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OPPOSITION TO FRACKING FUELS A WIDER DEBATE

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President Abdelaziz Bouteflika insists that “all energy sources, whether conventional or not, are a gift from God and it is our duty to use them for the development of the country, while strictly respecting the environment”. Protestors respond with an open letter to the head of state published in the daily *El Watan* on 27 February asking him to put further drilling for shale on hold. Nearly three months of demonstrations, sparked by the first successful test drill in late December, have engulfed towns across Algeria’s vast Sahara desert region, in a protest movement over the environment unprecedented in the history of the country since independence in 1962.

Towns which lie hundreds of kilometres from each other, from Tamanrasset near the frontier of Niger to Ghardaia, just south of the giant Hassi R’Mel gas field to Ouargla just west of the country’s oldest oil field, Hassi Messaoud, in Salah and Touggourt have been the scene of often violent confrontations between demonstrators, including many children and women, and the police and gendarmerie. At one point the demonstrations spread to Algiers where the authorities all but closed down the capital to prevent further demonstrations. The brutality of the gendarmerie has not stopped the judiciary meting out harsh prison sentences to a number of demonstrators. Late last month, in the face of local inhabitants who are determined to continue opposing government plan, the head of the military region of Tamanrasset, General Major Amar Athamnya was sent to In Salah to attempt to calm the situation. His visit follows a string of visits to In Salah by senior officials such as the Minister of Energy, Yousef Yousfi, the Prime Minister, Abdelmalek Sellal and the Director General of National Security, General Abdelghani Hamel, all of whom failed to sway the demonstrators.

Hydraulic fracking involves pumping large volumes of water mixed with sand and chemicals deep underground at high pressure to fracture the rock and release trapped oil and gas. Environmentalists question the potential impact on the water supplies. The large aquifer which lies under the Sahara and spreads across Algeria, Tunisia and Libya is vital to life in the region. Local inhabitants fear an accident were fracking to be pursued on a grand scale. They have good reason to be fearful. A major geological accident occurred in the oil field of Hassi Berkaoui South East of Ouargla in October 1986 when the OKN-32 oil well collapsed, leav-

ing a crater 200 metres wide and 80 metres deep in the desert. A few months later, a second oil well OKN-32bis followed the first. These incidents were hushed up by the national oil company Sonatrach, hence the inhabitants lack of trust in the authorities today. In the absence of far greater accountability, transparency and dialogue with local people, Sonatrach and those international companies which work with it are likely to meet continuing opposition to their activities.

Those who live in the belt of Saharan towns are a volatile mix. They include former Touaregs nomads, the proud kings of the desert of yesteryear who pine for their former lifestyle; former black slaves to whom independent Algeria gave education and members of Arab tribes, notably the Chambas whose most notorious scion is Moktar Ben Moktar who attacked the gas field of In Amenas in January 2013 which turned him into a household name. Many of Sonatrach's employees, especially the more qualified ones come from the coastal area of Algeria. They are paid on average four to five times more than locally contracted workers who are employed in catering, transport and cleaning. The protests have brought to the surface old grievances, in particular the shared conviction of many in the south that the oil and gas wealth extracted from their region has, for the past half century, funded economic development in the heavily populated coastal region. For them, oil and gas is a curse and fracking only adds insult to injury.

Earlier this month, the demonstrations in the South turned more violent after protesters attempted to stage a sit in at the facility run by Halliburton, the US oil facilities group. The very name of the US company is a red rag to a bull in Algeria as its name is closely associated with the disgraced former Minister of Energy, Chakib Khalil, who fled the country two years ago. He was dismissed from his post in 2009 at the request of the head of the DRS, the security department, General Tewfik Mediene. A group of top Sonatrach officials including its former chief executive, Mohamed Meziane, were due to stand trial in Algiers on 14 March on charges of alleged corruption with German and Italian contractors. The principal suspect, Chakib Khalil, is safely living in the US.

The International Energy Agency ranked Algeria third or fourth in the world, in 2013, on a par with the United States, in recoverable shale gas reserves with more than 700tcf. The exact scale of potential reserves is impossible to ascertain in the absence of more test wells. What is not in doubt is that vast potential wealth, over and above conventional oil and gas resources, lie under the Sahara. Hence the drilling programme announced by the director general of Sonatrach, Saïd Sahnoun, to drill 200 wells annually at a cost of \$4bn. This would give Sonatrach an extra 20bn cubic metres of gas every year, at a time when production has been declining. Many new conventional wells are also being sunk.

The real debate is about the governance of Algeria

The government's determination to press ahead with the development of shale oil and gas seems to be the result of the sharp decline in the price of oil since last summer. Exports of hydrocarbons account for 98% of Algeria's foreign income, a percentage which has not changed in forty years; they fund roughly two thirds of the budget. Meanwhile domestic consumption of gas is increasing at more than 10% annually, fuelled by the insatiable demands of the electricity generating sector and a price of \$0.50 a Btu, one of the lowest in the world. Since the Arab revolts stated in earnest, the government has bought social peace, but the price has been heavy. The strong opposition to developing shale has thus fuelled a lively debate in the Algerian press on the broader rationale of government economic policy, the high rate of unemployment and corruption.

Why, ask some economists and former senior Sonatrach officials, not concentrate on developing conventional oil and gas resources? After all vast areas of the desert

have never been prospected and hold much promise. Others were prospected years ago and should be again using more modern technology. So, the argument goes, might it not be wiser to leave fracking for a later stage when technology has become safer and leave oil and gas resources for future generations? The strength of opposition has caught the authorities and the international oil majors by surprise. We are witnessing an unprecedented debate raging across Algeria and beyond which encompasses public debates in Saharan towns, the national Assembly in Algiers, the press and social media well beyond the frontiers of Algeria.

It would be a mistake however to think the debate is confined to the issue of fracking and more broadly the hydrocarbons sector: what Algerians are debating is the quality of governance, the accountability of those who run Algeria and the transparency of official policy. The Arab revolts have usually ended in violence, except in neighbouring Tunisia. How the debate evolves in Algeria, whether the government manages to avoid undue violence, will be closely watched across North Africa, but also in Paris, London and Washington, not to speak of the boardrooms of international oil companies.