Sanitized Copy Approved for Release 2010/09/29 : CIA-RDP85T00287R000800340002-7

Central Intelligence Agency



Washington, D. C. 20505

25X1

DIRECTORATE OF INTELLIGENCE

21 July 1983

The Maghreb--Past, Present and Potential

Summary

The moderate, pro-Western regimes in Morocco and Tunisia appear secure for the near term but face future challenges -- a deteriorating economy and domestic discontent in Morocco's case, economic difficulties and possible succession problems in Tunisia's. In Algeria, a more flexible leadership has adjusted its foreign policy to include a more open approach to relations with the US, and has taken the initiative in promoting greater Maghreb cooperation. Should Algeria's cautious moves toward the US result in a more pro-Western stance for that country, and thus the Maghreb as a whole, the US would derive a number of benefits--a strengthened voice for moderation in OAU and Arab League councils, a more constructive role with respect to US Middle East peace plans, more strenuous efforts to contain Libya, strategic advantages, and increased US sales to the region.

* * * *

History

1

The countries of the Maghreb--Morocco, Algeria and Tunisia-share common bonds of history, language and religion; but each has developed different political systems and philosophies. The region originally belonged to the Berber tribes whose descendants form the genetic base of the Maghrebi people. The coastal areas of the region were subsequently dominated by Carthaginian, Roman, and Arab conquerors. The Arabs and their religion, Islam, made the strongest and a lasting impact. Algeria and Tunisia were provinces of the Ottoman (Turkish) Empire for 300 years from the early sixteenth century to the early 1800s. Morocco remained independent during this period.

This memorandum was prepared by the Maghreb Branch, Arab-Israeli Division, Office of Near Eastern and South Asian Analysis. It was requested by the National Security Council staff. 25X1 Information as of 21 July 1983 was used in its preparation. Questions and comments are welcome and should be directed to Chief, Arab-Israeli Division 25X1 NESA M#83-10172

SECRET

25X1

Sanitized Copy Approved for Release 2010/09/29 : CIA-RDP85T00287R000800340002-7

Sanitized Copy Approved for Release 2010/09/29 : CIA-RDP85T00287R000800340002-7

SECRET

Algeria was occupied by French troops in 1830, initiating 132 years of colonial rule. Algerian independence was achieved only after a brutal war that lasted nearly eight years, conducted under the direction of the National Liberation Front and leading to the establishment of the Republic of Algeria in 1962. Algeria's first head of state, Ahmed Ben Bella (currently in exile), was ousted when his defense minister, Colonel Houari Boumediene, seized power in a bloodless coup in 1965. After the death of Boumediene in 1979, Colonel Chadli Bendjedid became president through an orderly transfer of power. Algeria's revolution against the French contributed to its policies of nonalignment, strong ties with the socialist camp, and support for national liberation movements in the post independence era.

Tunisia was occupied by France in 1881 and remained a French protectorate for 75 years. The French left a strong imprint of their culture and technology, and created a gallicized elite to whom leadership was peacefully passed when the protectorate was ended in 1956. The dominant factors of Tunisia's modern political life are the power and personality of President Habib Bourguiba and the influence of the Destourian Socialist Party. With independence, Bourguiba used his prestige to institutionalize presidential dominance and to secure for his party an unchallenged supremacy over rival groups.

In Morocco, the relatively brief period of the French and Spanish protectorate (1912-56), during which resistance of individual tribes to outside intervention was succeeded by a genuine Moroccan nationalism, may be seen as a short interlude in the long history of independent Morocco. The institution of the monarchy was changed only slightly by French domination, and that change was to increase the popularity of the over 300-year old Alaouite dynasty--the world's oldest reigning royal house. King Hassan II's father, Mohammed V, was sent into exile by the French in 1953 because of his refusal to act as their puppet. Bv independence in 1956, the monarchy had become the symbol of nationalism. King Hassan, who ascended the throne in 1961 after the death of his father, continues to rule in the traditional and authoritarian fashion of his predecessors.

Current Trends

1

In <u>Morocco</u>, the moderate, pro-Western regime of King Hassan II appears secure for the near term but faces growing domestic challenges. Deteriorating economic conditions, coupled with rising expectations among the burgeoning and youthful population, are sources of popular discontent. Rabat's financial position has been severely weakened by its heavy dependence on foreign petroleum, several poor grain harvests, a depressed world market for phosphates--the country's primary export--and the continuing conflict in Western Sahara. The heavy foreign debt--equivalent to two-thirds of gross domestic product--has significantly reduced the nation's creditworthiness and foreign exchange

25X1

-2-SECRET

Sanitized Copy Approved for Release 2010/09/29 : CIA-RDP85T00287R000800340002-7

25X1

25X1

SECRET

reserves are able to cover less than a week of imports. Morocco may not be able to secure all of the required financing needed to cover its large current account deficit and debt service obligations, and some form of debt rescheduling may be necessary. If the economy continues to deteriorate and tough austerity measures are implemented, domestic discontent with the regime is likely to increase.

For several years, Tunisian domestic politics have been dominated by the question of succession to President Bourguiba. Tunisian policy has continued along the moderate, pragmatic path established by Bourguiba while potential successors maneuver for the day when the aging president passes from the scene. Although a successor regime would likely retain Tunisia's basically pro-Western orientation, there are forces in the country--principally Islamic fundamentalists--that could push for dramatic changes if their influence increased in the post-Bourguiba era. The Tunisian economy is stagnating, with the overall growth rate for 1982 only 0.8 percent. Export earnings are down because of the soft oil market, while imports have risen due to increases in food, consumer goods, and capital equipment imports. Unemployment and underemployment are running at about 20-25 percent. Palance of payment problems and government budget deficits will probably lead to a slowdown in development projects; military purchases from the US already have been affected.

Under <u>Algeria's</u> pragmatic President Chadli Bendjedid, the Algerian leadership has been trying to introduce some tactical flexibility into its ideological framework. Algeria has significantly adjusted its foreign policy to include a more open and positive approach to relations with the United States. Bendjedid's purpose is to reap economic benefits, balance Algeria's dependence on the Soviet Union for arms, and encourage the United States to take a more evenhanded position on North African issues. In practical terms, he has muted Algeria's anti-Western rhetoric, is gradually diversifying arms procurement, and is taking a more active and cooperative posture in promoting stability in the Middle East. Although Algeria has by no means moved completely into the moderate Arab camp or given unqualified support to US negotiation efforts, the change in its posture is dramatic as compared with only a few years ago.

Benjedid's pragmatism is also reflected in a reorientation of the Algerian economy. Algeria continues to be strongly committed to socialism but has recently shown a willingness to decentralize the national industries and to allow greater private sector participation. The Algerian leadership has publicly stated that it is willing to increase US imports, and the number of contacts between US firms and Algerian officials has increased noticeably in the last year.

With respect to the Maghreb as a whole, the major trend today is toward greater cooperation. The initiative for this 25**X**1

25X1

Sanitized Copy Approved for Release 2010/09/29 : CIA-RDP85T00287R000800340002-7

25X1

25X1

SECRET

movement came primarily from Bendjedid, who has taken steps over the past year to normalize relations with his Maghreb neighbors, particularly Morocco. Bendjedid's efforts have resulted in a limited opening of Algeria's border with Morocco, settlement of a long-standing border dispute with Tunisia, resumption of dialogue with Libya and increased Mauritanian participation in Maghreb affairs. Bendjedid has met with Moroccan King Hassan, Tunisian President Bourguiba, Mauritanian President Haidalla, and Libya's deputy leader Jallud and with each has made a strong pitch for greater Maghreb cooperation and political unity. The Tunisians have been particularly receptive to the "greater Maghreb" idea, in part because they see the advantages of regional cooperation, but also because the Libyan threat to Tunisia's stability is a source of concern.

Bendjedid's initiative has a variety of objectives. He wants to assert influence with Tunisia in order to forestall a possible Libyan bid for power there when Bourguiba leaves the scene. He believes that reasonably close relations with Libya's Oadhafi will help contain Libyan troublemaking. He sees Maghreb cooperation as a primary method of precluding chances of superpower intervention--something to which Algeria remains deeply committed.

Normalizing Algeria's relations with Morocco is the linchpin of Bendjedid's plan, but the Western Sahara issue--Algeria's support for the Polisario Front fighting against Morocco--stands in the way. So far, neither side appears to be considering major concessions, although new negotiating formulas for achieving a settlement are under active consideration. Even if no compromise emerges, the process of negotiation at least allows the two countries to go forward with bilateral relations.

Benefits of a Pro-Western Maghreb

1

The concept of pro-Western Maghreb essentially involves an even more significant shift in Algeria's orientation, because Morocco and Tunisia are already strong supporters of US policies. We see certain limits on Algeria's likely evolution in this direction. Although Algeria's increasingly moderate and pragmatic foreign policy has created a confluence of interests with the US, ideological and regional policy differences will constrain relations with Washington and limit Algeria's identification with the Western camp. Nevertheless, we do believe the Algerian government will continue its cautious approach toward developing closer ties with the US.

That having been said, a pro-Western Maghreb--in other words, a Morocco and a Tunisia essentially as they are now, along with an Algeria that maintains a more neutral stance but is friendlier to the US--could benefit the US in several ways. A shared friendship for the US would in itself enhance prospects for regional cooperation, and this in turn would lend the Maghreb a strengthened voice for moderation in OAU and Arab League councils. We could not expect the three states to agree with the

-4-

Sanitized Copy Approved for Release 2010/09/29 : CIA-RDP85T00287R000800340002-7

25X1

25X1

25X1

25X1

٠<u>ر</u>

SECRET

US in all cases, but they would share a general interest in shoring up pro-Western regimes and countering destabilizing influences. They would also be likely to adopt a more active and cooperative role with respect to US diplomatic approaches to the Arab-Israeli dilemma.

All three Maghreb countries share a common interest in combatting Libya as a subversive threat to themselves, as well as in limiting Libyan influence in both Arab and African circles. Even given a more pro-Western Algeria, this interest would probably not take the form of overt hostility towards Libya, because Algeria believes--as do the other two, and most Arab governments--that Oadhafi is less dangerous when bilateral relations are at least ostensibly friendly. The Maghreb countries might well step up support for anti-Oadhafi dissidents, however, whose activities are an irritant, though not a serious threat, to the Oadhafi regime.

A more pro-Western Maghreb would have significant advantages in the military sphere as well. It would facilitate the US and NATO task of keeping the Mediterranean sea lanes open. The Maghreb role would be restricted to providing US access to installations--or denying the Soviets access--in a future NATO or Middle Eastern crisis, however; none of the three states would be capable of policing the Straits of Gilbralter without significant US involvement. The US could derive a major benefit if Algeria imposed further restrictions on Soviet port visits. Algeria is unlikely, however, to allow significantly expanded American access. Tunisia already denies Soviet nuclear submarines the use of Tunisian repair facilities, necessitating a lengthy return to Baltic Sea ports.

Western military ties with Morocco and Tunisia are already close, with military assistance and arms sales generally increasing. The US has military agreements with Morocco allowing access and transit rights for the Rapid Deployment Force, and both Tunisia and Morocco have particiated in joint amphibious and desert warfare exercises with the US. The US has sold C-130s to Algeria, and an opportunity exists for expanded military sales. Algeria's opposition to superpower presence in the area, however, probably would prevent the emergence of any North African defense arrangement with the US.

Maghreb support for US military action in the Middle East would be greatest if an external power were involved, or if the US were to intervene to protect a conservative Arab state from radicals. None of the Maghreb states would be inclined to back US resupply of Israel in another Arab-Israeli war.

A pro-Western Maghreb could enhance US economic interests in the region as well. Better relations would mean that US firms would be invited to participate on a more timely basis on bids for transportation, agricultural, construction, military, hydrocarbon, and petrochemical equipment and technology contracts. The greatest potential benefits would be in

-5-

Sanitized Copy Approved for Release 2010/09/29 : CIA-RDP85T00287R000800340002-7

25X1

25X1

25X1

25**X**1

25X1

٠, ٠

SECRET	

Algeria. Respect for US technical expertise on the part of all the Maghreb countries, coupled with Algeria's interest in diversifying its sources of supply, could lead to a verv profitable increase in US sales to the region.

-6-Sanitized Copy Approved for Release 2010/09/29 : CIA-RDP85T00287R000800340002-7 25X1

Sanitized Copy Approved for Release 2010/09/29 : CIA-RDP85T00287R000800340002-7

••

SECRET	25X1
SUBJECT: The MaghrebPast, Present and Potential	
NESA M#83-10172	
Distribution:	
Orig National Security Staff 1 - DDI 1 - Exec Director 1 - DCI/SA/IA 1 - NIO/NESA 1 - C/PES	•• _
1 - CPES $1 - PDB Staff$ $4 - CPAS/IMD/CB$ $1 - CPAS/ILS$ $1 - D/NESA$ $2 - NESA/PPS$ $1 - NESA/AI$	
$\frac{2 - NESA/AI/M}{(21 July 83)}$	25X1