



EURODEFENSE-ESPAÑA

OBSERVATORY FOR THE MEDITERRANEAN

THE SITUATION IN NORTH AFRICA

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The countries that make up North Africa — Morocco, Algeria, Tunisia and Libya — are defined as much by the broad desert expanses of the Sahara and the Atlas Mountains as they are by the waters of the Mediterranean. Wedged between the coastline of the southern Mediterranean and an ocean of sand, the populations of North Africa have a long history of interaction with Southern Europe, sub-Saharan Africa and the broader Middle East. Current trends within North Africa — challenges to political stability, regional militancy, changes in energy production and in the economy — given their proximity to Europe and to former European colonial holdings in Africa, and the continued economic and security relationships between these regions, makes events in North Africa resonate in regional and Western capitals.

To understand the situation in North Africa (NA), it will be worth looking into what is going on in these four countries since the beginning of 2011, when in Tunisia started the uprisings that have affected the area and the whole Middle East.

LIBYA

In the six years since the ouster of long time strongman ruler Moammar Gadhafi, Libya has fractured into pieces. Libya's divisions, along tribal rivalries that were unleashed after Gadhafi's downfall, only recently were not as contentious as they are today. In 2014, Libya had just a single government in Tripoli, the General National Congress (GNC), which was voted into power by popular election after the civil war ended. The GNC failed to hold elections before its term ended. Then his rival in the East, General Khalifa Hifter asked for its dismissal. The GNC persisted, and three months later, Hifter — backed by Egypt — launched what he called “Operation Dignity” to try to force it from power. The GNC then did hold elections, but turnout was low, and Islamists backed by groups such as the Muslim Brotherhood were defeated. The low turnout led

to claims that the elections lacked legitimacy. A coalition backed by Islamist militias and fighters from the powerful western city of Misrata formed “Dawn Movement”, that dislodged the newly elected government — the House of Representatives— which fled to eastern Libya to ally with Hifter. The Misratan-Islamist coalition then restored the GNC's power in Tripoli, giving the country two governments.

Outside powers have intervened in an attempt to piece Libya back together even the United Nations has struggled to resolve the Libyan conflict. In 2015, the U.N. brokered a unity agreement — the Libyan Political Agreement — between the country's two rival governments, the General National Congress in Tripoli and the House of Representatives in the eastern city of Tobruk. Instead of unifying the country's governments and bridging its largely east-west divide, the U.N. peace process, however, created a third government, the Government of National Accord in Tripoli, which the House of Representatives never joined.

Despite ongoing and past negotiations many of the underlying disputes among the country's various factions remain unresolved. The UN is making a new effort to reunite what has become a fractious and failed country. On September 20th, 2017 the United Nations General Assembly appointed a new UN Special Envoy to try to start a fresh round of negotiations under a plan that has three phases.

- To convene a drafting committee to modify the Libyan Political Agreement of 2015, that as a by-product created the Government of National Accord.
- To bring the different Libyan actors together through a National Conference in Tunis to discuss ideas for peace.
- After the Conference, the House of Representatives and the Drafting Constitutional Assembly (elected in 2014 that voted on a draft constitution on July 20th this year), will work to organize a constitutional referendum, and presidential and parliamentary elections.

The Libyan Political Agreement were never implemented because the strongman and Commander of the Libyan National Army, Khalifa Hifter, whose forces control more than the half of Libya and the country's vital gas and oil fields, ports and infrastructure, is not accepted in West Libya. General Hiftar's troops, supported by Egypt and the United Arab Emirates have been instrumental against jihadists.

At present, the conflict between the President of the UN backed Government of National Accord in Tripoli, al-Sarraj, and General Hifter is reaching a high level, despite efforts by France to bring them to cooperate. The latter has received the support of a group of notables and many militia commanders through the “Popular Authorization Movement to save the Country” that has got 700.000 signatures (almost one third of the Libyan population) who want a main role for Hifter in the new Libya and are encouraging him to march to Tripoli to oust the al-Sarraj Government.

But it seems that Khalifa Hifter is in no hurry to reach Tripoli since he knows that in December 2017 expires al-Sarraj mandate. Perhaps at that moment he might move towards Tripoli if al-Sarraj is not replaced. Despite the fact that some Islamists are against the idea of Hifter having any role in a unified government, they are now for the idea of Hifter having a critical role in reshaping Libya, since his Libyan National Army has the support of moderate Islamists, Salafists and some Misrata militias.

The question is that any amendments to the Libyan Political Agreement of 2015 have to consider removing the power of the Presidency of the Council of the Government of National Accord to appoint and dismiss military commanders and give it to the House of Representatives that in the new process is the key to achieve peace. If such amendment is accepted this will allow the appointment of Hifter as supreme military commander thus would block al-Sarraj or his successor from removing him. Nevertheless, many worry that Hifter is just another strongman in the mould of Gadhafi, a figure who wants to centralize power and rule as an authoritarian.

Amid the power vacuum, the chaos allows the existence of people traffickers, even among some militia groups like the al-Dabashi Brigade, the Abu Brigade and the 48 Battalion, that move refugees and people to send them into the EU; the smuggling of arms mainly in the South of the country that are conveyed to Jihadists in other North African countries and in the Sahel. The reason is that smuggling and human trafficking constitute the backbone of rural economies in Libya. Also the Islamic State militias are making a comeback less than a year after having suffered heavy defeats.

In Libya's current conflict, the splits remain too strong, with too many divisive figures, for any solutions to emerge in the near future. Nevertheless, the country's proximity to Europe and its chaotic environment — a breeding ground for jihadist groups — has attracted almost every strong actor in the region. As a result, Libya will grow as a point

of tension between those outside powers, and their support for competing groups will only deepen the severity of the country's divisions. Competing governments and associated rival militias wrestle for power, allowing jihadist militants to establish themselves.

Remarks on the Libyan situation:

- The military support that Hifter's Libyan National Army is receiving from Egypt is weakening the chances of any negotiation between the House of Representatives and the Government of National Accord because it gives to Hifter a push for military victory. Nevertheless, it is likely that Egypt's aims may be limited only to have a segment of land along its frontier with Libya free of Islamic Jihadists with the help of the Libyan National Army.
- Russia is taking advantage of the United States lack of interest in Libya and of the small role the United Nations are playing there to craft itself a foothold in another Mediterranean country. Its policy is to help Hifter militarily in exchange of future reconstruction contracts but in an uncompromising way that might allow Moscow to play a role in the UN's efforts to achieve peace.
- The European Union is absent from the Libyan political arena being only worried by the illegal immigration from the Libyan coast but wishing an end to the internal conflict among all warring factions.

TUNISIA

Six years after the "Liberty and Dignity Revolution" in Tunisia, the threats to the country are: first, to improve the economy to meet the expectations of the population regarding development, jobs, healthcare, transportation, education and so on, because the government has still not improved the welfare and the standard of living of a great mass of its citizens. And second, corruption that is corroding Tunisia's democratic achievements. Of the claims of the population during the revolution, one -liberty- was achieved through the political transition and the constitution. Yet the other -dignity- is the biggest challenge it is encountering because in many ways the Government is acting as if nothing has happened after 2011. This situation makes that the fraught economic

and political environment is in danger. At the root of all this is the question of corruption that is pervading the whole Tunisian system of governance.

It can be said that corruption is a destabilizing force in Tunisia, infecting all levels of its economy, security, and political system. Once tightly controlled under former president Zine el-Abidine Ben Ali, corruption has now become endemic, with everyday citizens engaging in and benefitting from corrupt practices.

The impact of corruption in the economy, according to the World Bank and the International Monetary Fund, is that it has become a major obstacle to achieve sustainable economic growth and equitable development and is hindering social development in the interior and south and deterring investment by foreign and domestic investors.

It also has political implications since there is an erosion of trust between citizens and their government, besides a decline of public services. Among young Tunisians this lack of confidence in the proper authorities is the reason of disappointment of university graduates less than 35 years, who find that their efforts to graduate are useless when they realize that jobs go to less qualified persons through bribery. Their demonstrations and protests, if they continue, are the perfect fuel for extremist recruitment and they might destabilize the Tunisian democratic transition. Extremist groups are growing with youths disenchanted with the political system and the bad economic situation.

Another damaging effect of corruption is its security implications. Bribery is allowing a flow of weapons, drugs, and persons in the Tunisian frontiers due to lax border control and lack of authority of the central government mainly along the Tunisian border with Libya, where smugglers are expanding their business taking advantage of the underdevelopment of that region. The porous frontier with Libya allows Tunisians to cross over for training with the IS or travel to Syria and Iraq. The outcome is a spread of terrorism, not only on Tunisian soil but also in neighbouring countries.

Despite that Prime Minister Chahed came to power in August 2016 with the goal to fight corruption and the President of the Republic, Essebsi, has also declared that it is also one of his priorities, this is not happening, due to the fact that up to now government mechanisms to address corruption are failing. This has led to a mistrust and

lack of confidence in the will of the executive to enforce the existing legislation to fight corruption.

The growing feeling that the political parties and the authorities are not fulfilling the hopes of the Tunisian people of improving the present situation has received a new blow with the postponement of local elections that is considered as a lack of democracy at high levels of the republic. They were expected to divert power away from the central government and hand it over to regional authorities and local councils with the aim of bringing greater local development and therefore to address the dire economic conditions of Tunisia restive interior. The outcome is that Tunisians, once again, are disappointed and angry at the lack of response of all political parties to find solutions to the daily problems they are encountering.

The main worry of President Essebsi is to reinforce his and his party position in the government and in the administration. He considers that the Presidency has too “limited” a role in the Tunisian semi-parliamentarian system and he has indicated it is time to amend the constitution to give more power to the executive. But Essebsi is being accused by the civil society of nepotism and of trying to re-establish the old regime by appointing ministers in the last cabinet reshuffle of September 11th who served under the dictatorship of the ousted Ben Ali. This move could mean that the President of the Republic is attempting to increase the power of his party, Nidaa Tunis, to keep its influence after the loss of the parliamentary majority, because as an aftermath of its internal divisions it only has now 58 seats instead the 85 they had in 2014. These figures make the Islamist Ennahda party the leading one in parliament with 68 seats. Ennahda is allowing the functioning of the secular government issued from the compromise of 2014 between the two parties. But if they form a government, given their majority in Parliament, it could be the return of Islamism to the economic and political scenario. It can be said that Tunisians have become sceptical –not to say fed up- with democracy and the ability of the political establishment to rescue the country after the fall of dictatorship.

ALGERIA

Since the upheavals that swept across North Africa in 2011 Algeria has been an immovable anchor in a region trying to find stability in the face of wave after wave of

change in Algeria's neighbourhood: Tunisia, Libya, Egypt and somehow also in Morocco.

Algeria has kept a steady course in the two decades when its civil war ended. After six parliamentary elections since the country adopted in 1989 a multiparty political system there is no effective challenge to the long-time leader and his entourage other than the President's poor health.

However, change is in the horizon because a lack of economic diversification and a lagging growth. The economy needs an overhauling, mainly the energy sector, since the country depends on oil and gas for 94% of its total exports (most of which go to Europe) and for 60% of its budgeted revenues. Algeria's imports are financed by the money out of energy exports. But declining prices of oil and gas have forced the government to use the financial reserves of Fond de Regulation des Recettes (Revenue Regulation Fund) to pay for them, bringing reserves to 112 billions of dollars. They were 143 billion in 2015 and 172 billion in 2014. The estimates of the International Monetary Fund (IMF) are that this amount will decrease to 91 billion in 2017 and to 76 billion in 2018.

Despite this wealth, high levels of income inequality exist in the country and if the government has to revamp the energy sector, that is becoming obsolete, Algiers fears that changing the economy may aggravate social unrest. Over the past two years Algerian leaders have shown their willingness to implement unpopular reforms, especially those that target fuel and taxes and to reduce subsidy payments that reach 45 billions of dollars a year. But the country cannot protect the status quo much longer no matter who will replace Bouteflika,.

Up to now the reshaping of the Algerian economy and solving the difficult political and social situation has seen two approaches. The first one was the plan of former Prime Minister Abdelmadjid Tebboune who tried to address the crisis in two ways: by tightening import restrictions and quotas to reduce the current account deficit and by targeting the Algerian "nomenklatura" and their interference in the government's austerity policies. The Tebboune experiment lasted only three months. He was dismissed by the President because his policies caused a strong wave of social and political unrest. But the reason behind was that President Bouteflika and his entourage could not accept Tebboune's policies because they meant the fight against some

entrenched groups with vested interests in the status quo based in a system of patronage and smuggling that has characterized the country's economic liberalization since 1980. The second approach has been the appointment last August of a Prime Minister, Ouyahia, who knows that reforms should be carried out, but he relies on what the country knows best: isolation. On September 17 he outlined his five year plan to avoid dependence of international financial markets and of the IMF: the Central Bank is going to finance the fiscal and the current account deficits. This policy means debt monetization and officially ended the internal debate around how to finance the country's economic adjustments with the support of the President who in a recent speech, delivered through an interlocutor due to his poor health, stressed the need for "economic sovereignty".

The continuity of the isolation and the strong presence of the state in all sectors of the economy as a way to confront Algeria's problems can be explained by: (1) intra-elite struggles and violent conflicts between state elites and armed groups over the distribution of rents, rendering decision making and coherent reform strategies impossible; (2) military and bureaucratic elite clans that profit from import monopoly and oligopoly rents and display little interest in increased domestic production; (3) the role of industrial enterprises by creating their own social networks; (4) the strong remnants of a nationalist, state oriented, socialist and collectivist ideology.

Nevertheless, the big question mark over Algeria's future is the succession of Bouteflika because it may affect all layers of the country and also its power structure. As this issue dominates the public debate the stakes are increasing. One is that the brother of Bouteflika, Saïd, could replace him. Other names have been floating. But the ruling factions, (the presidential entourage, the Army and the pro-regime businessmen) are working on a smooth transition that will minimize any risk to their vested interests now that the powerful military intelligence has been tamed.

The regime is also working to prepare the population for the transition. It knows that caution should be deployed to deal with some of the issues that have historically restricted Algeria's political and economic evolution.

More importantly, though, this new course is meant to avoid overlap between the country's twin political and economic transitions. In this race against the clock, the authorities are trying to secure the support of the key pro-regime constituencies—public sector employees, economy workers, oligarchs, and importers—ahead of the replacement of the President, which continues to be shrouded in a thick layer of secrecy and uneasiness. Whether President Abdelaziz Bouteflika will run for a fifth term in the 2019 presidential ballot or be replaced by a hand-picked successor, the authorities cannot afford to deal with the political and social consequences of austerity measures in the meantime.

All this can be complicated if the relations with Morocco, its rival to the West, deteriorate in the near future. Distrust is the mood between Algiers and Rabat because the modern states of Morocco and Algeria were defined by mutual mistrust. Shortly after gaining independence from France, the absence of demarcated lines along certain sections of the Algeria-Morocco border brought about territorial disputes, which eventually led to the Sand War in October 1963. The border was finally demarcated in 1972, but hostilities between the two countries persisted.

Tensions between Rabat and Algiers were further inflamed during the 1975-1991 Western Sahara War. Algeria actively backed the Polisario Front — a Sahrawi rebel national liberation movement that sought to gain independence from Morocco in the Western Sahara — to check Morocco's expansion and regional influence. Algeria provided critical support for the Polisario Front, supplying the rebels with heavy weapons and equipment as well as sanctuary in Algerian territory. Algerian forces even clashed directly with Moroccan forces during the 1976 Battle of Amgala, almost leading to a full-scale war.

The Western Sahara War eventually ended in September 1991 with a cease-fire that left Morocco with 80 percent of the territory of the Western Sahara and the Polisario Front with the rest. However, subsequent negotiations to fully resolve the conflict have failed to make much headway, and the simmering conflict continues to poison relations between the two countries.

To avoid any setbacks Algeria is going on with defence spending despite its delicate financial situation. Algeria spends approximately 10.5 million dollars in defence more

than three times as much as Morocco. In 2016 it made large purchases of arms to reinforce its military superiority over Morocco.

To counter that move, Rabat has sought new alliances by returning to the Organization of African States; by building a new military infrastructure and by selected military procurements. Algiers cannot forget that Morocco benefits from close ties with the United States and with France, both major arms suppliers to the kingdom that is a major non-NATO ally after 2004 when the United States placed it in that position. But even Morocco's alliances are no assurance against potential clashes with Algeria, especially while disputes remain over Western Sahara.

MOROCCO

Although locked in a long competition for regional primacy with its traditional rival, Algeria, Morocco has benefited from Algeria's large and well secured territory which buffers the country from jihadists in the region and in the Sahel.

But economic and social unrest and growing conservative forces of Islam together with rising political militancy are threats to Morocco long time stability. Nowadays it can be realized that contemporary religious political movements espouse a postmodern Islamist model to attract youth who, out of frustration due to unemployment that reaches more than 36 percent, are searching for an alternative to the current system

On February 20th, 2011 huge protests, somehow related to the Arab spring, but mainly due to disappointment of the people with their poor standard of living and welfare led to political adjustments in the constitution by the monarchy that ushered in an Islamic coalition cabinet. However, Morocco economic problems have increased in spite of the measures taken to liberalize the economy. Economic liberalization in Morocco has undoubtedly been a political project ever since the first wave of structural changes in the 1980s privatized publicly owned enterprises, putting them in the hands of business elites with close ties to the government and reinforcing the state-business networks that exist to this day.

Over the past few years, in an effort to narrow the budget deficit, the government has managed to pass some minor economic reforms, including reforming the pensions fund and ending fuel subsidies. It has also planned to privatize the education sector by reducing grants and public employment and to reform the pricing structure for utility

services. But the government's efforts to introduce economic liberalization measures have seen the largest social demonstrations that have mobilized popular opposition across the country over the past three years. These massive protests have prompted the government to halt economic and social reforms in order to deal with a situation which the country has known in recent history. The fear of authorities to fresh demonstrations against them made that on September 26, 2017 Morocco delayed the plan to introduce flexible currency reforms decided some months earlier, because any liberalization measures are seen from different points of view from the Prime Minister and other high placed officials. They feel that any new change on the economy might generate new waves of protests or amplify the population dissatisfaction with the regime and the monarchy.

The big issue for the government is that there is a great potential for social unrest throughout the country and authorities are afraid that the uprisings of 2011 in the rest of the Arab world from what Morocco has been shielded due to the reasons exposed above, might now happen in the country. Because since the bread riots that shook the kingdom in the 1980s there has not been a real improvement in the living standards of the country's marginalized rural areas where many people live without basic infrastructure or access to some elementary services.

Under these conditions the government has to practice a balancing act by bringing new changes in the social structure and in the economy that may offset the potential for unrest, thus halting a spiral of violence that the Monarch wants to elude at any cost as he said in the Crown Speech of July 29th. In his words he linked the ongoing protests to political corruption, blaming politicians and elected officials for a lack of transparency. Today, these apprehensions are compounded by growing tensions in the country's northern Rif region since last year.

In the last parliamentary elections in October 7th, 2016 held in order to deal with the unrest in the Rif that is also spreading to other regions, the Islamist Party of Justice and Development (PJD) took again the first place and the Party for Authenticity and Modernity (PAM) (the formation supported by the crown and the regime) came second. The King could not avoid designating the General Secretary, Abdelilah Benkirane, as Premier Minister despite the fact that the PJD has been attracting the Salafists among its followers, even accepted a Salafist, Hamad Kabbaj, as number one in its electoral list in

Marrakesh. This decision was unacceptable for the monarchy and the Minister of Interior invalidated his candidacy. The failure of Benkirane's government to deal with the wide protests in the Rif and elsewhere and the struggle for primacy between the PJD and the PAM has obstructed the formation of a third government by Benkirane by a coalition of leftists, liberal and Islamists. Having lost the confidence of the King, he has appointed last July the former General Secretary of the PJD, El-Othmani, to form government. To deal with the protests the new cabinet is increasingly turning to religion to discredit them, like it has done in the Rif where the Minister for Endowments and Islamic Affairs prepared a sermon that was delivered in the ministry controlled mosques accusing the protesters and their mentors of "fitna". This is a concept that means that protesters are acting against the righteous authorities and therefore considered as terrorists.

Morocco is a country with a bloated public sector and an economy heavily reliant on imports that requires urgent structural reforms and austerity measures, largely pushed by the IMF, to remedy for its budget deficit and in order to improve the standards of living of its citizens. However, the government's current apprehensions about implementing steep economic liberalization come from the lack of support from the King and its advisors that fear the spread of the ongoing unrest and social protests that could shake the foundations of the regime and bring political Islamism to power.

The real problem is the dichotomy of Moroccan politics that consider that only political actors and elected officials are traditionally held accountable in public rhetoric, but they exert the least authority when it comes to governing and decision making. The powers that are definitely in control –the monarchy and its broad circle of advisers, administrators and officials- remain above accountability and questioning.

Finally, the issue of Western Sahara has been analysed in the chapter devoted to Algeria.