

# Algeria in 2007: A Year of Elections, Foreign Currency and Investment but also of Terrorism and Social Tensions

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**Rafael Bustos**

Lecturer in International Relations  
Universidad Complutense de Madrid

2007 was an intense year for Algeria, full of events of very different kinds. There were parliamentary elections in May and local ones in November (both municipal and *wilaya* elections), record income from gas and great investment in infrastructure. The country received a number of important international visitors and attended, as neighbouring country and interested party, the first two rounds of peace negotiations between the Polisario Front and Morocco in Manhasset (USA). It also had various disputes regarding the exploitation of its gas resources with the Spanish authorities and companies such as Gas Natural and Repsol YPF. The security situation took a dangerous turn with the change in orientation of the Salafist Group for Preaching and Combat (GSPC), with its shift in allegiance to Al-Qaeda and consequent name change to "Al-Qaeda in the Islamic Maghreb" at the end of 2006. This led to spectacular terrorist attacks which, due to their being carried out simultaneously and/or by suicide bombers, caused a great number of deaths and injuries, mainly amongst Algerians, but also including foreigners. Neither was 2007 a peaceful year socially speaking. This rise in the price of basic products became unbearable in the summer and early autumn, causing a spread in popular protests and disturbances. The phenomenon of the *harragas* or clandestine emigrants grew in 2007, despite the efforts taken to counter it, and violence against women increased to worrying proportions, to be combated by means of a nationwide plan involving various ministries and bodies. 2007 saw the end of the year in which Algiers was the Arab Capital of Culture and thus the showcase for these countries' culture. It also ended with an unbeatable financial balance sheet due to the enormous foreign currency from gas exports,

which have consolidated the country's reserves and will cover its imports for four years. Significant public works were either started or progressed, such as the East-West Motorway, the expansion and modernisation of the rail network, the Algiers metro and tram, the construction of desalination plants on the coast and the significant hydraulic works for the supply of drinking water to cities where its consumption is restricted, such as the country's capital.

## Elections

May's general elections allowed for a refresh of the National Assembly and, at the same time, for some small-scale changes in the government. For example, Mohammed Bedjaoui was replaced as Foreign Minister by the former Minister for the Economy, Mourad Medelci. The presidential alliance (composed of the National Liberation Front or FLN, the National Rally for Democracy or RND and the Movement of Society for Peace or MSP) was once again victorious, although the FLN lost its absolute majority. The aspect most worthy of note was a new historic low in voter participation. There were contradictory statements regarding possible electoral fraud from the Head of the Electoral Oversight Committee and the Minister of the Interior. Another significant outcome was the near disappearance from the political scene of the El-Islah Movement party (MI) after its leader Abdullah Gaballah was not authorised to participate. The entry into parliament of a myriad of small parties meant excessive dispersal of political representation in the country. As a result, the Minister of the Interior, Yazid Zerhouni, spent the summer months trying to combat abstention and approve measures that would prevent the electoral participation of parties that did not win more than a minimum number of votes in the three most recent elections.

November's local elections saw a nine-point jump in participation to 44%, despite inclement weather conditions including heavy rain and flooding. In addition to confirming the collapse of the El-Islah Movement and repeating May's results, they saw a strong surge in support for a small party, the Algerian National Front (FNA), led by Moussa Touati. This made it the third-most important party in terms of local politics, at the same level as the Islamist MSP, even though its critics attributed its success to confusion between its initials and those of the winning FLN. Unlike in 2002, the two Kabyle parties took part in the elections and so the region's traditionally high level of abstentions was at an acceptable percentage.

## Terrorism

The allegiance sworn at the end of 2006 by the GSPC to Al-Qaeda and its consequent transformation into Al-Qaeda in the Islamic Maghreb, a tactical change due to the weakness of the GSPC, led in 2007 to attacks using different methods and seeking international targets. This shift (which is not supported by everyone in the GSPC) does not, according to experts, represent a step towards *takfiri* terrorism, which deems "civilians" to be legitimate targets whom it considers apostates: should they be killed, they are considered martyrs. Its targets are still politicians and the security services (soldiers, policemen, gendarmes, forest rangers, militias, etc.). Although traditional guerrilla tactics – such as ambushes or small explosions hitting convoys – are still frequently used in mountain or rural areas, more headline-grabbing attacks, such as those involving the simultaneous setting off of a number of explosions or suicide bombers, are now growing, especially in urban areas (the attacks in Tizi Ouzou and Boumerdes in February, Lakhdaria in July, Batna in September and Algiers in December).

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In 2007, close to 600 people died in terrorist attacks, skirmishes and anti-terrorist operations using com-

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bat helicopters, artillery and the burning of woodland with napalm bombs, as well as from the result of militia violence. This averages out at some 50 per month, although September, which coincided in part with the month of Ramadan, was by far the most bloody. There were also around 900 wounded, many of them as a result of the attacks in urban areas, especially Batna and Algiers in December. The *wilayas* (provinces) worst affected by terrorism were those in the centre of the country, especially Boumerdes and Kabylia (Bouira, Tizi Ouzou and Bejaia), but also Algiers, Aïn Defla and Djelfa. In the east and south-east, Jijel, Batna, Tebessa and el-Oued. In the west, Chlef and Sidi Bel Abbès. Some attacks against foreign targets also occurred. A number of vehicles transporting workers from gas companies (especially Russian ones) were attacked, as was the Skikda gas pipeline at Jijel on three occasions. A number of French companies received threats and some decided to withdraw their workers. In December, the double attack in Algiers claimed the life of 18 UN (UNHCR and UNDP) staff, leading to criticism of the country's authorities' inability to protect such targets.

## Foreign Currency and Investment

Algeria benefited enormously from the influx of foreign currency as a result of the increase in the price of oil and, consequently, that of gas, whose price is indexed to that of the former. This has allowed the country to boost its reserves (71 thousand million euros), with which it can cover four years of imports. Additionally, the country's external debt has been reduced to a historic low of less than one thousand million euros. This hydrocarbon-based windfall has also been used to purchase a significant amount of military materiel from Russia, some of which is being used to settle the historical debt owed to the USSR and originating during the time of Algeria's socialist regime.

TABLE 26		2007: Significant Events	
	POSITIVE	NEGATIVE	OTHER
<b>JANUARY</b>			Iberia restores flights to Algeria after a 12-year gap (7 Jan)
<b>FEBRUARY</b>		The authorities prevent the holding of an international congress on the Seven bombs explode simultaneously in Tizi Ouzo and Boumerdes (14 Feb)	Court hearings on the Khalifa case (Jan-Feb)
<b>MARCH</b>			The King and Queen of Spain visit Algeria (13-15 Mar)
<b>APRIL</b>		Terrorist attacks against Prime Minister's office and police station in Algiers (11 Apr) Algerian army kills presumed no. 2 of Al-Qaeda in the Maghreb, Samir Saioud (aka "Moussaab", 26 Apr)	
<b>MAY</b>	Legislative elections 17 May		Spain and Algeria approve the regulations for the fund for converting debt into investments (9 May)
<b>JUNE</b>			First round of Polisario-Morocco negotiations in Manhasset (19-20 Jun)
<b>JULY</b>		Attack in Lakhdaria and on Yakouren barracks (both in Kabylia, 11 and 14 Jul)	
<b>AUGUST</b>		Protests in different parts of the country against increased cost of living and supply shortages	Second round of Polisario-Morocco negotiations (10-11 Aug)
<b>SEPTEMBER</b>		Failed attempt against the President, in Batna, 6 Sept; attack in Dellys (Boumerdes, 8 Sept); former GSPC leader and founder, Hassan Hattab, surrenders to the authorities (22 Sept)	Algeria cancels Gassi Touil project with Repsol and Gas Natural (3 Sept)
<b>OCTOBER</b>		Big prices rises in basic products, noted especially during the summer and Ramadan	
<b>NOVEMBER</b>	Local and provincial elections, 29 Nov	Social upheavals and protests in Ouargla and Ain Defla (Oct on)	
<b>DECEMBER</b>		Double terrorist attack in Algiers (UNDP-UNHCR and Constitutional Council), 11 Dec	Official visit by Nicolas Sarkozy to Algeria (3 Dec), the second in the year
<b>BALANCE</b>	Foreign currency reserves due to gas reach 71 thousand million euros; Start of or boost to large-scale public works (rail, east-west motorway, Algiers metro and tram, etc.) Reduction of external debt to 900 million euros	596 deaths and 883 injuries from terrorism-related acts; 83 <i>harragas</i> dead, 1,500 emigrants intercepted and an unknown number lost at sea; Worrying levels of domestic violence (900,000 attacks in 2006, according to National Health Institute; other studies put it at 17% of women, 2007)	Algeria cancels Gassi Touil project with Repsol and Gas Natural (3 Sept)

Although Algeria has been prudent by not suddenly injecting this financial surplus into the economy, so as not to create uncontrolled inflation, it has been used to start large-scale public works. There are a large number of these, but perhaps the most spectacular is the 1,200-km East-West Motorway which, including its branches on the central plateau, has a total extension of 1,700 km. It would appear that the environmental issues caused by the road passing through the El Kala Park in El Taref (declared a biosphere reserve by UNESCO) will be addressed by the responsible authorities after an active campaign by

ecologists. The rail network, which had suffered great deterioration and lack of attention in terms of both kilometres exploited and staff contracted by the national railway company, will in coming years see substantial growth covering both areas, high-speed lines and a circular routing in the central plateaus linking up with the east-west axis. Desalination plants and reservoirs are also key projects in a country in which many cities, both large and small, suffer from supply restrictions. Lastly, Algiers and the other cities will finally, after many years of failed projects stretching back to the 1980s, see works commence on a 10-stop

metro line and a 16 km tram route between El Anasser and Bordj el Kiffan. Also during the year, Algeria signed cooperation agreements with both the US and France on nuclear energy for electricity production purposes.

### Social Tensions

Nevertheless, neither this surge in revenue nor the large-scale investments have proven able to prevent a feeling of discontent, which has many roots and many forms of manifestation. The cost of living grew at an increasing rate, as certain basic foods (milk, cereals, poultry, etc.) rose in price on the international markets. Algeria's distribution problems accentuated these increases and led to conditions in which protests became almost inevitable. The summer and the beginning of the autumn, with Ramadan in the middle, saw protests and clashes with the police in countless places throughout Algeria's rural areas. Sometimes the causes of the discontent were abuses of power in the allocation of social housing, sometimes insufficient water supplies, and other times the lack of foresight with regard to floods or the excessive price of butane gas canisters, incredible though this may seem in the "country of gas". The protests were sometimes violent and led to strongly repressive measures by the police forces.

The poor living conditions suffered by the population and many of the country's 23 million young people are giving rise to new and unknown phenomena such as suicide bombers and *harragas*

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(clandestine emigrants). The number of the latter, despite religious, social and penal measures aimed at discouraging such movement, grew in 2007 to reach 1,500 interceptions (as well as 83 deaths and an indeterminate number of disappearances at sea). Of these, the majority leaving the west or centre of the country (the Ain Temouchent, Tlemcen, Oran and Boumerdes *wilayas*) head for the Spanish coast, whilst those leaving from the east (especially Annaba) aim for the Italian coasts of Sardinia or even Tunisia. Another phenomenon that has grown to a worrying level is gender violence, which was the subject of a number of reports and studies in 2007. Figures vary depending upon the methodology employed (from 1 million attacks in 2006 according to the National Health Institute to close to 3 million women who have at some time been victim, or 17%, according to the CRASC): whatever the case, the figures are symptomatic of a situation that needs to be addressed urgently. In response, various ministries and official bodies have set in motion an integrated plan to fight this type of violence.