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# Algeria 2013 - Marking Time

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In comparison to the turbulence and upheaval in the Arab East, Algeria during 2012 was fairly stable, notwithstanding the occasional protests and riots. Algerian politicians explained this "exceptionalism" by noting that their country had already had its "spring" moment in 1988-1991, from youth uprising to constitutional liberalization to the rise and rebellion of radical Islamists, which resulted in almost a decade of civil war. But difficulties abound.

# **The Internal Situation**

In January 2011, a wave of widespread unrest broke out in Algeria, concurrent to the events in Tunisia and Egypt. This wave, which undoubtedly shook the regime, was marked by mainly local protests against economic grievances, and a limited attempt by opposition politicians to advance reforms. The protests were quickly subdued through a combination of repression, the annulment of unpopular measures such as price rises of essential household goods and foodstuffs, and pinpointed spending of funds. Furthermore, to appease political tensions, the regime adopted some cosmetic measures: the 20-year old state of emergency was lifted, the mandatory number of seats reserved for women in all elected institutions was increased, permits were issued for a number of new political parties, and constitutionally prescribed parliamentary and local elections were held.

Since then, the country has not experienced any serious disturbances. To be sure, local unrest caused by a variety of factors (unemployment, official neglect, student grievances etc.) persists, as the "riot" is popularly considered the most efficient form of protest: apart from police repression, the government frequently responds to disturbances with injections of cash. More generally, however, Algeria remains confronted by a persistent and fundamental socioeconomic crisis. Although the increase in oil and gas revenues - the country's main source of income - endowed it with large hard currency reserves, the economy remained stagnant, imports increased and inflation rose (from 4.5% in 2011 to 8.9% in 2012). The main macro-economic worry is the eventual depletion of oil and gas reserves, which would endanger the rent system that enables the regime to purchase loyalty. The much promoted plans for economic diversification to non-hydrocarbon sectors has not been implemented. As for the micro-economic level, the well-being of ordinary citizens has not improved. Large five-year development plans have not overcome the problems of unemployment, insufficient housing and poor infrastructure that especially impact negatively on the two-thirds of the population under the age of 30.

The question remains: why has there not been a country-wide uprising like those that have occurred elsewhere in the Middle East and North Africa? The explanation most widely given is the war-weariness of the population, which endured almost a decade of civil war during the 1990s that claimed the lives of an estimated 150-200,000 persons. To this one should add the decline of the Islamist political current and the popular support for the authorities' repression of violent Jihadi groups.

#### **Politics**

Algeria is governed by an opaque military regime, which one may define as a "liberal autocracy". Real power ("le pouvoir" in local usage) is exercised by a group of senior generals and the Presidential clan, hidden behind a screen of parliamentary institutions and nourished by a *rentier* system of patrons and clients. The main weakness of this system is the inbuilt structural corruption,

meaning the routine allocation of resources to clients – be it import licenses, public works contracts or housing. Corruption trickles down to the local level, further exacerbating popular discontent. Recently, revelations of corruption at the highest level of the national hydrocarbon company, "Sonatrach," forced the resignation of the oil resources minister and the head of the company. Investigations by the Italian and Canadian legal authorities focused public attention on these scandals. Current rumors point to tension between the President, Abdel Aziz Bouteflika (serving since 1999) and the powerful heads of the Security Services and their respective clienteles. These stories enliven the political scene, which is already focused on the upcoming, spring 2014 presidential election.

Meanwhile, the parliamentary and local elections which took place in 2012 maintained the political status quo. The two main parties – the FLN (National Liberation Front) and the RND (National Rally for Democracy) – garnered the most votes, in that order. Officially the rate of participation was 43%, and was probably lower, reflecting popular disillusionment with institutional politics. Noticeably, the participating Islamists parties suffered a setback, notwithstanding the fact that three of them had created a common list (AAV – "Association of Green Algeria").

### **Strategic Challenges in the South**

The vast desert border regions of the Algerian South have always been porous. Semi-nomadic Tuareg tribes routinely crossed from northern Mali into Algeria and back, many of them having gained Algerian nationality over years. Their increasing demands of autonomy from the governments of Mali and Niger since the 1960's, and occasional revolts, naturally attracted Algeria's attention, which was concerned with preventing the conflicts in the Sahel region from spreading into its territory. The enlarged presence in the region of elements of AQIM (Al-Qa'ida in the Islamic Maghreb) which had fled from northern Algeria, accompanied by the growth and spread of radical jihadi movements in North-West Africa (Mauritania, Mali and Niger) during the last decade, increased Algerian concerns. These organizations engaged in the lucrative smuggling of

narcotics and the kidnapping for ransom of Western tourists and workers (reportedly reaping \$130 million in ransom since 2003), which enabled them to multiply their arsenals and spread their influence. The deteriorating security situation became a major concern for the Algerian military, which reinforced its troops in the country's south. In 2010, Algeria established a "joint operational center" with Niger, Mali and Mauritania at Tamanrasset, with quiet U.S. support. The overthrow of Qaddafi's regime in Libya, in autumn 2011 caused further unrest in the Saharan-Sahel region: not only were another approximately 1000 kilometers of a now problematic border added to Algeria's 1376 kilometers of border with Mali, but thousands of Tuareg fighters - mercenaries recruited by Qaddafi from Mali and Niger - returned home loaded with arms, adding to the joint impact and audacity of jihadis and rebellious Tuaregs (in July 2012, for example, a regional Algerian gendarmerie headquarters was attacked). Indeed, profiting from the collapse of the central Mali government, these forces took control of Northern Mali in early 2012. Unsurprisingly one of their first acts was to capture the Algerian consulate officials in Gao. The ensuing French military intervention, which pushed the Islamist insurgents back into the desert and dispersed them (at least temporarily), and the traumatic raid by a group affiliated to AQIM on a major natural gas plant at In-Aminas – inside Algeria, close to the Libyan border - in January 2013, in which more than 30 foreign workers were killed, starkly demonstrated Algeria's vulnerability, indicating that it was now facing a multi-dimensional strategic challenge in its southern hinterland.

To enhance its international legitimacy the regime has steadily emphasized its resolute and ruthless counterterrorist policy, which was demonstrated anew during the raid on In-Aminas. Direct Western intervention in Mali, something which Algeria has traditionally opposed, was accepted this time (the authorities even permitted overflights by French military aircraft). Nonetheless, a political solution to the Mali crisis appears out of reach, and Algeria's cultivated image as a country which can guarantee regional stability has been damaged.

Worries abound. The country may face the influx of thousands of refugees from Mali, including adherents of jihadist groups, which would likely have an impact on Algeria's own Tuareg population (c. 100,000 persons). The prevailing economic hardship of the population in the South may worsen (with that in mind, special funds have already been allocated for the agricultural development of the south-eastern border region).

Another possibility is the return of violence to the country, especially if fleeing armed groups joined up with active AQIM groups in Algeria's north. This seems unlikely to seriously affect the stability of the regime, but the tension in the south, added to the "deplorable" events in some Arab countries, has already been used by the president and prime minister to mobilize support among a politically cynical and alienated populace.

As noted above, the Algerian economy and the revenues of the government depend almost entirely on the profits of the hydrocarbon industry. The raid on In-Aminas, which disrupted the production of natural gas there for at least three months (although it was partially resumed in late February), could cause a severe crisis, as its wells produce ca. 15% of the total natural gas exports of the country. The regime will also have to counter possible negative reactions to the events by the major oil companies and tend to Western concerns for the safety of their citizens employed in Algeria. Militarily, Algeria is aware it will have to invest much more manpower to at least partially seal its long, porous borders and to prevent further raids on sensitive installations.

### Outlook

Two years after the outbreak of the "Arab spring" and the subsequent short-lived unrest in the country, the Algerian regime may feel relieved that the turbulence still shaking the Arab region to its east has passed it by without forcing structural changes. Nonetheless, the country has not overcome endemic local unrest, stemming from increasing social inequality, enduring unemployment and lack of sufficient housing and infrastructure. The major security challenge to the south promises to be one that eludes quick solutions as well.

The main political event on the horizon is the spring 2014 presidential election. The regime's overriding objective is to remain in power (while allowing for some personnel changes) in order to retain its gains and privileges. Any major change, particularly tackling the corruption issue, would entail the redistribution of positions and income. Thus, present corruption scandals may be seen as part of the maneuvering of various interested actors. Already, one main question occupies public attention: will the ailing 76-year old Bouteflika run for a fourth term? So far, he is keeping people guessing. If he does not run, would Bouteflika promote reformers or let the system reproduce itself with its mediocre and corrupt politicians? (Attempts by his family to promote his younger brother Said as a possible successor have been obstructed so far.)

Be that as it may, one ongoing factor is irreversible – generational change is well underway. The generation that ruled Algeria since independence was attained in 1962 is passing on. This also means that among the younger generation, the "revolutionary" legitimacy of the regime, based on the 1954-1962 war of independence is declining in value, losing out to a more instrumental one, which requires it to perform significantly better than it has thus far.

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