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Will Algerian Foreign Policy Change Towards its Neighbors in the Next Decade?

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March 2020

This publication was funded by

EUROPEAN
ENDOWMENT FOR DEMOCRACY

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Executive Summary

Executive Summary

Algeria held new presidential elections nearly a year after the popular movement that ousted former President Abdelaziz Bouteflika. Foreign policy issues were noticeable in the speech of the new Algerian President, Abdel Majid Taboun, who announced his intention to restore Algeria's diplomatic role, especially in its neighboring region. Algeria may have important dormant elements of power - especially economic and demographic powers - that could make it a key regional actor in North Africa, if it puts these elements into good use in a rational way. Yet, there are internal and regional obstacles that will limit its ambitions and the ceiling of its foreign policy goals to seizing the opportunities offered by the current situation in the Maghreb, without prejudice to the existing balance of power.

Introduction

Introduction

The presidential elections that took place in Algeria on December 12, 2019 are a pivotal political event in the contemporary history of Algeria, not only because they resulted in a popular movement that is still ongoing - albeit with less momentum than it was in the first months of its onset - but also because they took place amid a regional context marked by turmoil. The popular movement that started in February 2019 was instrumental in conducting these elections after a wing of the ruling regime managed to tip the balance of power in its favor at the expense of a group of the military, politicians, and businessmen surrounding former President Abdelaziz Bouteflika. The announced intention of the outgoing president to contest the elections for a fifth term was a direct reason for the outbreak of large-scale protests in many areas of Algeria, which turned within days into a broad popular movement. This ended in General Ahmed Qayed Saleh's taking hold of power and calling for presidential elections in order to absorb popular anger and fill the constitutional void left by the resignation of President Bouteflika. As expected, elections were won by Abdelmadjid Tebboune, who held many ministerial positions in the past, including that of prime minister in the 2017 government.

In addition to the many promises made by the current president, whether during the election campaign or after his election to overcome the political stalemate at home and improve the general situation in the country, foreign policy issues occupied an important space in his political speech, especially with regard to Algeria's neighboring region. He voiced hard-line and sometimes provocative stances towards contentious issues with Morocco, especially the issue of Western Sahara and the opening of land borders. Although he somehow softened his language towards Morocco after he took power, he still held the same positions, albeit with less harsh language.

Perhaps one of the highlights of President Abdelmadjid Tebboune's speeches after his inauguration on December 19, 2019 was his intention to restore Alge-

ria's diplomatic role, especially in its neighboring region and vis-à-vis the Palestinian cause. During the past three decades, Algeria's influence has witnessed a significant decline in many regions where it was an influential player, including the Maghreb and Africa.

Since independence, Algerian diplomacy has gone through volatile periods of strength and weakness. The sixties and seventies are considered the golden age of the Algerian diplomacy, as it established a wide network of influential relations, especially with the non-aligned countries and the socialist camp. After that, the international activity of Algeria declined during the following decades, to be relegated to a diminishing state during the nineties with the wave of violence and turmoil that swept the country after the annulment of the legislative elections in 1990. Despite attempts to return to the international and regional scenes after the end of the so-called black decade¹, however, Algeria could not restore its diplomatic zenith due to the stagnation of the political system during the last years of the rule of President Abdelaziz Bouteflika and due to the instability of oil prices, which is the main source of income and one of the elements of the strength of Algerian diplomacy.

This paper intends to foresee the general orientation of Algeria's foreign policy in the next decade. It seeks to understand the likely impact of the recent presidential elections, the change affecting the leadership of the Army and the political and judicial measures that accompanied the popular movement on the general orientation of Algerian foreign policy, on the one hand, and on the general regional Maghreb situation, on the other, especially with regard to Moroccan-Algerian relations.

A ten-year period has been adopted because it represents the maximum period during which the president can stay in office. The consensus between the influential players in the military establishment over the president is likely to continue for two terms in the Mouradia Palace. The Algerian constitution limits a single presidential term to five years. This can be renewed once through election. This means that the current president is likely to rule a full decade if he holds two consecutive presidential terms. Hence, the adoption of a ten-year period helps to foresee the future of the Algerian foreign policy during the

coming period. It should be emphasized that foreign policy in terms of stability and volatility is not only attributed to the personality of the president but also to a set of internal and external objective factors that are its primary determinants.

Algerian Foreign Policy and the Regional System: A Mutual Influence

The Regional Subsystem is an appropriate framework for studying political, economic, and security interactions between countries of the region, because the impact of these interactions is greater on close distances rather than on far-flung distances. In view of the interdependent relationship between the nature of the existing regional system and the orientation of the foreign policy of the countries of the region, it is not possible to draw scenarios for the future of this policy without understanding its regional and internal structural elements, which will allow the identification of options available to the political actor.

There are many determinants that make the relationship of Algerian foreign policy with its regional surroundings governed by a factor of mutual influence. First, Algeria's position, along with Morocco, as a central country in the Maghreb system and the fact that any significant change in its internal political scene, will automatically be reflected in its regional environment. One of the signs of Algeria's importance in the Maghreb political scene is that it is the only Arab country that received the request of the internationally recognized Libyan government to activate security cooperation agreements alongside Turkey, the United States of America, Britain and Italy. This call explains not only the fact that Algeria shares with Libya long land borders close to a thousand kilometers, but also Algeria's military and foreign policy strength towards the Tripoli government. This shows the importance of Algeria for the Libyan government, and this would enhance Algeria's influence within Libya.

In addition, there is a noticeable rapprochement between Algeria and Tunisia after Qais Said won the Tunisian presidential elections on October 13, 2019. Over the past weeks, the two countries exchanged, especially after Abdelmadjid

Tebboune's taking office as Algeria's President, many high-level official visits, including the visit of the Tunisian president To Algeria on his first official visit abroad on February 1, 2020. During this visit, Algeria announced a 150 million dollars deposit loan with the Tunisian Central Bank to help Tunisia cope with the current economic difficulties and provide facilities to pay late dues on Algerian gas and fuel². Although this deposit is not a huge sum, it remains very important for the Tunisian economy. Without a doubt, this financial support for Tunisia will strengthen its relations with Algeria, but the latter cannot provide much assistance to its eastern neighbor due to the difficulties the Algerian economy has been facing in recent years. Tunisia remains a destination for hundreds of thousands of Algerian tourists every year, and their number may increase in the future when Tunisia achieves political stability and a diversity of its tourism offer. It should be noted that the Algerian army carried out military operations inside Tunisian soil in 2014³. This is the third time that the Algerian army has intervened outside Algeria after its participation in both the 1967 and 1973 wars against Israel. Under the rule of both Presidents Habib Bourguiba and Zine El Abidine Ben Ali, Tunisia was politically closer to Morocco than to Algeria due to historical considerations. Will the equation change in light of Tunisia's need for Algerian financial, economic and military support in the coming years and during the terms of the two new presidents in both countries?

The second determinant is the unrest that threatens Algeria's national security in the regional context of Algeria, especially the continuation of the crisis in Libya, which shares with Algeria a 982-km difficult-to-monitor border. Security chaos and political instability in Algeria's regional context pose both a challenge and an opportunity for Algerian diplomacy to regain its vitality. Yet, this depends on the ability of the new regime in Algeria to use this regional situation well to its advantage to return to the regional scene and become a major regional actor.

The third determinant is Algeria's fear that its absence from the Libyan scene will make other countries strengthen their influence there and form regional alliances against the geopolitical interests of Algeria, including Morocco, which still plays an important role in mediating between the Libyan parties.

This means that the growing international intervention in the Libyan issue calls for Algeria to be present in any international or regional agreement on its final settlement.

The underlying elements of Algeria's strength

Algeria has some elements of strength that will enable it, if they are rationally harnessed, to return effectively to the regional environment in the coming years, and they will also push it to cling to its unbending positions on contentious issues with Morocco.

The economic and financial strength is the most important factor. It may give Algeria an advantage in power and influence - at least during the next few years - compared to the rest of the Maghreb countries. The increase in oil and fuel exports during the past two years decreased the current deficit to 7.6% of the GDP in 2018 from a 13.6% in 2017⁴. The gross Algerian income grew in 2018 by 1.4%, whereas it stood at 3% in Morocco and 2.5% in Tunisia⁵. Yet, this difference does not constitute any progress for Morocco, as this percentage remains weak. Algeria's gross domestic product reached \$ 174 billion dollars in 2018, compared to approximately 118 billion dollars in Morocco (Tunisia's was approximately \$ 40 billion⁶). Moreover, reports of the World Gold Council indicate that Algeria's reserves of gold have remained stable since 2008 up until now at 173.6 tons of gold, ranking second in the Arab world after the Kingdom of Saudi Arabia⁷. This great financial potential may push Algerian governments in the coming years to continue to take strict positions regarding the issue of Western Sahara and the management of its land borders with Morocco. If Morocco is looking to benefit from any positive change in the region, including the possibility of opening the land borders with Algeria, then the latter does not desperately need at this time the benefits that it can derive from the normalization of relations between the two countries due to the large accumulation of its foreign currency reserves Thanks to oil and gas revenues.

The demographic component is considered one of the important factors that may make a difference in the future in favor of Algeria compared to the rest

of the Maghreb countries. For example, before 1982 the population of Morocco exceeded the population of Algeria. In 1982, both populations were almost equal, reaching about 21 million people in each country. Since then, however, the demographic gap has widened in favor of Algeria⁸. In 2019, the population of Morocco was estimated to be 36,4 million people, while the total population of Algeria was approximately 43 million people. This gap will widen in the coming decades⁹. In addition to the quantitative demographic difference with regards to Morocco, there is also a marked improvement in the level of human development in Algeria compared to the rest of the Maghreb, including Morocco. In regard to the Human Development Index in 2018, Algeria ranked 82nd in the world compared to Tunisia in the 91st rank, and Morocco in the 121st rank¹⁰. The increasing quantitative and qualitative population growth will give Algeria an important advantage, but the political stalemate and the instability of oil prices will reduce the impact of the underlying power in Algeria.

On **the military level**, despite the remarkable growth of Algeria's military budget since 2004, when military spending constituted between 5.2% and 6.3% of Algerian GDP, while it accounted for between 3.1% and 3.8% of Morocco's GDP¹¹, it is difficult for Algeria to achieve military superiority in terms of equipment and its quality in comparison with Morocco, which also pursues an ambitious armament policy. It should be noted that Algeria's armament is not aimed at achieving military superiority against Morocco or its Maghreb neighbors. Rather, the main objective lies in confronting cross-border security challenges that have become a major threat to its national security. Although each country views with apprehension the armament policies pursued by the other and it may also be interpreted as reflecting the "aggressive" intentions of the neighboring country, this armament on both sides remains "appropriate" so far and cannot be described as an arms race. It is not in the interest of Algeria - and Morocco too - that its armament lead to a clear military superiority that would disturb the existing balance of powers, or push the other country to enter into fierce competition in this area.

The limitations of Algeria's ambitions

Despite the important underlying elements of power that Algeria possesses, there are obstacles that will limit its regional ambitions and rule out as highly unlikely any tangible impact of these elections on the relations of Algeria with its regional surroundings. On the domestic level, the change that occurred in Algeria did not change the basic structures of the political system, but only affected some people and positions. This can be described as the successful move of a wing of the underground State to tip the balance of power in its favor at the expense of another wing, while the essence of the Algerian regime remained the same. The difficulties experienced by the Algerian economy due to the decline and instability of oil and gas revenues will limit the aspiration of the new power in Algeria to play leadership roles in the Maghreb. The Algerian economy continues to be dominated by the oil and gas sector, with oil and gas exports being the main source of Algerian national income, accounting for 95% of its gross export earnings¹². Despite the reforms that Algeria can undertake to develop this sector, all expectations confirm that gas production during the next ten years will not be able to cover the decrease witnessed in its production in recent years. It will be much less than the additional volume required meeting domestic consumption¹³.

As a result, the growth rates of the gross domestic product decreased by 1.5% in 2018 and in the first quarter of 2019¹⁴. The budget deficit reached 7.3%, the current account deficit reached 10%, and the unemployment rate rose to 11.7% in September 2018¹⁵. Although the size of international reserves is still large, it is witnessing a continuous decline¹⁶. The total debt has stood at 41.9% of the gross domestic product, but the State is still maintaining this external debt under control, and maintains it at low levels by financing the budget deficit by borrowing from the Central Bank¹⁷.

The Algerian economy may be able to withstand the fluctuating level of export revenues during the next few years, but it will be exhausted during the next decade at least. This will force Algerian decision-makers not only to introduce radical reforms in the national economy. Rather, these reforms will also

affect Algerian foreign policy in its economic and political dimensions with a view to alleviating the burden that will be caused by the significant decline in revenue from oil and gas exports.

Besides, the transitional political phase that the country is going through will also limit the president's ability to make major political decisions in foreign policy matters. The Algerian army's ideology of non-military intervention also weakens Algerian diplomatic maneuvers on boiling issues that require a certain military presence. Diplomacy alone cannot succeed in achieving foreign policy goals and strengthen the state's influence without military intervention, even at limited levels.

On the regional level, there has not yet been a profound shift in the Maghreb regional system, which would disrupt the existing balance of power in favor of a particular country. Many areas in which Algeria wishes to regain its influence are in great turmoil, and other powers have filled the void that Algeria has left during the past years, such as Libya, the Sahel and the Sahara. In Libya, for example, Algeria cannot be a major player or initiator, but will follow the strategies of other countries, including Turkey. One of the factors that will weaken Algeria's influence in the Libyan arena is its lack of clear vision to solve this crisis. Algeria's goals are dominated by the obsession of besieging Morocco or weakening its influence, as is Algeria's foreign policy in the Sahel and Sahara region. However, this influence has relatively decreased since 2011, with Algeria starting to self-isolate, focusing on its internal problems and facing threats to its national security.

Security challenges in Algeria's regional vicinity constitute one of the obstacles to its ambitions in the region. In recent years, its main concern will be to protect its national security and to manage security challenges across its long borders with six countries, namely Morocco, Tunisia, Libya, Mauritania, Mali and Chad. Since 2013, Algeria has fortified its borders with neighboring countries using border barriers (fences and trenches) and turned them into military areas under the supervision of the Ministry of Defense instead of the Ministry of Interior. The primary objective of Algeria's fortification of its borders and their militarization lies in combating the security threat to cross-border armed groups¹⁸.

Surveying these long, easily penetrable borders will pose an enormous security and financial burden on Algeria in the coming years, which will hinder any ambition to engage in thorny regional issues. It would be in Algeria's interest to stabilize Libya, as this would reduce the security and financial burden on it.

Conclusion

The Maghreb sub-system is made up of relatively equal countries, and there is no large country that can impose itself as a regional hegemonic power, or at least as a pivotal State. Morocco and Algeria are almost equal and similar powers, so neither of them can achieve a form of regional hegemony. Even if it witnesses profound political change in the future, Algeria cannot make a big difference from Morocco, whether economically or militarily, that would upset the existing balance of power. Therefore, the rational choice imposed by the objective factors related to the capabilities of the two countries (be they economic, military, demographic, geographic ...) remains to maintain the balance of power between them for the longest possible period.

Although the new president is seeking to restore Algerian diplomacy to its vitality in the region, the ceiling of goals will not exceed the seizing of the opportunities offered by the current situation in the Maghreb region without prejudice to the existing balance of power, especially with regard to Algerian-Moroccan relations. The state of suspicion and distrust in the relations of the two countries will continue in the coming years.

Therefore, the best behavior for Morocco and Algeria during the next ten years to come will be to avoid entering into any crisis that would widen the gap between them. It is likely that their foreign policies will remain characterized by attempts to reach settlements of the existing regional status. However, the decline in oil revenues and the weight of demographic growth on the country's economy during the ensuing years will push Algeria to look for ways to reach a rapprochement with Morocco in order to reduce the increased economic burden. The full normalization of relations between the two countries will be a necessity imposed by factors that go beyond the personal perceptions of decision makers.

Endnotes

- 1 « The Black Decade » in Algeria refers to the major security turmoil that ensued after the cancellation of the legislative elections' results in 1990. These events resulted in thousands of Algerian casualties, including those who were dead and those who were reported missing. This period is over but its shadow is still looming over the political scene in Algeria.
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