

Opening Up to the “Third World” or Taking a Detour to the “West”? The Hungarian Presence in Algeria from the 1960s to the 1980s

Zsombor Bódy

Abstracts

By considering the Algerian-Hungarian relationships, the study investigates Hungary's participation in globalization processes from the 1960s to the 1980s. The article outlines the evolution of Hungarian-Algerian relations from the time of independence onwards, presenting a brief overview of the activities of Hungarian experts in the Global South from the 1960s to the 1980s to place the history of Algerian relations in a broader context. The analysis of the history of the presence of Hungarian experts in Algeria investigates the views that guided Hungarian decision-makers in relation to the sending of Hungarian experts and especially how Hungarians in Algeria themselves interpreted their experiences and their own activities there, possibly in a different way from the Hungarian political authorities. The results of the analysis are assessed in the context of the general questions of the globalization of the Eastern Bloc, formulated by the literature hitherto.

Anhand der ungarisch-algerischen Beziehungen untersucht der Beitrag die Beteiligung Ungarns an den Globalisierungsprozessen von den 1960er bis zu den 1980er Jahren. Der Artikel skizziert die Entwicklung der ungarisch-algerischen Beziehungen seit der Zeit der Unabhängigkeit und gibt einen kurzen Überblick über die Aktivitäten ungarischer Experten im Globalen Süden, um die Geschichte der algerischen Beziehungen in einen größeren Kontext zu stellen. In der Analyse der Geschichte der Präsenz ungarischer Experten in Algerien wird untersucht, von welchen Ansichten sich die ungarischen Entscheidungsträger bei der Entsendung von Experten leiten ließen und vor allem, wie die Ungarn in Algerien selbst ihre Erfahrungen und Aktivitäten vor Ort interpretierten – möglicherweise anders als die ungarischen politischen Behörden. Die Ergebnisse der Analyse werden im Zusammenhang mit den allgemeinen Fragen der Globalisierung des Ostblocks bewertet, die in der bisherigen Literatur aufgeworfen wurden.

1. Introduction

In May 1980, the leadership at the trade union of the El Hadjar Iron and Steel Complex in Annaba, the largest steel plant in Algeria and, indeed, the whole of Africa, held a multi-day meeting on the agenda of which was the situation of foreign experts working at the company. The participants had a 13-page-long report in French to discuss. A copy of this document can be found in the Historical Archives of the Hungarian State Security in Budapest, which holds documents of the former State Security Organisations from the era of state socialism. This is noteworthy, as it offers an indication of the complex relationships between socialist Hungary and areas outside the Eastern Bloc. The trade union document of the El Hadjar Iron and Steel Complex in Annaba found its way to Budapest because Hungarian State Security Organisations, following in the footsteps of Hungarian companies and experts present in Algeria, expanded their interests to Algeria and, in particular, to the iron and steel complex. By considering this example of Algerian-Hungarian relationships, the present study investigates Hungary's participation in globalization processes from the 1960s to the 1980s.

The first subchapter outlines the general questions of globalization projects of the Eastern Bloc, formulated by the literature hitherto. The second section presents a brief overview of the activities of Hungarian experts in the Global South from the 1960s to the 1980s to place the history of Algerian relations in a broader context. I then outline the evolution of Hungarian-Algerian relations from the time of independence onwards. After that, I analyse the history of the presence of Hungarian experts in Algeria, investigating the views that guided Hungarian decision-makers in relation to the sending of Hungarian experts and especially how Hungarians in Algeria themselves interpreted their experiences and their own activities there, possibly in a different way from the Hungarian political authorities.

2. Context of Socialist Globalization

Historians and scholars have added notable nuance to the simplified picture of the Cold War as an opposition of two blocs over the course of the past decade.¹ One research direction has pointed out that the period of the Cold War was determined not solely by the conflict between the “West” and the “East” and that the processes of globalization were not simply structured around the former. According to Besnik Pula, a gradual den-

1 See A. Hartmetz et al., *East–South Relations During the Global Cold War: Economic Activities and Area Studies Interests of East-Central European CMEA Countries in Africa* (Collaborative Research Centre (SFB) 1199, Working paper series), Leipzig 2018; S. Kott, *The Social Engineering Project. Exportation of Capitalist Management Culture to Eastern Europe (1950–1980)*, in: M. Christian, S. Kott, and O. Matějka (eds.), *Planning in Cold War Europe. Competition, Cooperation, Circulations (1950s–1980s)*, Oldenbourg 2018, pp. 123–141; Á. Pogány, *Cooperation Through the Iron Curtain: Economic Relations Between Austria and Hungary after the Second World War*, in: G. Enderle-Burcel et al. (eds.), *Gaps in the Iron Curtain: Economic Relations between Neutral and Socialist Countries in Cold War Europe*, Kraków 2009, pp. 142–162.

sification of East-West economic relations had already occurred in the 1970s in a way that resulted not only in an increase in the volume of trade across bloc borders, but also in technology imports, joint projects, and the generally ever-stronger integration of the economies of the Central European socialist countries into the Western world economy. All this, in Pula’s view, comprised a kind of proto-globalization that paved the way for the acceleration of globalization in these countries from 1989/90 – an assessment that somewhat relativizes the importance of the fall of state socialist regimes for globalization.² Other scholars go further in questioning the relevance of 1989 for globalization and suggest that the links between the Eastern Bloc and the Global South were so strong that they pointed towards an alternative globalization to the West; therefore, when these links died around 1989, it was a step backwards in the process of globalization as a whole. As important contributions to the research persuasively show, from the mid-1950s, parallel with decolonization, the Soviet Union was striving to become an alternative centre of globalization and assist the development of countries gaining their independence while also promoting its own model. “Third World” countries were indeed open to this offer, as many, while not wishing to join the Soviet Bloc, aimed to benefit from the conflict between the two blocs according to their own agendas, either economically or by expanding their political room for manoeuvre.³

At the same time, research findings have revealed that the satellite states of the Soviet Union, such as Hungary, similarly sought to build connections, both economic and cultural, with countries gaining their independence. Their aim, in part, was to relieve themselves from their double dependence on the Soviet Union and, in terms of technology and capital, on the West, with the further objective of carving out some room for manoeuvre and gaining hard currency (which was much needed due to their lopsided economic relationships with the West). During this process of networking, Central European experts marketed their knowledge in countries gaining independence and utilised the experience gained there in establishing scientific institutions and furthering their roles as experts in their homeland.⁴

Based on these findings, it seems clear that nuance needs to be added to prevailing understandings of the history of West-centric globalization; this process has been more complex than assumed and often claimed. The subtle study of the history of the networks connecting actors in the East and the South shows them to have been increasingly intricate from the 1950s on. Manifestly, 1989–1990 was by no means the moment at

2 B. Pula, *Globalization under and after Socialism: The Evolution of Transnational Capital in Central and Eastern Europe*. Stanford, CA 2018.

3 J. Mark and Y. Feygin, *The Soviet Union, Eastern Europe, and Alternative Visions of a Global Economy 1950s–1980s*, in: J. Mark, A. Malinovsky, and S. Marung (eds.), *Alternative Globalizations: Eastern Europe and the Postcolonial World*, Bloomington 2020, pp. 35–58.

4 See T. Dragostinova, *The “Natural Ally” of the “Developing World”: Bulgarian Culture in India and Mexico*, in: *Slavic Review* 77 (2018) 3, pp. 261–284; M. Mazurek, *Polish Economists in Nehru’s India: Making Science for the Third World in an Era of De-Stalinization and Decolonization*, in: *Slavic Review* 77 (2018) 3, pp. 588–610; M. Trentin, *“Tough Negotiations”: The Two Germanys in Syria and Iraq from 1963 to 1974*, in: *Cold War History* 8 (2008) 3, pp. 353–380.

which the former state socialist countries started to participate in the processes of globalization.⁵

One question, therefore, concerns how to assess the history of the relations between the East and the Global South that the research has revealed. James Mark, in his volume summarizing this work, broadly interprets it as a development towards an alternative globalization. “A collapsing western-dominated imperial system provided the smaller eastern European Communist states with fresh opportunities to internationalize in ways that had not been available to a previous generation of regional elites – and which did not require the support or approval of Western Europeans.”⁶ Following the opportunities that arose, “Soviet and Eastern European planning became for a few decades one of the main globalizing forces, proving attractive for decolonizing states in the global South looking to build their own economic sovereignty.”⁷

Accordingly, the turnaround of 1989–1990 not only did not open the way to globalization for the Central European states but, on the contrary, narrowed their options. “In this sens, this loss not only represented the confirmation of Eastern European’s journey towards a western-led globalization and European politics, but also as a process of de-internationalisation from a world which had opened up through the decolonialisation of Western European empires. Its elites no longer asserted the importance of their region as a leading representative of an alternative modernity, but rather accepted a new status as integrated adjunct on the periphery of a Euro-Atlantic World.”⁸

Taken as a whole, these general observations provide a characterization of the evolving relations between the countries of the Eastern Bloc and the Global South. However, several questions arise as to how this developed in practice. Did these countries have sufficient independent economic capacity to really build relationships with Third World states that offered an alternative to the Western-centred globalizing economy?

A new economic history of the Soviet Union and the Eastern Bloc reveals that economic relations between the East and the world outside were not only close but also rather uneven, and this casts doubt on the Soviet Bloc’s ability to function as an economic centre. The existing economic seclusion was not a direct result of Moscow’s intentions since, actually, the Soviet Union and Eastern Bloc wished to gain economic advantages by properly integrating into the world economy, which was hindered by the West’s refusal and its policy towards the Soviet Union and the Eastern Bloc.⁹ This research direction in economic history questions whether the network among the Soviet Union, state socialist countries, and their partners in the Third World really did signify the development of an

5 J. Mark and P. Apor, *Socialism Goes Global: Decolonization and the Making of a New Culture of Internationalism in Socialist Hungary, 1956–1989*, in: *Journal of Modern History* 87 (2015) 4, pp. 852–891; J. Mark and T. Rupprecht, *The Socialist World in Global History: From Absentee to Victim to Co-producer*, in: M. Middell (ed.), *The Practice of Global History: European Perspectives*. London 2019, pp. 81–113.

6 J. Mark and P. Betts, Introduction, in: *Socialism Goes Global*, Oxford 2022, pp. 13–14.

7 Ibid., p. 14.

8 Ibid., p. 24.

9 O. Sanchez-Sibony, *Red Globalization: The Political Economy of the Soviet Cold War from Stalin to Khrushchev*, New York 2014.

alternative global network, according to or irrespective of Moscow’s intentions – as Mark claims when searching for the alternative to Western-centred processes of globalization. As a matter of empirical fact, the relationship between East and West was asymmetrical. Throughout their existence, the Soviet Union and the Eastern Bloc were continually in need of economic relationships, technologies, market opportunities, and capital from the world outside. Without economic links to the West, the East was incapable of development; indeed, its existence depended on external relations. For the West, by contrast, connections with the Soviet Bloc were not vital for its development. In that case, the question becomes whether the unevenness in the economic power relations made it impossible for the Soviet-centered network to develop into an alternative to Western-centred globalization.

Beyond the economic balance of power, the actual aims of the leadership of the state socialist countries need further examination. A further, more specific question arises concerning the extent to which these state socialist countries’ activities in the Third World were motivated by a genuine anti-imperialist solidarity or else just instrumentalized as a political and ideological tool for the sake of power and economic gain. Did ideological discourses and motivations for actual action overlap?

Furthermore, European socialist states’ relationships with Third World countries may be deemed ambiguous. While they may seem to have been seeking a common platform on the basis of opposition to the West, perhaps they approached the South much like the colonizers, both economically and with regard to cultural and civilizational paternalism.¹⁰ Were the state socialist societies, their elites, and the actors from these countries who actually came into contact with those in the South really open to societies liberated from colonial rule?

The most important questions in assessing the relations between the Eastern Bloc and the Global South, however, concern the relative weight and importance of the state socialist countries’ relations with the South and the West. How did the building of overseas relations relate to relations with Western Europe? Was it something complementary or alternative, or did the cooperation with the South in some way compensate the socialist countries for the limitations and inequalities of their relations with the West?

The present study analyses the Hungarian presence in Algeria from the 1960s in the research context outlined above. It fits with the recognition that a better picture of global interactions can be gained by tracing them at the local level.¹¹ In the context of research on the globalization of socialism, the following specific questions about these relations

10 “Eastern European ‘development guidance’ in offering education, exporting machinery, technology and experts, and exporting their own socialist models of development could also express cultural superiority, legitimize the successes of their regimes and achieve international political recognition.” Z. Ginelli, *Hungarian Experts in Nkrumah’s Ghana. Decolonization and Semiperipheral Postcoloniality in Socialist Hungary*. <http://mezosfera.org/hungarian-experts-in-nkrumahs-ghana/>.

11 A. Calori, A.-K. Hartmetz, B. Kocsev, J. Zofka, *Alternative Globalization? Spaces of Economic Interaction between the “Socialist Camp” and the “Global South”*, in: A. Calori et al. (eds), *Between East and South: Spaces of Interaction in the Globalizing Economy of the Cold War*, Berlin 2019, p. 5.

seem worth asking: What common or differing motivations and standpoints led the Hungarian participants (decision-makers, companies, individual experts) to build these relationships during their activities linked to Algeria? To what extent was this a form of anti-colonial solidarity or, at least, cooperation against the West, and to what extent was it merely a matter of business? If and to the extent that it was a business relationship, how beneficial was it for the participants, and was it a relationship that could be seen as somewhat neo-colonialist in nature due to differences in the countries' techno-economic levels of development?¹² And at the level of perception, one may ask how and with which frameworks did the Hungarian experts working in the intersecting spaces of different cultures in Algeria interpret their own experiences? And how did they relate to the new wave of globalization emerging in the late 1980s? In short, *can* the Hungarian activity in Algeria be regarded as part of an alternative process of globalization to the prevalent neoliberal model of the 1990s?

3. Hungarian Experts in the Third World from the 1960s to the late 1980s

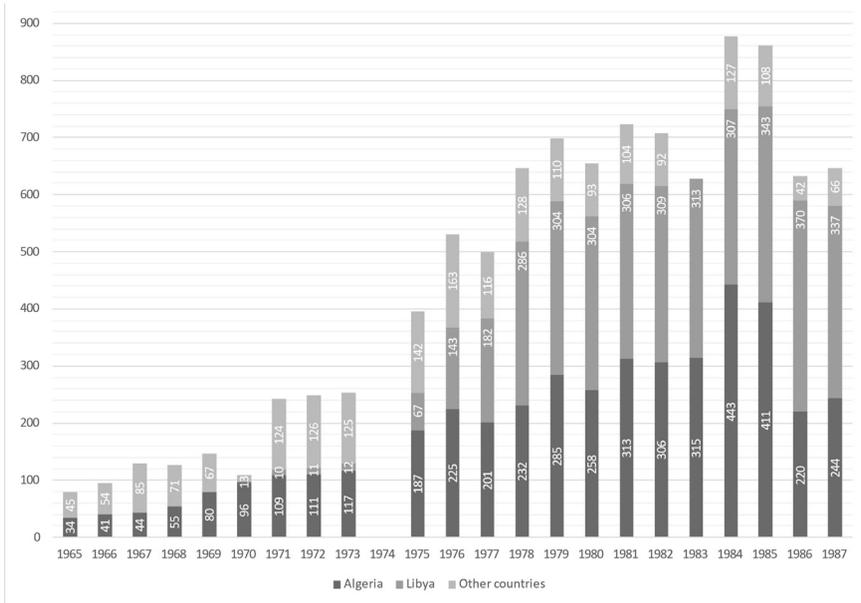
The management of Hungarian professional assistance and “intellectual exports” was the task of the Enterprise Technical and Scientific Cooperation (TESCO). From the 1960s, the company welcomed scholarship students from Third World countries and outsourced Hungarian specialists and experts to overseas countries. The latter are of interest here – their numbers are shown in Figure 1.

The relevant TESCO archival sources show that the number of Hungarian experts outsourced to Third World countries grew consistently from the 1960s, peaking in the mid-1980s at over 800 with a permanent posting (the experts predominantly spent three-year periods abroad). Not all experts working long-term in faraway countries were outsourced by TESCO, but this was the organisation in Hungary that had the management of outsourcing experts as its fundamental task.

Most of the Hungarian specialists and experts were hosted by just two North African countries. For the entire period – or most of it – Libya and Algeria had friendly relationships with countries of the Eastern Bloc, were able to finance modernization programmes owing to their mineral and energy sources, and were closer to Hungary than sub-Saharan and Far Eastern countries.

12 P. Apor, Szocialista migráció, posztkolonializmus és szolidaritás. Magyarország és az Európán kívüli migráció [Socialist Migration, Postcolonialism, and Solidarity. Hungary and Migration Outside Europe], in: *Antro-polus 2* (2017) 1, pp. 26–44.

Figure 1: Hungarian experts on long-term TESCO postings in Third World countries (as of Dec. 31).¹³



4. Algerian-Hungarian Relationships from the mid-1960s

Hungary had followed the events of the Algerian War closely. Between 1954 and 1964, in addition to a multitude of newspaper and journal articles, six books on Algeria were also produced and distributed in Hungary by the publishers for the party and the People’s Army, along with the national news agency and a young adult publisher.¹⁴ These publications unequivocally presented Algeria’s fight for independence in the context of anti-colonialist ideology. They did not shy away from pointing out that it was not only those advocating the principles of Marxism and Leninism who were fighting for independence. Their “Popular Front approach” emphasized solidarity with Algeria’s “progressive” political forces and, naturally, viewed them and only them as authentic representatives of Algerian society.

At the policy and decision-making level, however, instead of anti-colonial discourse or the export of socialist modernity, we find something very different. In addition to works providing political and ideological orientation for different strata of Hungarian society,

¹³ Source: National Archives of Hungary, XXIX-G-21-a, Box 62 and 63.

¹⁴ Sz. Datlin, *Marokkó, Algéria és Tunézia népeinek függetlenségi harca* [The Freedom Fight of Peoples of Morocco, Algeria, and Tunisia], Budapest 1954; I. Árkus, *Algéria* [Algeria], Budapest 1957; L. Gombos (ed.) *Algéria*, Budapest 1962; J. Pálffy, *Algéria*, Budapest 1962; Gy. Máté, *Halima leveti fátylát* [Halima lifts the veil], Budapest 1962; T. Várkonyi, *Algéria*, Budapest 1964.

there were also attempts to assess the opportunities inherent in economic relations with Algeria. After the Évian Accords – the peace treaties with France that paved the way for Algerian independence – the Hungarian Chamber of Commerce and Industry ordered a study on opportunities for Hungary in the new country.¹⁵ Devoid of anti-colonialist slogans, the thorough and matter-of-fact text started with the modernization programme launched in Algeria in 1958 as part of the so-called Constantine Plan and focused on large investments. This programme was announced by De Gaulle himself from the balcony of the Prefecture of Constantine during his trip to Algeria in 1958. Its main points included expanding the system of education and improving irrigation in agriculture, along with land reform, housing, and infrastructural and industrial investments. Initially, the programme was to be implemented with the help of the French state budget and a policy encouraging private investment.¹⁶ The study ordered by the Hungarian Chamber of Commerce and Industry postulated that this modernization plan would basically continue in independent Algeria and that the Algerian government would be able to finance it using its hydrocarbon resources. The Chamber of Commerce and Industry study made the following claim:

[S]ocialist countries, and thus Hungary, too, take an interest in developing foreign trade relations with independent Algeria. Algeria has the potential to become the most important market in Norther Africa because, after the consolidation of its economy, its domestic development will require widescale investment and consumer goods [...].¹⁷

It was not just the export of industrial goods but also that of production technologies, machine tools, and production lines that Algeria was expected to require. One of the most important points posited was that a large room for “intellectual export” would open up, as Algeria would need vocational training, professionals with secondary education and university degrees, as well as medical staff, agriculturalists, geologists, and technicians.

Thus, the analysis, produced as supporting information for a decision, neither used anti-imperialist language nor took anti-colonial solidarity as its point of departure. It did not regard the export of some “socialist model” as the main objective but was founded on a common vision of modernization visible in the Constantine Plan and believed likely to persist in independent Algeria. This vision did not require the export of the socialist model but merely Hungarian expertise.

The study firmly believed that Hungary had the technological and expert knowledge that could supply Algeria’s forthcoming needs and even that his skills had to be marketed.

15 Algéria. Magyar Kereskedelmi Kamara. Piac- és Konjunktúrakutató főosztály. A tanulmány lezárva: 1962. szeptember hóban. (Csak belső használatra) Dr V. U. [Algeria. Hungarian Chamber of Commerce and Industry. Market and State of the Economy Research Department. Study Concluded in September 1962. (For Internal Use Only)], National Széchényi Library, 28.925/2.

16 M. H. Davis, Restaging Mise en Valeur. Postwar Imperialism and the Plan de Constantine, in: *Review of Middle East Studies* 44 (2010) 2, pp. 176–186.

17 Algéria, p. 42.

Generally, state socialist systems in Central Europe did not bring together completely new groups of experts; continuity with the pre-1945 period was significant. The existence of the Eastern Bloc and the Council for Mutual Economic Assistance (CMEA) did not exclude the transfer of knowledge from the West.¹⁸ These expert capacities developed on the pre-1945 bases and were not isolated from the West either during the early phase of socialist systems. In the 1960s, they couldn't be fully utilised in Hungary, as the first big wave of extensive industrialization had been completed by the mid-1950s. Thus, “intellectual export” to Algeria seemed to present an important opportunity that should be seized. Hungary's interest in Algerian market opportunities was thus already a factor when Algeria became independent. A trade agreement between the two countries covering certain goods was concluded in 1964, and a general trade and clearing agreement was reached in 1965. In that year, a market research delegation consisting of several Hungarian company directors was sent to Algeria. The two countries entered into a technical-scientific agreement in 1966, although it was still more of a declaration of intent. Then, on 7 July 1967, the intended cooperative endeavour outlined in the agreement was finally made concrete, and for a long period, this document, albeit after having been modified and supplemented several times, served as the legal basis on which Hungarian experts were sent to Algeria. There was frequent contact between competent officials of the two countries during this period, with a total of 15 meetings of secretaries of state, ministers of state, and heads of department held between 1970 and 1975.¹⁹ In 1971, a new interstate trade agreement was concluded, and the president of the Presidential Council was paid a formal state visit during his African tour.

According to the 1967 record book, the two parties were to exchange the list of positions to be filled and the personal files of the experts recommended for these positions. They would then decide who among those would be accepted. In practice, however, Algeria recommended the positions, and Hungary recommended the experts. No Algerian professionals came to work in Hungary, only students. The record also touched on minor issues: the right to the reimbursement of travel expenses, for example, was only available in case of stays of over two years by wives (not spouses, indicating that the experts supposed to be always male) and young children.

5. Hungarian Experts' Projects in Algeria

From the late 1960s, there was a dramatic increase in the activities of Hungarian experts in Algeria based on the agreement discussed above. The first significant and indeed pioneering project, which paved the way for further commissions, was the design and construction supervision of the 5 July 1962 Stadium in Algiers, which Hungary inten-

18 D. Jajeśniak-Quast, “Hidden Integration”. RGW-Wirtschaftsexperten in Europäischen Netzwerken, in: *Jahrbuch für Wirtschaftsgeschichte* 55 (2014) 1, pp. 179–195.

19 Magyar Nemzeti Levéltár Országos Levéltár [Hungarian National Archives National Archives] (hereafter MNL OL) XXIX–G–21–a, Box 66. A summary of Hungarian-Algerian relations by the Department of Overseas Developing Countries of the Ministry of Foreign Affairs. 18 August 1975.

ded to be a reference work and entry into the Algerian market. The completed building (Figure 2) displays elements reminiscent of the People's Stadium in Budapest, which had been constructed in the 1950s. The building of the stadium, which had a capacity of 70,000 and met Olympic standards, was personally initiated by Ben Bella, the first president of independent Algeria. Hungary won the commission over Bulgaria not only to design and construct the stadium but also to provide the necessary equipment (score-board system, etc.) and develop the surrounding area.

Figure 2: The Olympic Stadium, Algiers (designer: Sándor Ázbej, KÖZTI, 1972; photo: László Dalányi).²⁰



Following the stadium project, water regulation projects were undertaken and dams built that were designed and partly carried out by Hungarian experts, as well as projects involving the construction of polyclinics, rehabilitation centres for the disabled, three “Hungarian” hospitals (some of whose medical staff were Hungarian), secondary schools, housing estates, and the spatial planning of industrial investments. Hungarian experts also participated in the design and supervision of building of a technological university in Oran based on a six-million-USD project contract. In addition to supplying equipment and educational tools for the university, Hungary also provided teaching materials written by renowned Hungarian scholars and translated into French, along with 20-to-30 Hungarian teachers.²¹

20 Source: Fortepan/Imre Ormos Foundation, 100 571.

21 Half of Oran's population had relocated from the motherland during the colonial period, and many left when Algeria became independent. Oran thus became a half-empty city where business and cultural life collapsed compared to before, so the Algerian state made great efforts to revitalise the city, including the founding of the new university.

In order to manage this large-scale and diverse work, a Hungarian institutional structure with several elements was established in Algeria. According to interstate agreements, matters concerning professionals in long-term postings were managed by a TESCO office in Algiers. A TESCO consulting office in the Algerian capital handled the affairs of experts working in the country or participating in projects with trade contracts, as well as a TESCO-KÖZTI office, a satellite engineering office of the Public Building Construction Company, with over 20 employees. Some companies that transported goods to Algeria frequently and in large amounts, such as Medicor (surgical instruments), MOM (optical equipment), Metrimpex, and Komplex (construction), developed their own service networks and customer services in the country.

The affairs of Hungarian experts working in Algeria within various legal frameworks were viewed as problematic by certain representatives of the Hungarian government. After his visit to Algeria in February 1976 – where he had met many members of the Hungarian community – Justice Minister Mihály Korom summarized his impressions thus:

Contradictions have arisen between those receiving funds from the state budget and those funded from company sources, with the latter being preeminent. [...] A materialistic approach has come to prevail, an effort to “get rich quick”, and, accordingly, there has been a reinterpretation of Hungarian provisions in order to ensure individual material benefits. [...] [I]f a Hungarian company makes a better deal, this should [not] automatically mean higher pay-outs for its men; rather, this should be transferred to the state budget.²²

Compared to circumstances in socialist Hungary and Algeria, Hungarian experts working in North African countries made good money, and they were able to transfer 50 percent of their salary back home according to the terms of the agreement with Algeria (although international cash flow was still far from unhindered at that time and each international bank transfer required special permission from the Algerian authorities). During periodically repeated renegotiations of the conditions on which the experts were sent, the Algerian negotiating party was noticeably concerned with the amount by which the payments made to the Hungarian experts exceeded subsistence levels in Algeria, and they regularly postponed the implementation of pay raises following Algerian inflation, thus decreasing the real value of the experts' earnings.

In fact, the level of remuneration was always a hard bargain. TESCO regularly and emphatically told the Algerian party that lower payments would make it impossible to provide adequate financial incentives for the experts, and nor did it shy away from using pressure tactics to make its case. According to the Hungarian Department of State, “increasing the remuneration for the experts [could] only be achieved with more forceful methods than before”, leading them to “agree with TESCO’s effort to slow down the pace of posting and thus call [their] partner’s attention to the outstanding payments for [their] experts”.²³

22 MNL OL XXIX-G-21-a, Box 67, 1. Notes by Attorney General Mihály Korom, 2 February 1976 (own translation).

23 MNL OL XXIX-G-21-a, Box 67, 28 July 1977.

The management of TESCO was well aware of the fact that it had to compete with other (socialist and Western) companies for jobs for its highly trained experts. At times, in order to be able to agree on appropriate remuneration despite the competition, some coordination was needed. A record prepared for the CEO of TESCO reveals cases when Eastern Bloc countries, with the exception of Romania, had “friendly meetings” to coordinate the strategy to be used against Algeria. It was unanimously agreed at these meetings that Algeria’s proposals were imprecise and that the socialist countries had to stand united since each country’s negotiations affected the others’. They found it typical that the Algerian negotiating party claimed to have an agreement with the Soviet Union when that was not actually the case. Each participant came to understand that no socialist country could get better terms with Algeria than the terms that had already been reached in the first agreement, so an increase in payments was a common objective.²⁴

To summarize, the company managing the outsourcing of experts and their superiors in the government were solely interested in business opportunities in Algeria – much as the experts themselves were drawn to take positions in Algeria as an opportunity to earn more than they would have done in Hungary. Although this “money-grabbing” approach bothered some members of the government, their goal, too, was commercial gain for Hungary. The Hungarian authorities also realized that they were in competition for the Algerian market with other socialist and Western countries, so they tried forming a cartel with Eastern Bloc countries.

There was no anti-colonial solidarity with Algeria, nor was there any real question of the export of the socialist model. Tellingly, when the strictly-speaking Marxist-Leninist Algerian communist party was invited to the conference of communist and labour parties in Budapest in 1968 (which had a distinctively anti-imperialist rhetoric), Algeria refused to accept the credentials of the newly appointed Hungarian ambassador. Apparently, regardless of any ongoing cooperation (including military) with the Eastern Bloc, Algeria would not tolerate the acceptance by socialist countries of any political representatives other than the official ones as partners. The Hungarian government argued that the conference was an international but not an inter-state diplomatic event; Budapest was merely as but a venue, and Hungary had no say whatsoever in the question of which parties would participate, but to no avail. Eventually, Hungary was forced to appoint a new ambassador, and as events unfolded, it did not maintain contact with the Algerian communist party lest it jeopardize economic cooperation by creating political tension. Clearly, economic concerns were more important than politics.

6. The Meeting of Cultures and Guardians of Identity

In Algeria, a dramatic increase in economic and educational relationships across borders resulted in a growing number of encounters between people from different countries

24 MNL OL XXIX–G–21–a, Box 66, Record for the CEO of TESCO on the negotiation meeting held at the Bulgarian Embassy in Budapest, 2 March 1980.

and cultures. Research on the history of globalization processes often investigates the discourses used by those in transnational spaces who has been forced to let go of their former understandings of national and local identities, to interpret themselves and their new situations. How do their new experiences throw into question the validity of the interpretations developed within the frameworks of their earlier lives?²⁵ As has long been observed, the intercultural or multicultural contact spaces formed as a result of globalization may not only open up new perspectives but also generate new schematic images of groups or communities perceived as other, while the experiences of otherness on the part of those groups or communities may trigger a strengthening of their own identity and call certain social and cultural practices into being aiming to consolidate the original group or community.²⁶ The following discussion examines how Hungarian experts in Algeria perceived their environment, how they reacted to their experiences (which were strikingly different from life back in Hungary), and how official and semi-official Hungarian agents strove to supervise Hungarian experts in Algeria in the “proper” interpretation of these and ensure they preserved their identity and their ties to socialist Hungary as they expected to.

The latter task was given to Algerian organisations of the Hungarian Socialist Workers’ Party (*Magyar Szocialista Munkáspárt*, MSZMP). While contact with the Algerian negotiating party was managed by the embassy at a diplomatic level, and economic negotiations and everyday matters were dealt with by TESCO’s offices, the primary task of the MSZMP was to manage the personal matters and potential conflicts of those posted in Algeria. The aim was to maintain the unity of the Hungarian colony, organise community life, and, most importantly, to have the ex-pats uphold the public norms and political rules of Hungarian life.

In the peak period of the early 1980s, there were approximately 2,500 Hungarians living in the official Hungarian colony in Algeria – TESCO experts, employees of company service networks and customers services, members of the diplomatic corps, and their families. Not all of them, not even all the experts, were party members, but there were enough of them to maintain four MSZMP organisations in within the Hungarian colony, in addition to the party organisation of the Embassy, as the latter was autonomous. According to its 1976 report, the MSZMP organisation in Algiers had officials responsible for cultural, women’s, and youth issues, and party life there was much like that back home. Their programmes included film screenings, visits to museums, sporting events, and excursions. As noted in the report, “In addition to these political and cultural goals, keeping the colony together is a major duty.”²⁷ The MSZMP bodies informed party members of domestic and foreign political events, and organised the transmission of the party’s newspapers and journals to the party members.

25 A. Giddens, *Modernity and Self-Identity. Self and Society in Late Modern Age*, Cambridge 1991; T. J. Owens, D. T. Robinson, and L. Smith-Lovin, *Three Faces of Identity*, in: *Annual Review of Sociology* 36 (2010) pp. 477–499.

26 R. Robertson, *Globalization: Social Theory and Global Culture*, London 1992, pp. 164–181.

27 MNL OL XXIX– G–21–a, Box 67, MSZMP party body report, 20 March 1976.

As reported by the Women's Committee of the party body in Algiers, there were problems with children's education in the Hungarian colony since it was difficult to ensure children's socialization as expected by the socialist system in Hungary. Leaving Hungary, according to the report, "was problematic for children at the age of 6 to 14, because this way they were completely detached from the pioneer movement".²⁸ Relatedly, the biggest problem for the Algerian party organisations of MSZMP was that the Hungarian experts generally sent their children to French private schools rather than Algerian public education institutions, and those children were exposed to Western views; at an age when their "emotional attachment to the socialist system was not deep enough", and they were not "theoretically prepared" for the appropriate rejection of the opposing views. The French private schools, as indicated in the MSZMP report, were rather expensive, however, and gradually decreased in number.²⁹ Nevertheless, this was a problem that various TESCO reports also mentioned as a basic issue for the families of experts in Algeria.

The primary task of the Algerian organisations of the MSZMP was to protect Hungarian socialist identity – that is, to save experts and their families from the effects of international experience that might pull them away from the "correct" Hungarian socialist interpretations of society and politics. For this reason, local MSZMP leaders wished to point out some of the "main duties" of the "primary party organisation", which they expressed thus:

*[...] providing ideological and political information for the local colonies, standing up against incorrect views (such as undervaluing Algerian people, uncritically praising the French educational system and French culture, and exaggerating Hungarian experts' problems), and preserving, at least, the same ideological and political standard we arrived here with [...].*³⁰

Among the challenges to the socialist worldview valid back in Hungary, the MSZMP report highlighted two tendencies as significant in describing the undervaluing of Algerians and the Hungarian colony's orientation to French culture. It was not only the MSZMP that considered the preservation of ruling Hungarian interpretations and systems of rules to be its mission. Division III/II of the Ministry of the Interior – that is, the counterintelligence division – likewise regarded the "protection" of Hungarians in Algeria as an essential duty, particularly in regard to any undermining impact that foreign experiences and influences might have on order in socialist Hungary.

28 MNL OL XXIX–G–21–a, Box 67, MSZMP Women's Committee in Algiers, December 1975.

29 The son of a university lecturer who worked in Algeria for a long time, for example, graduated from the Lycée Pierre et Marie Curie in Annaba. When his mother thinks back to this time, she only mentions European classmates, in particular the son of a Lutheran pastor from Germany. M. Zsakó, A Szamosparttól a Szaharáig. Négy év Algériában [From the Bank of the River Szamos to the Sahara. Four Years in Algeria], Kolozsvár 1997.

30 MNL OL XXIX–G–21–a, Box 67, Synthesis report by the party body in Algeria, 20 March 1976, p. 3 (own translation). Also: "We pay attention to young people's situation, and to making them aware how great a responsibility it is for the family and the party organisation to neutralize foreign ideological, political, and moral influences" (ibid., p. 4).

On 11 July 1979, the division created an object dossier of the Hungarian colony in Algeria with the cover name “Faraway”,³¹ in which it collected any report or record produced during its activities, as well as reports on the situations of the Hungarians in Algeria obtained from various co-organisations. At the same time, a state security official with the cover name “Komáromi” was posted as chief financial officer of the Hungarian Embassy in Algeria – a cover occupation from the aspect of the Ministry of the Interior but a job he actually did. Komáromi’s real task (i.e. beyond his formal duties) was to band together a network of agents within the Hungarian colony, make proposals for further development of the network – (i.e. recruit new people –), and learn about what opposing influences members of the colony might be exposed to and whether they were approached by enemy intelligence. Komáromi was expected to know about the nationalities of the people that members of the Hungarians colony were in contact with and whether they were behaving in way loyally to Hungary. He was also ordered to establish relationships with Algerian security authorities, the gendarmerie, and the police, and to gather information about them. In general, he was to gain useful tips for the intelligence and counterintelligence agencies.

Komáromi faced some major difficulties. As he stated in his first report, members of the Hungarian colony had jobs at a total of 45 workplaces in 25 cities all over the country; from the embassy, even with the help of his network of agents, it was impossible to keep them under the surveillance required. On average, Komáromi could operate a network of 12 agents, which was rather small compared to the size and dispersion of the colony. From cities such as Oran – which had a community of 150 Hungarians – his agents’ reports were mainly summaries of second-hand or just superficial impressions, and he was completely unable to check their actual connections. Komáromi did active research on which members of the colony might be suitable for recruiting based on their political and moral stance. In many cases, he suggested to his superiors the “processing” of past records of certain experts working in Algeria in order to determine whether they would be suitable as agents, and he repeatedly proposed that those posted should be selected in the first place according to their suitability as network agents.³²

Komáromi’s reports clearly indicate that similar surveillance was organised within other expert colonies from socialist countries to maintain the norms of the home country. The large group of Chinese experts, for instance, were totally secluded, living under the control of its own authorities as if in a “labour camp”, as Komáromi put it. Soviet experts were freer – but not much. They were forbidden to have foreign personal contacts, even with people from “friendly” (i.e. socialist) countries. Komáromi and a quite talkative agent of his clearly disapproved of this situation since it meant that in their daily lives, members of the Hungarian colony were forced to keep contact with the Western, pre-

31 Historical Archives of the Hungarian State Security 3.2.5. O–8–530/1.

32 There is one example in the object dossier of a person whose application was supported by Division III/II because he was a network agent (a young lecturer teaching statistics at the University of Pécs and also working as a secretary for the Hungarian Young Communist League).

dominantly French experts and work with them on a mutual basis, for example when driving their children to school or purchasing goods that were scarce commodities in Algeria.

From the peculiar viewpoint of the reports, it seemed that the Hungarian experts would be more independent if they did not have to rely on favours from their Western colleagues, and the likelihood of harmful political and cultural influences would be reduced if the Hungarian experts received more money for buying a car. The talkative agent mentioned above carried out a quasi-sociological survey in Annaba, where some 45–50 Hungarian families lived (most of the experts worked at the steel factory there). One of his most important findings was that, on average, the cars owned by the Hungarian families were 8.7 years old. Since it was safer to take children to school and for women to get around by car, the lack of vehicles was a serious issue.

Having to run old cars meant that the experts often needed spare parts for repairs, and acquiring these was problematic. In such cases, as experts predominantly had West German and French cars, they would turn to their German and French colleagues to help them order spare parts from their home countries. In order for the Hungarian experts to not need favours from their Western colleagues and thus become indebted to them, the agent contended, that the budget for cars purchases should be raised from 8,000 to 12–14,000 dinars. In this way, Komáromi's agents turned the argument concerning the alleged danger of friendly relations with Western colleagues into an argument in defence of the consumer interests of the Hungarian experts.

For the Hungarians working in Algeria, Western cars were not the only – rather stark – symbol of the much-desired consumer culture. In contrast to their fellow experts back at home, they earned their money in foreign currency which enabled them to make purchases from the West-German mail-order company Quelle. Based on the Quelle catalogue – also in circulation in Hungary and viewed as representative of the admired consumer culture of the West – goods could be ordered by mail if one had enough foreign currency.

In the 1970s, the joint Hungarian-Romanian department of Quelle was headed by Stefan Papp (of Transylvanian Saxon origin, Papp spoke fluent Hungarian and Romanian). The Hungarian Ministry of the Interior was very much interested in him – not because he had been a soldier in the Wehrmacht on the Eastern front, as they believed, but to gain access to Quelle records so that they could monitor the goods and their quantities that Hungarians were ordering. Furthermore, they assumed that Papp shared his records on the customers with German security, who thus would have knowledge of the whereabouts of Hungarian experts and military officers in foreign service from Vietnam to Africa spending their foreign currency at Quelle.

The influence of Westerners and the consumer culture they transmitted was not the only challenge for the official and semi-official keepers of the required Hungarian socialist identity. They also found it highly difficult to maintain the required attitude to Algerians, as recorded by the talkative agent:

[I]t must also be noted that co-operators often found themselves in unfriendly, harsh circumstances, because Arabs tend to see the white man as "infidel", and if Hungarians were not prepared for the Algerian conditions, they could end up in a difficult situation; for example, they could not shout at the Arabs or make complaints at the grocer's concerning the lack of eggs, meat, etc. Wives, in particular, should be careful because many Arabs speak Hungarian, can understand what is said, and express their disapproval rather extremely. As an example, when doing the shopping and not getting certain goods, co-operator Jenő Ejtő's³³ wife called the Arabs animals, and the conflict ended up at the police [...].³⁴

In this agent's view, Hungarian experts generally experienced that "constant suspicion was not just a result of the revolutionary period. Secretly watching the other is an innate attribute of Arab people [...], so cooperation needs to be done in an atmosphere of endless suspicion."³⁵ Komáromi had a similarly poor opinion of the local society, as was evident even in his experience of travelling to Algiers (from Marseille), summarized in his first report. "For the future, I do not recommend travelling aboard an Arab ship at all. Fundamentally [...] because there are so many inconveniences that the European man may find repulsive at first", he stated, explaining that "the chaos, disorder, and indiscipline, all that stench on the ship, the lack of civilization, culture, and security is truly depressing."³⁶ Clearly, this encounter with the world outside Europe took this official by surprise, and he immediately felt a self-congratulatory sense of European superiority. These opinions indicate that those coming from Hungary viewed Algerian social conditions as not only markedly different from their own but also inferior. Apparently, they described their experiences in Algeria on the basis of clichés brought along from Hungary. With the exception of one minority (see below), Hungarian experts tended to avoid contact or making friends with Algerians and limited their relationship to the mere essentials, such as food provision. At the same time, Komáromi and his superiors in Budapest were also little interested in personal contacts with Algerians and focused on Hungarian experts' relationships with Westerners, especially on people of Hungarian origin among the Western experts (who had mainly emigrated or fled around 1945 or in 1956). Evidently, intelligence agencies were afraid that experts' relationships with these people could lead to them fleeing socialist Hungary, which did happen in a few cases. Reports reveal that while Hungarians working in Algeria were not very open to the host society, they also felt that local society was not very open to them, either; what is more, international contact could in fact result in a negative attitude towards foreigners. The talkative agent and his fellows sensed Algerian society's reservedness, a similarly contemptuous attitude in Algerian culture, the same disdain of Hungarians by Algerians than vice versa, and perceived it as safeguarding Islam as a cultural resistance against the effects of globalization.

33 Pseudonym, added by author.

34 ÁBTL 3.2.5. O-8-530/1, Report by vocal agent upon returning home, 24 March 1982 (own translation).

35 Ibid.

36 ÁBTL 3. 2. 5. O – 8 – 530/1. Komáromi's report, 20 April 1979.

Komáromi also recognized these phenomena, and in the early 1980s he reported on a process and programme of “Arabization”. This was the official policy of Algeria and, in Komáromi’s view, actually justified program. However, during implementation, it was interpreted wrongly, in an exaggerated way. Here, Komáromi used the standard explanation of East-Central European party-states of “good political decision but wrong implementation” – and in practice, it hindered the work of the Hungarian experts.³⁷

There seems to have been a general atmosphere of disapproval, an opposition to the employment of experts from abroad, and a wish to see Arabs in their place, often expressed in the Algerian press. The Algerian government was blamed for not having a proper group of local experts available 17 years after the country had become independent – a situation that was in partly the result of the fact that many of the numerous Algerian scholarship holders abroad did not return to their home country after their studies.³⁸

This was also seen as the government’s fault, especially by the politically more and more Islamist groups of society.³⁹ Komáromi concluded that the Arabization would make Hungarian experts’ work in the country increasingly difficult. Thus, the modernization project in the North African country, intertwining with processes of globalization in the context of Islam, triggered negative responses in the local (host) society, which sought to strengthen Algerians’ national identity.

The declining demand for foreign experts was addressed at the trade union meeting of the El Hadjar Iron and Steel Complex as well. The employment of expensive foreign experts there was highly criticized; there should be a transfer of knowledge, it was asserted, not an import of labour force. In this regard, it was thought necessary to “double” experts, to place an Algerian colleague next to each foreign expert to learn from him and eventually take over his job.

The presence of foreign experts was also deemed harmful because they brought foreign consumer goods into the country and spread foreign consumer practices, especially among young Algerians. The needs and desires of the outsider (non-Muslim) middle class stimulated the black market and generally caused a decline in morals. This indicates that the trade unionists of the steel complex intended to protect their own system of social and cultural norms from the effects of encounters generated by globalization – just like the official bodies of Hungarian state socialism, in fact. In so doing, they applied a rather simple discourse of cultural criticism and anti-globalization that posited foreign cultural practices and goods as less valuable than those of one’s own nation.

37 Historical Archives of the Hungarian State Security 3.2.5. O–8–530/1.

38 Students at foreign universities from the Arab countries numbered in the order of 100,000 during this period; never were more than a third studying in Eastern Bloc countries. See C. Katsakioris, *The Socialist Countries, North Africa and the Middle East in the Cold War: The Educational Connection*, in: *Contemporary European History* (2021) 30, pp. 597–612.

39 Reports in the Hungarian Ministry of the Interior give accounts of clashes between Islamist and secular students and Algerian universities, often resulting in casualties.

7. The Decline of the Hungarian Presence in Algeria

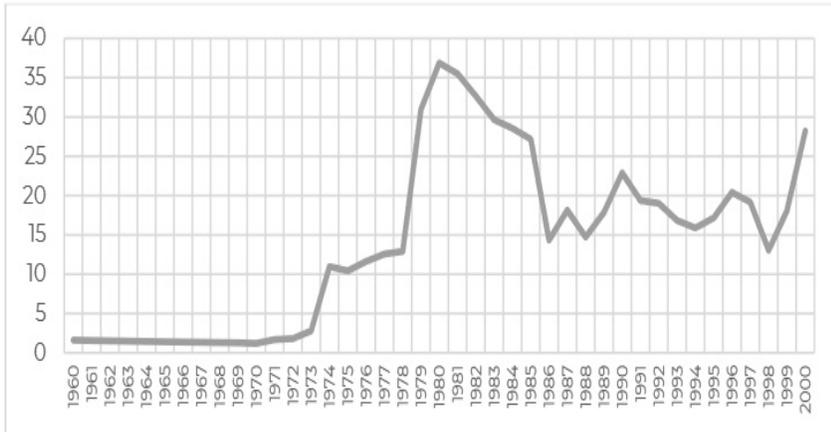
In the early 1980s, TESCO could cut major deals in new areas. After their solid entry into industry – mainly the construction sector – and education, Hungarian experts arrived in the agricultural sector, too. For this project, TESCO teamed up with the Hungarian company Duna MGTSZ. A TESCO–Duna MGTSZ office was opened in Oran to organise the work of approximately 150 Hungarian agriculturalists in West Algeria. Another important development of the 1980s was the connection TESCO developed with the Algerian air force, through which it won commissions for airport building and reconstruction. However, this time the prices were much lower than expected, as the Hungarian tender had to be lowered due to competing Yugoslavian bids. In those days, moreover, Western and “friendly” Eastern companies were not the only competitors, with conflicts of interest also emerging between Hungarian firms.

Thus, at the beginning of the final decade of the socialist system, Hungary’s presence in Algeria reached its peak in terms of the number of experts posted. At this point, a Hungarian doctor was even sent to Algiers specifically to tend to the Hungarian community. By the mid-1980s, however, most of the earlier projects had ended, and new businesses were difficult to get started. In the ongoing projects, the Algerian partners were more frequently late with payments, and obtaining transfer permissions for Hungarian experts to send their savings home became increasingly problematic and delayed.

The reason behind the decrease in commissions and increase in financial problems was Algeria’s economic difficulties. On the one hand, the price of oil dropped considerably in the mid-1980s, owing to which the North African country could no longer finance the projects of its centrally-managed modernization (see Figure 3). On the other hand, competing Western companies could make better business offers with more suitable credit arrangements for investment given Algeria’s economic situation.

TESCO, too, studied the issue and negotiated with the Hungarian National Bank (*Magyar Nemzeti Bank*, MNB) to see if Hungarian companies could work with similar credit arrangements. The plan could not be realized, though; clearly, the financial situation of the Hungarian economy did not make it possible. The increasing competitive advantage of Western companies was the result of a general process based on the spread of digital technologies and emergence of a global liberalized financial market to which state socialist systems were unable to adapt.⁴⁰ Ultimately, the competitive disadvantage of Hungarian firms stemmed precisely from the rigid structure of the socialist economy.

40 See C. Boyer, *Asymmetrische Verflechtung: Ein Beitrag zur Erklärung des Systemzusammenbruchs in Ostmitteleuropa*, in: *Economic History Yearbook* (2014) 1, pp. 197–232; R. Federico, *Socialism Between Détente and Globalization*, in: A. Romano and F. Romero (eds.), *European Socialist Regimes’ Fateful Engagement with the West: National Strategies in the Long 1970s*, London 2020, pp. 11–30. On the consequences of digitization and global market liberalization in general, see K. Jarausch (ed.), *Das Ende der Zuversicht? Die Siebziger Jahre als Geschichte [The End of Confidence? The Seventies as History]*, Göttingen 2008.

Figure 3: Changes in oil price (USD, 1960–2000).⁴¹

The perception of the competitive disadvantage of socialist companies did not leave the experts unaffected. The experiences of Hungarians working in Algiers distanced them from the world of socialism and not only by the better access they gained to Western consumer culture than their compatriots had back home. Their experiences in this intersecting space between the political and economic systems of the West and the political and economic systems of their own country also convinced them of the advantages of capitalism in economic matters. In his 1980 reports, for example, the Hungarian engineer in charge of the acquisitions department of the ironworks in Annaba emphasized that he had contacts with some 40 companies, half of which were “capitalist.” The Western companies enjoyed a competitive advantage because they were used to market competition, he wrote; while Hungarian and especially Soviet companies had become too comfortable in their planned economies or relied too much on the operating ways they had become used to in their monopolies back home – all of which proved inadequate in a world of real market competition.

In connection with his work, a Hungarian veterinarian wrote about the bureaucratic, inefficient state farms in Algeria. In addition to his official work here – and much to the disapproval of his superiors – this professional earned a large part of his income on the private market looking after animals owned by small Algerian farmers. He saw first-hand the stark contrast between the cumbersome state farms (similar to the ones in socialist Hungary) and the efficient smallholder, secondary economy in Algeria.

On 31 December 1986, due to the decreasing number of commissions, KÖZTI terminated its contract with TESCO. They claimed it was an unfortunate emergency: the

41 Source: Adalat Muradov, Yadulla Hasanli, and Nazim Hajiyev, *World Market Price Oil: Impacting Factors and Forecasting*, Cambridge, MA 2019, pp. 165–166.

operational costs of their office in Algiers were very high and their income had almost entirely stopped, so they could no longer maintain it. They stressed that this was a huge loss for KÖZTI, too, because half of its income used to come from overseas.⁴² In the second half of the 1980s, TESCO still strove to uphold its presence in Algeria, but the annual turnover clearly indicates the downward trend: TESCO had an income of 12.5 million USD in Algeria in 1984, 10.5 million in 1985, 5.4 million in 1986, and a projected 2 million in 1987.⁴³

Hungarian-Algerian economic and professional cooperation further declined. In September 1989, the repatriation of 400 experts and their family members was organised. Although some Hungarian experts continued to stay in Algeria, and there were discussions about the possibility of other employment independent of TESCO if they could sign individual contracts with their employers. TESCO, however, warned them this would be too dangerous – and the company finally ended its presence in Algeria in 1990.

8. Conclusion

The research presented here has shown that Hungary’s opening up to the world did not start with the disintegration of the Eastern Bloc; rather, it had begun as early as the 1960s. This study has thus reinforced the statements posited in the introduction.

The Hungarian-Algerian relationship promised important opportunities to both sides. Hungary had an economic potential and, first and foremost, a professional, skilled workforce that was searching for a market abroad, in faraway places, because it was not fully utilised at home, and; Algeria, for its part, had a professional labour shortfall at a time of its independence when it was seeking to grow, and the marketability of its raw materials provided it with the necessary financial resources to supply this need from abroad. By the mid-1980s, however, the drop in oil prices in Algeria led to a decrease in demand, while pressures in support of “Arabization” gradually increased as a response to processes of globalization. The capacities of the Hungarian experts may also have been running out (in the context of competition from the West and also East), and they may have lost some of their marketability as a result. Thus, Algerian-Hungarian economic and professional relationships started to decline before the collapse of the Eastern Bloc. The end of a bipolar world did little more than bring to a close processes that were already well underway. Nevertheless, from the mid-1960s to approximately the mid-1980s, the Hungarian “intellectual export” was beneficial for both parties. The Algerian party could have Western and Eastern companies compete with one another, while Hungarian design and construction firms could obtain foreign currency. Yet, one does not see in these relationships the birth of (or the need for) an alternative globalization process as a counterpart to the neoliberal model of globalization that emerged in the 1980s and became prevalent in

42 MNL OL XXIX-G-21-a, Box 67.

43 MNL OL XXIX-G-21-a, Box 67, TESCO report on its work to the Ministry of Foreign Trade, 23 September 1987.

the 1990s – or, for that matter, any great intention to promote the socialist model in the Third World.

From the outset, the Hungarian decision-makers regarded the ventures in Algeria purely in terms of a business relationship.⁴⁴ They wanted to acquire a hard currency to compensate for the imbalance in foreign trade resulting from unequal but unavoidable economic relations with the West.⁴⁵ In order to achieve this, they were willing and able to override political and ideological considerations, as demonstrated by the manner in which ties with the Algerian party, which was Marxist in the strict of the term, were brought to an end in 1968.

Relations between Algeria and the Eastern Bloc were never able to attain a volume that could call into question the West-centredness of globalization processes. European socialist countries together could not reach 10 per cent of Algeria's total external trade in any year of the period. France and West Germany were much more important partners for Algeria.⁴⁶ Socialist Hungary mainly viewed this relationship as an opportunity to gain foreign currency based on mutual business benefits, since Western partners would be more costly for Algeria. Indeed, the profit-oriented business approach was common to the representatives of both the state socialist Hungary and Algeria. With regard to approaches to industrial development and economic efficiency, simply, there was no other model than that of the capitalist world.⁴⁷

The basis of cooperation was thus not opposition to the globalization of West-centred capitalism but rather a common notion of modernization, the top-down-led types of projects that received an export of experts from Hungary. Socialist Hungary did not cooperate with official Algeria on the basis of some anti-colonialist crusade, and nor did Hungarian anti-colonialism, which was very much part of the Hungarian rhetoric, harmonize with the perspectives of the local trade unions in Algeria. In fact, trade unionists of the steel complex in Annaba regarded Hungarian experts like other foreign professionals, namely, as agents of an alien influence that had to be blocked.

Official Hungarian bodies acted similarly, also wishing to protect their experts in Algeria from harmful Western influences lest these erode the system of political and social norms promoted in Hungary. The Hungarian experts secluded themselves from local, Algerian influences, but they were perfectly open to the West. They sent their children

44 Luczak Stanek comes to a similar conclusion, see L. Stanek, *Buildings for Dollars and Oil: East German and Romanian Construction Companies in Cold War Iraq*, in: *Contemporary European History* (2021), 30, pp. 544–561.

45 P. Germuska, *Attraction and Repulsion Hungary and European Integration*, in: A. Romano and F. Romero (eds.) *European Socialist Regimes' Fateful Engagement with the West: National Strategies in the Long 1970s*, London 2020, pp. 50–77.

46 A host of French companies remained in Algeria even after the country gained its independence. From an economic point of view, the new Algerian government had a fundamental interest in maintaining economic relationships with the European Economic Community (EEC), which was ensured by the Évien Accords. S. Samir, *Intérêts Économiques Français et Décolonisation de l'Afrique du Nord (1954-1962)*, Geneva 2016.

47 O. Sanchez-Sibony, *Capitalism's Fellow Traveler: The Soviet Union, Bretton Woods and the Cold War 1944–1958*, in: *Comparative Studies in Society and History* 56 (2015) 2, pp. 290–319; O. Sanchez-Sibony, *Economic Growth in the Governance of the Cold War Divide: Mikoyan's Encounter with Japan, Summer 1961*, in: *Journal of Cold War Studies* 20 (2018) 2, pp. 129–154.

to French or international schools and spent their incomes in a manner that reflected a Western consumerist attitude. For them, Algeria was the road leading not to the Third World but to "the West" – much as for Hungary, whose relationship with Algeria was a matter of business that brought in Western currency until it was ended in the late 1980s by changes to the world economy. Until then, the Hungarian leadership and Hungarian experts alike were drawn to Algeria not because it offered some structural alternative to the West but rather because it offered some of the allure of the West, a world to which they were otherwise denied access.