained oil and gas fields in regions such as El Gassi and Hassi R’mel. Oil was transported to Skhira in Tunisia. Gas discoveries increased economic growth by 5% annually, aiming at 6%.

The Sahara received particular attention. De Gaulle appointed Olivier Guichard to head the Joint Organization of Saharan Regions, which allocated significant funding for development, costing 1 billion francs, and regulated transportation and licensing in Saharan areas.

2. Agricultural Sector Projects:

The Plan revived the 1955 agricultural reform decision, aiming to cultivate 300,000 hectares over five years instead of 13 million hectares. Only 30,000 hectares were cultivated instead of

the planned 60,000 annually. Irrigation covered 3,000 hectares instead of 10,000. Distribution of 250,000 hectares to 15,000 families was planned but only 41,000 hectares were distributed to 1,800 families by the end of 1961.

Agricultural development lacked balance. Agricultural facilitators increased from 260 in 1958 to 1,400 in 1961. However, land reclamation, erosion control, and reforestation remained limited to 3,000 hectares annually. Major dams such as Cheliff, Foug El Gherza (Mefrouche), Bounamoussa, and Jijel (Jenjen) were constructed, but small and medium projects lagged.

3. Social Reforms:

The Plan aimed to allow Algerians to work in the French public sector up to 10% of available jobs and ensure wage equality. It sought to provide housing for one million people and enroll two-thirds of Algerian children of school age.

French authorities built 2,200–2,500 classrooms annually. Primary school classes increased from 10,000 (1955–1956) to 18,200 in 1961. Muslim female enrollment rose significantly between 1957 and 1959, though male enrollment remained higher. Total Muslim enrollment reached 703,224 compared to 123,330 Europeans.

In health, hospital beds increased from 29,000 (1955) to 35,000 (1961). Housing plans aimed to build 210,000 urban and 100,000 rural units over five years, though results fell short of targets. Priority was given to civil servants, who reserved 28–30% of housing.

The industrial sector created the most jobs, but social divisions limited unemployment reduction. By the end of the revolution, about 400,000 Algerian workers had migrated to France under work contracts.

4. Financial Structure of the Plan:

France financed the Plan through specific laws regulating funding stages and required budgets. The Treasury for Equipment and Development of Algeria played a key role. The budget rose significantly, reaching 30 million francs in 1960 and 330 billion francs by 1962. Agricultural funding was supported by Agricultural Credit Funds, benefiting 85,000 individuals at a ratio of three Muslims to five Europeans.

The industrial sector obtained a benefit 15 to 20 times greater than the agricultural sector, which failed to receive financing, particularly the Agricultural Property and Exploitation Fund (CAPER), due to the project's failure to adapt to the social and economic realities of Algeria.

As for the civil sector in Algeria, the focus was on financing the administrative sector; however, the greatest attention was given to the industrial sector, whose value exceeded 2/3 of the loans, reaching between 5/8 and half of the total public loans. Taxes imposed were of great importance, as they were tripled compared to Algeria's development: 11% in 1955, 14% in 1958, 16.7% in 1959, 17% in 1960, and 19% in 1961.

Table of Taxes from 1955–1961

Years	Taxes	Direct Taxes	%	Wealth Taxes	%	Consumption Taxes	%
56–57	87	17	20	5.1	3	65.6	77
57–58	126	25.4	20	5.2	3	96	77
1959	183	51.2	28	6.7	4	125.6	68

Years	Taxes	Direct Taxes	%	Wealth Taxes	%	Consumption Taxes	%
1960	252	66.7	27	7.4	2	177.9	71
1961	265	69.3	36	88	3	187.9	71

As for the total daily treasury revenues and tax amounts in “billion francs” in the field of employment, they are as follows:

Years	Total Daily Treasury	Tax Amounts	Difference
1955–1956	15	87	18
1957–1958	157	126	31
1959	234	210	24
1960	284	252	32
1961	343	265	78

Direct taxes increased, while wealth taxes remained low, whereas consumption taxes had a particular characteristic due to their connection with the more numerous and poorer Algerian population.

Between 1955 and 1962, the Algerian treasury recorded between 85% and 90% of civil costs after services. The French treasury covered some services under the supervision of the Secretariat of State for Algerian Affairs and the Ministry of the Sahara, from 17% to 21% of the total general costs, as the rich Sahara was the financier of the project.

General de Gaulle appointed Olivier Guichard as head of the Joint Organization of Saharan Regions, which was allocated funds for the development of the Saharan regions, amounting to one billion French francs. Thus, the newspaper *El Moudjahid* described this policy as enabling the enemy to strengthen its economic and military power.

Results of the Constantine Project:

France attempted to make the project a real outlet against the Algerian revolution, but reality proved completely the opposite, whether in terms of French policy itself or the activity of the National Liberation Front and its army on the other hand.

The project faced several difficulties in various aspects. Agricultural reforms were supposed to include a set of measures related to farmers, land, irrigation, agriculture, and others; however, they coincided with the establishment of forbidden zones and regroupment camps that imposed the transfer of populations from their places of residence.

Regarding education, the figures indicate a considerable number of enrolled pupils, especially at the primary level: out of 566,000 pupils, 432,000 were Muslims. However, the situation was completely different at the secondary and higher education levels. Out of 37,000 secondary students in 1958, only 7,000 were Muslims; 9,000 out of 43,000 in 1959. At the university level, out of 5,000 students, only 421 were Muslims in 1958 and 512 in 1959.

Concerning employment, unemployment in Algeria increased from 19,600 unemployed in 1958 to 37,000 unemployed in 1959. Through a set of documents related to the Equipment Fund for the Development of Algeria, the state of the Algerian economy during the three years following the beginning of the implementation of the Constantine Project can be identified. A total of 474

declarations related to the project were recorded with participation estimated at 1,443,384 French francs. Industry accounted for 306 projects amounting to 735.75 million French francs, in addition to the construction of some important manufacturing plants, but their contribution was weak. 66% of subscriptions were either French or foreign. The industrial sector included the largest number of workers and was given priority, especially light industries at 7.38%. It was possible to create 60,240 jobs, but only 4,000 were achieved.

The licensed institutions failed to provide the imposed positions estimated at 29,600 and only provided 20,000. By the authorities' own admission, the project achieved only 12.5% in 1960 due to the following reasons:

- Major institutions focused on the interests of the metropole; only 2/3 of the authorized factories became active.
- Only 10,000 jobs were provided annually instead of the expected 20,000 to 25,000.
- Decentralization: although the project aimed at development throughout Algeria, achievements were limited to major cities.
- The heavy financial coverage of the project, as many major financiers did not complete their commitments.
- Imposing taxes on Algerians, raising prices, canceling subsidies, and devaluing the French franc, which delayed France in the field of industrialization and deteriorated living standards. The French economy experienced stagnation due to the war, forcing France to borrow because of the declining living standards of the French, decreasing wages, and the inability of individuals to cope with prices, which cost France huge sums. It had to control state expenditures while lagging behind other European countries due to the internal economic crisis and its impact on many economically backward regions. How, then, would it succeed in developing Algeria economically? The strength of the Algerian revolution also played a role in disrupting French projects in Algeria. Attacks continued against French interests, for example, the attack on the Ouenza trains using mines and weapons. The only solution for France was to transport oil through pipelines, but mountains and difficult routes hindered this idea, affecting the Annaba project. The war obstructed French industrialization in Algeria.

The Fate of the Constantine Project:

1. The Position of the National Liberation Front:

The project faced strong opposition from both Algerians and settlers, as the latter would never allow themselves to become equal in status with Algerians.

As for Algerians, the National Liberation Front had to intervene against the illusory temptations promoted by the colonial administration in order to direct Algerian public opinion toward rejection. It mobilized all its energies against the project through issuing leaflets, holding public meetings, and making statements through the media, especially radio. The repressive policy practiced by French colonialism against Algerians further supported the Front's rejecting stance.

The Algerian masses responded to the directives of the liberation revolution by refusing to take the lands and housing provided by the project, in addition to rejecting jobs. The National

Liberation Front also called on Algerians to explicitly refrain from receiving their land shares so as not to contribute to the success of the reform project within the colonial system. It considered it merely a policy of impoverishment and that reform or the success of any reform project should have begun 130 years earlier, especially since more than half of the existing agricultural lands were owned by Europeans. European contribution was negative, and anyone following agricultural development since 1863 notices its continuous decline. Production and genuine reform decreased, clearly showing the settlers' influence on the project's planners.

France was unable to meet the high financial demands; therefore, it turned its attention to the Sahara and investment in it, as well as its need for technical experts. Thus, the rejection of the project by the National Liberation Front was an inevitable result based on the vision adopted by the liberation revolution regarding the future economy of Algeria, which was clearly oriented toward socialism. The Tripoli Conference is considered one of the most important meetings in which the issue of the future of independent Algeria and its organization was raised.

The National Liberation Front's vision of the situation at that time was very clear. It confirmed that General de Gaulle's projects aimed to give colonialism another face, with more dangerous and severe consequences. They were a façade for foreign companies contracting with France regarding exploration in Algeria or banking operations, as France maintained good contacts with Italian and American companies. The Algerian National Liberation Front warned foreign companies wishing to invest their capital in the Algerian Sahara that it considered any agreements concluded with France illegitimate, since the Sahara is part of Algeria and not France.

During the first four years of the project, Algerians confirmed the miserable reality and supported the National Liberation Front in rejecting it. De Gaulle achieved no success through it; rather, he failed to achieve peace. His talk about its greatness for France was merely promotion of investment in the Algerian Sahara. Algerians also became aware of the policy of financial and economic integration aimed at erasing Algeria's financial identity. This is clearly shown in the history of this law since 1900, as de Gaulle sought to merge the Algerian budget into the French budget, thus building the French economy with tax revenues from Algerians. He also aimed to unify the currency.

The National Liberation Front mobilized its media to spread its position regarding oil exploration licenses in Algeria and confirmed that France, through foreign capital, sought to cover war expenses. Such foreign investment would only be recognized within the framework of independent Algeria.

The Provisional Algerian Government informed participants in the Fifth World Petroleum Congress, held in New York from May 30 to June 5, 1959, of its rejecting position. Its delegation submitted a special file representing the prohibition of establishing all installations. De Gaulle worked to convince Europe, including Italy, to invest in Algeria. However, the issue of financing raised many questions as it was the greatest obstacle to the project, which pushed France to grant huge privileges to capitalists investing in Algeria. Yet many of them, due to fear and the conditions of war, fled to France, causing the obstruction of many projects, including the Annaba project, which at that time required financing estimated at 100 billion

French francs. The French government was supposed to undertake the project but was unable to finance all these huge projects.

In addition to the limited investment in the agricultural sector, which experienced great stagnation alongside the mining sector. It can be said that until 1961, not even half of the planned objectives had been achieved. Only two-thirds of the approved institutions were realized in reality, providing 20,000 jobs. 92% of total investments were concentrated in building materials, mines and quarries, electrical, iron, and chemical industries, while food industries and textiles did not attract French capital. The project's achievements did not exceed 13% in 1961, although it was supposed to exceed 48%. Light industries represented only 7.38% and textiles 6.09% of total investments, which in 1961 amounted to only 271,343 million francs instead of 735,350 million francs as originally planned. Until the end of 1961, accreditation was granted to 474 institutions, most of which did not materialize; 151 investors withdrew, and some projects were not completed. By 1961, only 215 projects were financed. Agricultural reclamation progressed weakly at about 35,000 annually instead of the expected 60,000, and reforestation did not exceed 3,000 hectares annually instead of the expected 10,000.

Insecurity delayed the construction of buildings, roads, and water points, and small and medium projects were not completed due to denunciations by the National Liberation Front, which was stronger than those projects. This decline also appeared in housing since 1961:

Years	1957	1959	1960	1961
Urban Housing – Planned	10,730	22,000	31,000	32,000
Urban Housing – Started	—	31,000	39,000	27,000
Urban Housing – Completed	—	32,000	—	33,000
Rural Housing – Planned	8,635	15,000	12,000	14,300
Rural Housing – Started	—	12,000	18,000	13,100
Rural Housing – Completed	—	14,300	—	15,800

The project was not fair across all sectors. Its failure in construction was significant, reaching 20% in the industrial sector and 50% in the agricultural sector. It created 25,000 jobs instead of the expected 80,000 and did not pay attention to 6.5 million rural inhabitants; thus agriculture showed the project's failure. From the outset in 1959, France conducted propaganda for its industrial projects. As for success, it succeeded in the housing sector by building more housing units than expected, reaching 57,920 units, unlike rural housing which experienced delays.

Its achievements in fuel pipelines and education were also important in the first three years. Therefore, the National Liberation Front feared that France might succeed in its propaganda policy. Preparations began for General de Gaulle's visit to Algeria to inaugurate several Constantine Project initiatives through celebrations. According to the testimony of one of the mujahideen of the Wilaya of Oran, Mr. Ben Samaha Kada, who fought in the Ghoualem mountains, the colonial administration in Oran broadcast Arabic songs in Tahtaha, especially songs by the Egyptian singer Farid al-Atrash, and preparations began for de Gaulle's visit to Oran to inaugurate the sports palace and several beautiful housing units, and to distribute cars

to employees, suggesting that the project had succeeded and that the causes of the revolution had ended. From there, serious thinking began in preparing for the December 1960 demonstrations.

Conclusion:

The Constantine Plan represented the last major attempt by France to preserve its presence in Algeria through economic and social reform rather than solely through military force. While it introduced ambitious development targets in housing, industry, employment, and education, its achievements remained partial and uneven. Structural imbalances, financial burdens, administrative limitations, and the intensity of the Algerian Revolution severely restricted its implementation.

Politically, the Plan failed to win the support of the Algerian population, largely due to widespread distrust of colonial intentions and the effective opposition led by the National Liberation Front. Rather than neutralizing the revolutionary movement, the Plan reinforced nationalist conviction that genuine reform could not occur within the colonial framework.

In historical perspective, the Constantine Plan stands as an illustration of the limitations of late colonial reform strategies. It demonstrated that economic modernization projects, when disconnected from political sovereignty and social justice, were insufficient to resolve a fundamentally political conflict rooted in the demand for independence.

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CORPS & PSYCHISME

P-ISSN: 2496-4476 E-ISSN: 2273-1571

Volume 13/ Issue 1/ 2026

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