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ALGERIA TAKES A STEP FORWARD

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Two narratives confront each other in Algeria today: the cronyism of Algerian leaders and their interests, and the one of those millions who had demonstrated for months last year.

Turkey and China seek greater influence and market share in North West Africa and that may turn out to be the unintended consequence of the lack of EU strategic thinking on the region.

Last November 1st, a plebiscite to approve a new draft constitution for Algeria resulted in an important victory for the popular uprising movement – “Hirak” as Algerians call it. More than three-quarters of those entitled to vote abstained, though 66.8% of those who voted endorsed a text which its authors claim consolidates democracy in Algeria. The new text explicitly allowed the army to intervene abroad and in domestic affairs. In any case, it has been doing that since independence from France in 1962. The Hirak which last year brought millions of Algerians of all generations out on the streets to demand democracy succeeded in ousting the twenty-year autocrat Abdelaziz Bouteflika, who was trying to win a fifth mandate as president despite his ill health.

Many among the ruling civilian and military oligarchy who were close to Bouteflika have since been imprisoned and brought to trial on charges of corruption. Months of demonstration however, failed to impose the democratic reforms most Algerians were dreaming of. Lack of a united front among Hirak leaders and a brutal repression against them explain this failure. On the top of that, the Covid-19 pandemic allowed Algerian rulers to force the Hirak off the streets but the empty polling stations on November 1 this year demonstrate that the spirit of the movement is not dead. The contrast between the streets full of millions of people on 1 November 2019 and the empty streets last November 1 – with a record low turnout of 23.7 per cent — speaks for itself.

The poll was further complicated by the absence of the president elected last December, Abdelmajid Tebboune,

who is receiving medical treatment in Germany. The army chief of staff, General Said Chengriha will have to find a new candidate for what is essentially a figurehead job, with the risk that few Algerians will turn out to vote for him if and when a presidential poll is held. For the first time since independence, the authorities published the true results of the vote rather than trumped-up figures. They are on a hiding to nothing. The system has, for now, reverted to the brittle nationalism and lack of political and economic freedom which have characterised Algeria since 1962. The majority of Algerians today have lost any hope of enjoying the political pluralism that the generation which started the fight against France on 1st November 1954 had enshrined in their initial declaration which called for “the restoration of the sovereign Algerian state, democratic and social rights within the framework of Islamic principles and preserving fundamental freedoms without distinction of race or religion”. As Algerian leaders ask the population to endorse a new constitution which they argue is more democratic, they conveniently forget that the promises made sixty-six years ago have been honoured essentially in the breach.

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Two competing narratives

Two narratives confront each other in Algeria today: they are mutually exclusive. The president, Abdelmajid Tebboune, and the real power-broker, army chief of staff Major General Said Chengriha, have no intention of letting 42 million Algerians have a voice in debating and shaping the future of this oil and gas rich nation.

Their caste interests come first, buttressed by a command economy, a vast bureaucracy and ever-present security forces. The Covid-19 restrictions of movement helped to kill off the Hirak in February. Never have the media been more muzzled since 1962 and many journalists have paid the price of speaking out last year. On national television, ministers and senior officers resort to a form of speech which is reminiscent of Soviet leaders, using a manner of rather dusty French. Their lack of culture and awareness of the outside world is there for all to see. The chief of staff is shown on television regularly, lecturing sulen looking officers. Never has the army, which since 1962 pulled the strings behind the scenes, put itself so much in the front line. Algerian leaders speak from the high hills which dominate the beautiful capital,

from the presidency at El Mouradia and the Ministry of Defence in EL Biar, lecturing the millions who live below.

Those millions had demonstrated for months last year, avoiding the endless provocations of the security forces to divide them. To the surprise of many European media, the Islamist element was not out in strength; young people, not least young women, were dressed in western clothes, usually speaking excellent French and English as well as their native Arab or Berber. The slogans were very savvy, quite up to the standards of the May 1968 student revolt in Paris. To protest the then president Bouteflika seeking a fifth mandate despite his ill health, the slogan “Seul Chanel fait Numéro 5” was not simply witty, but demonstrated a real awareness of the outside world. The Hirak was always careful to avoid insulting the army, but did not shy in reminding its senior officers of the endorsement of democracy enshrined in the 1 November 1954 declaration. For Algerians, that document remains the real constitution of Algeria.

The army's behaviour, unchanged since 1957

The behaviour of the army and the security forces today comes as no surprise. The bitter struggle to control the Front de Libération National led, three years after the beginning of the war of independence, to the assassination near Tangiers of the civilian whom

historians consider the true architect of the revolution, Abane Ramdane, by henchmen of Abdelhafid Boussof, the feared head of the security arm of the National Liberation Army (ALN). Ramdane was lured from Algeria to Morocco and liquidated.

After independence on 3 July 1962, ALN frontier troops stationed in Morocco and Tunisia and commanded by Colonel Houari Boumediene fought pitched battles in Algeria against the guerrillas who had fought the war of independence on the ground. Boumediene sidelined the civil leaders of the provisional government of Algeria. When he became Algeria's second president in 1965, Boumediene gave full power to the much feared “Boussouf Boys” as the security forces were known, but reigned in the army which had become the National Popular Army (ANP).

Algeria's Third Worldism

Boumediene also launched a massive economic development plan, brought education and health to all Algerians and became one of the leaders of the Third World movement, notably supporting the Palestinian

cause. Freedom was suppressed, but many Algerians were proud of their country's achievements and its role promoting Third World interests, which they saw as distinct from those of the US and the USSR.

The effort to conceal the nation's history and the fact that the FLN was not the only political party to fight for independence deprived subsequent generations of Algerians of any real understanding of political pluralism and competition. Occulting the roles played by people such as Ferhat Abbas, Messali Hadj and Abdelhamid Ben Badis in drawing the contours of Algerian nationalism, narrowed the scope of the imaginable alternatives to which young Algerians could turn once the FLN lost their favour. The damage thus done to future politics was incalculable.

Following the 50% collapse in the price of oil in 1986, whose exports accounted for 95% of foreign income and two-thirds of budget expenditure – a proportion which remains unchanged to this day – a group of economists wrote a blueprint for reform, known as *Les Cahiers de la Reforme*, between 1986 and 1988. Their conclusions were endorsed by President Chadli Benjedid but derailed by the country's first free elections in December 1991, which nearly handed power to Islamist political forces. The rise of the Islamic Salvation Front made many senior officers who had initially and reluctantly endorsed reforms aimed at liberalising the economy, reconsider. The civil war between Islamists and secularists which followed left 100,000 dead, some 17,000 "disappeared" and the flight of hundreds of thousands of Algerians to Europe.

The return of Bouteflika

After Abdelaziz Bouteflika, a former foreign minister who had gone into exile, returned in 1999 and was anointed by the army high command as the new president, the country enjoyed a huge oil and gas bonanza due to the high price of hydrocarbons. Bouteflika used the money to place cronies in many key positions in the civil services and state companies, thus weakening what had been technically well-run ministries and companies. He also promoted a very mediocre chief of staff, General Ahmed Gaid Salah, who resorted systematically to corruption to weaken the army which he would never forgive for denying him the presidency that he felt should have been his after the death of Houari Boumediene in 1978. His resentment against the Algeria state knew no bounds. He thus weakened what had become an increasingly professional army, drawn from all ranks of society and all regions of the country.

Grandiose white elephant schemes were promoted, cost overruns were huge, tens of billions of dollars disappeared into foreign accounts abroad. The army spent far more money than it needed on acquiring sophisticated weaponry, mostly from Russia. Corruption was also used systematically by the powerful minister of energy from 1999, Chakib Khelil. A once proud company, Sonatrach was seriously weakened and never recovered the prestige of its know-how of yesteryear, despite being one of the largest companies in Africa.

The Bouteflika years stood in sharp contrast to the Boumediene era: the command economy had its faults, as did the nationalising of foreign trade in the early 1970s, but Algeria had a project and those who headed major state companies and the civil service were usually honest, if austere. Sonatrach in particular boasted CEOs and senior cadres who could stand comparison with their peers. By the late 1980s however, any belief that bountiful oil supply and lavish rhetoric to rival it would give rise to a generation of revolutionary models had vanished.

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Instead, it yielded its variants of militaristic absolutism, parodic tyranny, tribal and clan authoritarianism, its Nassers, its Ghadafis, its Husseins and Assads. This set the stage for bold economic reforms in 1989, but these fell foul of turbulent internal politics, of the fast rise of an Islamic party and then of Saddam Hussein's invasion of Kuwait. The reforms launched in 1989-1991 aimed to liberalise the economy, but they were slowly but inexorably undone as the years went by. Nothing was undertaken to insert Algeria into an increasingly globalized economy, to promote digitalization. Young entrepreneurs were not lacking, but they were stifled by a Jurassic Park banking system and by a bureaucracy that was fast losing its capacity to even respect its own rules.

Cronyism became the only game in town: by the time he was ousted by the army, after weeks of demonstrations by the Hirak eighteen months ago, an incapacitated Bouteflika had turned Algeria into a kleptocracy. During those two decades, Algeria lost the capacity to act in the region it had enjoyed in the thirty years following independence. Its inability to weigh on events in Libya, even after its gas field at In Amenas was attacked by Islamist terrorist in 2013, stood in sharp

contrast to the diplomatic triumph that it had enjoyed during the key role of its diplomats in securing the release of US hostages held in Tehran in 1979-1991. Its voice counted for little in the councils of Africa or the Middle East, let alone of OPEC.

Rather than giving back the country its dignity after a bitter civil war, Bouteflika divided it, never hiding his contempt for the people over whom he ruled. His departure turned a page of Algerian history which many believed, naively perhaps, might lead to the healing of old wounds.

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Tebboune is a giant with feet of clay

Having engineered a presidential election last December in which the turnout was 40% according to Tebboune's supporters, 10% according to his opponents, the new president quickly stated his intention to push through much-needed reforms. Algerians were told that the new constitution would broaden democracy, ensure the rule of law, and guarantee the freedom of the media. Reality on the ground quickly contradicted those brave words which younger Algerians found very difficult to believe, if only because they came from a man who had faithfully served Bouteflika and senior army officers who, while proclaiming a brittle nationalism, never denounced the huge kickbacks on weapons purchases, when they were not on the take themselves. The repression of Hirak leaders was complicated by the fierce internecine conflicts going on between different groups within the security forces and the army. Finally the curfew imposed in the wake of the pandemic stopped the demonstrations altogether.

Abdelhamid Tebboune is clear that he wants to reform Algeria and to promote faster economic growth, but he controls none of the levers he needs to bring about change. Unlike in 1986, no economist worth his salt will write a serious blueprint. The intellectual or managerial elite of yesteryear have long fled abroad, or are in self-imposed internal exile. President Chadli had his faults, but he encouraged the group of economists who worked at the presidency to write *Les Cahiers de la Reforme*, offering them the necessary political cover. He gave his support to Colonel Mouloud Hamrouche, who for 18 months after the autumn of 1989 ushered

in bold economic and political reforms. The freedom enjoyed by the media was remarkable.

Many senior Algerians were not happy, nor was the French president, François Mitterrand who did nothing to support Algeria's reformers internationally. The man who had been France's minister of the interior and justice at the height of the Algerian war of liberation could not understand that a better managed Algeria was essential, not only for Algeria but for France. Paris still retains greater influence on EU decisions than any other European capital. This does not help the EU crafting a forward-looking policy on North West Africa.

The Algerian president also lacks civil servants of the mettle of those who gathered to think through the reforms more than thirty years ago. The days of Sadek Boussena, who drafted key reforms for the oil sector, or Abderrahmane Hadj-Nacer who went on to become the governor of an autonomous central bank, are long since gone. Algeria's senior civil service is a pale shadow of its former self. The refusal of Chengriha and Tebboune to dialogue with civil society means that the talent which is plentiful among younger well educated Algerians lies fallow. For years now, young educated Algerians have voted with their feet. A generation of brilliant technicians and diplomats has left the scene and will not be replaced easily.

Businessmen fear an arbitrary state

A third factor will make any reform very difficult to push through in the current climate. Last year witnessed hundreds of businessmen, most of them cronies of Bouteflika but not all, thrown into jail on charges of corruption. This forced the closure of many companies in the private sector, as bank accounts were frozen and a stream of inquiries launched to track corruption. The consequences have been a rise in unemployment, a cascade of unpaid bills – in short, a paralysis of certain important sectors such as construction. Most of the arrests and trials, including that of Bouteflika's brother and two former prime ministers, have not been conducted according to the due process of law.

The settling of scores among the elite – for this is what the campaign against corruption really amounts to – has also, and for the first time in the history of modern Algeria, thrown dozens of generals and senior police officers, not to mention the all-powerful head of security for a quarter of a century until 2015, general Tewfik Mediene, behind bars. Since the election of Tebboune, these trials have continued, there is no end in sight. The economic conse-

quences of this state of affairs are little short of catastrophic as private sector entrepreneurs, already hobbled by very tight regulations, fear for their companies. All know that a sword of Damocles is hanging over their head.

The same situation prevails in the important public sector, where the paper-chase of new CEOs has, like at Sonatrach, taken on the trappings of farce. Ever since the trials of some of its key vice presidents a decade ago, officials have pushed decisions up the hierarchy, refusing to assume any responsibility for fear of being hit by a stray bullet due to vengeful political score-settling. So long as these trials continue, there is no chance of the private sector investing seriously. As for the public sector, many of its workers, old and young, higher or lower up the hierarchy, demonstrated along with the Hirak last year. Defiance, fear and a deep seated but nonviolent refusal to play according to the rules imposed by the army, characterise large sections of Algerian society.

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Difficult economic times

Economic figures in such a context are of limited help in guessing what may happen next. With oil prices around \$40 per barrel for the Saharan Light that Algeria exports, the country's foreign income in 2020 is forecast to be \$20bn, a figure which is unlikely to change much over the next year or so. Hard currency reserves stand at around \$45bn, which means the IMF is unlikely to step in. The president has in any case ruled out such a scenario.

Algeria remains a country more closed to journalists than virtually any other in the world. It seldom features in the international media. Today it is a sad and repressed country in which the pandemic has dovetailed the penchant of its leaders for insularity, giving them a further excuse to tighten its borders and keep out foreigners. The regime has taken on the traits of its most vicious caricatures. Having rattled on for so long in a meaningless, vacuous, monotonous idiom, it has ended up splendidly isolated, cloistered, out of touch, with no one left to chat to but itself.

The exuberance, the witty slogans of last year's mass rallies where three generations marched through the streets of major cities arm in arm are a distant memory. The history of Algeria, where the average age is 30, teaches us however never to trust the surface calm. How and when new waves will arrive is anybody's guess, but as recent history amply demonstrates, change can come quite unexpectedly.

Algerians have learnt from the events of the last eighteen months that, for all its brave talk of democracy, EU leaders, let alone French ones, will continue to put their mouth where their immediate economic interests are, such as they see them. This reluctance to speak out stands in sharp contrast to Belarus and Ukraine, and could well comfort Turkey and China as each seeks greater influence and market share. That may turn out to be the unintended consequence of the lack of EU strategic thinking on North West Africa.