

# Algeria Assessment: The Roots of 22 February

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Since 1999, Algeria's main characteristic has been its political stability. Some have analysed this as an advantageous quality that is all the more noteworthy because many of the countries in the region have faced internal tension and wars during the same period. A stability that also seemed like the country's revenge on its recent past, marked during the 1990s by a high-intensity internal conflict as well as (nearly complete) international isolation. For others, however, this period is less one of stability than of total inertia. An immobility that President Bouteflika's illness illustrated through the most telling and troubling of images, that of 1 November 2018.

The official announcement of the President's wish to run for a fifth term was the last straw. On 22 February 2019, the population woke up. It rejected "*e/istimraria*" (the continuity) advocated by Abdelaziz Bouteflika's supporters and began an uprising unprecedented in the history of Algeria. What are the main causes? And what directions can this wave of dissent take?

## The Political Causes of the Uprising

The popular demonstrations that saw millions of Algerians marching every Friday beginning on 22 February overturned 20 years of rule by President Abdelaziz Bouteflika in six weeks. Nonetheless, a month

earlier, there was no indication of such a revolt, with the calls for President Bouteflika to run for a fifth term becoming increasingly insistent. The coalition parties and the representatives of power within civil society made the call, in all likelihood believing that rejection of the fifth term would be limited to a few opponents and activists as was the case in 2014. Ostentatiously, the National Liberation Front (FLN) organized a meeting at the Algiers Coupole arena on 17 January, where they announced that Bouteflika would be the FLN's candidate. Defying all logic, party officials offered a photograph... of the President's portrait. An image that has become a cult symbol, after providing inspiration for criticism and ridicule on social media and gaining significant coverage in both Algerian and foreign media.

President Bouteflika's resignation on 2 April marked the end of a political order, without, however, leading to a democratic transition. And there is cause for alarm. The last four presidential terms imposed a mutation of the Algerian political regime towards a sort of "*sanctuarization*" or shielding of presidential power,<sup>1</sup> an obsession of the President's since his arrival in office in 1999. As of his first term, his aim was to break with the collegiality that had been the Algerian regime's modus operandi since 1962, if not before. This "*sanctuarization*" began in 2004 with the ousting of Mohammed Lamari, Chief of the Defence Staff, replaced by General Gaid Salah, and was strengthened in 2015 when Head of the Information and Security Bureau, Lieutenant General Mohamed Mediene, known as Toufik, was likewise ousted after 25 years of rule in this department. In parallel to these two spectacular events, this shielding was progres-

<sup>1</sup> DRIS, Cherif: "Quatrième mandat de Bouteflika : le parachèvement de la sanctuarisation du Pouvoir présidentiel," in *L'Année du Maghreb*, No. 11, December 2014, p. 215-228.

sively reinforced through changes in the different security and army corps,<sup>2</sup> offering President Bouteflika ample margin to consolidate his power. The latter was granted legal force through the adoption of the 2016 Constitution, which officially endows Algeria with an “ultra-presidentialist” regime.

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### Institutional Disintegration and Its Consequences

These changes occurred in a special context for at least two reasons. The first was President Bouteflika's health. His illness marginalized him from the national and international political scene for six years, which should have weakened him politically and diminished his power of decision. Paradoxically, this was not the case. The second particular factor is the rise of private economic actors, employers united through the *Forum des chefs d'entreprises* (FCE), or Forum of Business Owners. Founded in 2004, their influence has grown continuously, to the point of gaining the capacity to sway economic and political decisions, and contributing to making Prime Minister Abdelmadjid Tebboune step down from his post three months after his appointment.

In addition to reshuffling in the circles of power, the salient feature of these past five years has been the systematic undermining of the institutions of the republic. Arbitration of conflicts is increasingly taking place outside institutional frameworks. By way of illustration, let us consider the case of the wrestling match between Prime Minister Tebboune and certain FCE members, and the Head of State's revocation of the decisions taken by his Prime Minister. On the political level, the overthrow of the president of the

People's National Assembly (APN) by MPs of the ruling coalition and the image of the Assembly doors chained shut will long remain an eloquent symbol of this advanced process of institutional disintegration. The latter was further aggravated when President Bouteflika decided to postpone the 18 April presidential elections and dissolve the High Independent Commission for Election Oversight (HIIE). Considered a gross violation of the constitution, these two decisions provide information on the distinguishing feature of Bouteflika's rule: an avowed propension for autocracy.

The institutional weakening naturally also affected the security aspect. There is no denying that, from a “hard security” point of view, Algeria has maintained a stability that contrasts sharply with its neighbours to the South and East. No terrorist attacks have been perpetrated over these past years. The borders are tightly controlled and security cooperation with neighbouring countries has been pursued. Nonetheless, non-military threats have not disappeared. The affair with the seizure of 700 kilos of cocaine in May 2018 attests to this. The largest ever recorded in Algeria, this seizure has provided proof, if more were needed, of Algeria's vulnerability to non-military threats. Moreover, and by admission of politicians themselves, financial crime and corruption networks linked to the interest groups within the structures of power (*el issaba*, i.e. “the gang”), are not only a threat to national security, but also to the survival of the political system itself. As evidence, the wave of arrests of generals, the deposal of the head of the General Directorate of National Security, after having indirectly challenged his opponents to conduct a real anti-corruption campaign, and the media war.

### The Economic Causes of the Uprising

While waiting to ascertain whether there will be an economic before and after 22 February 2019, it is already possible to provide some answers regarding the 2014 economic before and after. That was the year the Algerian economy entered a stage of rising financial difficulties due to the collapse in the price of

<sup>2</sup> “Bouteflika assoit totalement sa domination sur l'armée,” in *L'Orient-Le Jour*, 14/09/2015, [www.orientlejour.com/article/944149/bouteflika-assoit-totalement-sa-dominacion-sur-larmee.html](http://www.orientlejour.com/article/944149/bouteflika-assoit-totalement-sa-dominacion-sur-larmee.html).

the oil barrel, which led to the halving of foreign exchange earnings.

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Despite the warnings and alerts given by numerous economic experts since at least 2008, date of the onset of the world financial crisis, the Algerian government clung to a reassuring discourse, ensuring that the crisis would have no direct consequences on the national economy, arguing that the Algerian financial fabric's weak integration into global finance was ultimately a blessing in disguise.

### *Effects of the Oil Counter-Shock*

This optimism lasted only six years, because since 2014, foreign exchange income has dropped by nearly half.<sup>3</sup> The discourse changed drastically with the introduction of notions such as import reduction and rationalization of expenses, all the while refusing to evoke an austerity the Algerians associate with the economic crisis of the 1990s.<sup>4</sup> The authorities then began to prepare the population for accepting unpopular measures. The massively subsidized price of energy was raised; the import of certain products such as vehicles and foodstuffs was cut drastically. The government attempted to attract the mass of money circulating outside the bank system through a tax compliance measure offering impunity in exchange for a 7% tax on sums deposited in the bank. Shortly thereafter, it issued a bond with an interest

rate ranging from 3 to 5% according to the established maturity period. The remaining option was to stop generalized subsidies and turn to a policy of targeted assistance to households. The major communication campaign to prepare public opinion for this significant socio-economic turn was stopped cold as the presidential elections approached. Suspected of arriving too late or being too limited to be effective, these measures have indeed failed to turn the balance of payments around, with the deficit continuing to rise. For, in parallel to these measures designed to cut expenditure, the government has maintained the redistributive system, with social benefit transfers amounting to 8% of the GDP in 2018.<sup>5</sup> As an indication, overall subsidies cost 14% of the GDP in 2015 and contributed to aggravating the budget deficit, which amounted to twice the Health and the Education budgets together. This choice was dictated by a highly political imperative, namely, the approaching presidential elections, planned for April 2019. The last measure would then be unconventional financing, in other words, issuing banknotes with no counterpart. According to then-Prime Minister, Ahmed Ouyahia, the recourse to the "banknote press" would serve to pay civil servants' salaries.<sup>6</sup>

### *Consequences on the Social Level*

The oil counter-shock has not only had consequences on the micro and macroeconomic levels. Social discontent has truly settled in. For, at the same time as the unpopular economic measures were being implemented, certain Algerian business leaders rose on the political-media scene whose ties to the authorities were as conspicuous as their alleged involvement in corruption scandals. The import sector became the lobby of importers responsible for the exorbitant weight of imports, which, while diminishing quantitatively, remained enormously important on the financial level. Overbilling was then officially acknowledged as being connected to extremely

<sup>3</sup> BOUDIA, Mounya; FAKHARA, Farouk; and ZEBIRI, Noura: "La crise économique actuelle en Algérie entre les fluctuations des prix de pétrole et l'exploitation des potentialités disponibles pour la réalisation du décollage économique – étude analytique," *Journal of Economic & Financial Research*, Vol. 4, Issue 2, December 2017.

<sup>4</sup> At the start of the 90s, Algeria entered a situation of suspension of payments. It resorted to debt rescheduling. The social consequences were dramatic for the middle class, particularly with the closing of dozens of public enterprises and the laying off of thousands of employees.

<sup>5</sup> Note that 12% of these social transfers are allocated to food subsidies. Energy is likewise an extremely expensive, budget-consuming sector in terms of subsidies. Thus, the majority of the 50.8-billion-dinar envelope of the budget earmarked for the operation of the energy department is allocated to subsidizing the cost of desalinating seawater (87%).

large-scale corruption, together with the underground economy and bureaucracy.<sup>7</sup> In this regard, the NGO Transparency International gave Algeria a score of 3.5 out of 10 in 2018 and ranked it 105th out of 180 countries. It thus rose seven points since 2017, when the country was ranked 112th, with a score of 3.3 out of 10. This notwithstanding, in the Maghreb region, Algeria remains far behind its two neighbours, Morocco and Tunisia, better ranked with a score of 4.3 out of 10 (73rd). Algeria is also ranked 10th among Arab countries and 18th in Africa.<sup>8</sup>

Corruption, combined with an economic governance that has been controversial for its inability to effect any significant economic progress, has fuelled rising social unrest. The latter has grown despite gestures made by the government these past few years. Recall, with regard to identity, that the Amazigh language was granted national then official status in 2016. On another note, the status of women has seen various improvements, namely, a law criminalizing domestic violence, reform of the family code granting greater rights to divorced women/mothers, and a law fostering female political participation through positive discrimination (quotas).

## Conclusion

The revolt of millions of Algerians beginning on 22 February 2019 gives the impression of a people forming part of a historic moment. A point during which a

growing realization has led to categorical rejection of a political project. Will such realization, by definition limited, lead to political awareness ushering in a structuring project?

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The political and social causes behind this uprising are likewise those that have allowed the system of governance to be resilient for so long. Hence, this logic will have to be progressively dismantled through negotiation to prevent the uprising from becoming a simple parenthesis without a future. By way of example, overcoming the rentier economic crisis is conditional to leaving behind the rentier model,<sup>9</sup> which in turn is conditioned by the legitimacy of both the revolution and security being associated with a temporary time frame and a generation.

The success of a democratic transition will also depend on the capacity to avoid the pitfalls to which Algeria and nearby countries have fallen prey: the temptation to use violence, the radicalization of demands, and ideological divisions.

<sup>6</sup> LAMILLI, Nadia: "Algérie: sans la planche à billets, l'État ne pourra pas payer les salaires, prévient Ahmed Ouyahia," *Jeune Afrique*, 26 September 2017, [www.jeuneafrique.com/477129/economie/algerie-sans-la-planche-a-billets-letat-algerien-ne-pourra-pas-payer-les-salaires-previent-ahmed-ouyahia/](http://www.jeuneafrique.com/477129/economie/algerie-sans-la-planche-a-billets-letat-algerien-ne-pourra-pas-payer-les-salaires-previent-ahmed-ouyahia/), consulted 18/04/2019.

<sup>7</sup> LATRECHE, Ali: "Corruption and its Impact on the Overall Economy of Algeria", *Majalat el hakika* (in Arabic), Vol. 15, No. 37, p. 22-45.

<sup>8</sup> NAÏT ALI, Melissa: "Indice 2019 de perception de la corruption: l'Algérie gagne sept places, mais elle reste à la traîne", *Inter-lignes*, 30/01/2019, [www.inter-lignes.com/indice-2019-de-perception-de-la-corruption-lalgerie-gagne-sept-places-mais-elle-reste-a-la-traîne/](http://www.inter-lignes.com/indice-2019-de-perception-de-la-corruption-lalgerie-gagne-sept-places-mais-elle-reste-a-la-traîne/).

<sup>9</sup> TALHA, Larbi: "L'économie algérienne au milieu du gué: le régime rentier à l'épreuve de la transition institutionnelle", in Ahmed MAHIOU, Jean Robert HENRY, *Où va l'Algérie*, Institut de recherches et d'études sur les mondes arabes et musulmans, p. 125-159, <https://books.openedition.org/iremam/404?lang=fr>.