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Algeria-Morocco Tensions: a Costly Conflict.

An analysis on the Algeria-Morocco long historical conflict, and its challenges and opportunities for the Maghreb region.

RETHINKING SECURITY IN THE 2020s SERIES – *ANALYSIS*

By Yasmine Akrimi – BIC North Africa Analyst

The Algerian-Moroccan feud has made headlines due to the Algerian decision to cut all diplomatic ties with its neighbor in the summer of 2021. Although not surprising considering decades of tension-building and mutual provocations by both states, this decision's consequences are far-reaching. This article offers to assess the cost of the Algerian-Moroccan conflict on the region's economies and peoples.

> Timeline of the Conflict's Recent Developments (2020-2021)
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> - 22nd August 2020: Signature of the agreement officializing the diplomatic normalization between Israel and Morocco. As a counterparty, the United States recognized Morocco's sovereignty on Western Sahara. Algeria, a historical supporter of the Palestinian cause, claimed the move was part of a scheme to destabilize the Maghrebi country. The situation worsened with the statement of Israel's head of diplomacy during an official visit to Casablanca a year later, stating his concerns about Algeria's role in the region and it "getting close to Iran".

- 13th/14th July 2021: During a meeting of the Non-Aligned Movement (NAM)[1] in New York, the Moroccan ambassador to the UN expresses his support for Kabyle separatism in reaction to Algiers' support to Polisario's fighters against Morocco. The Kabylia question is a red line for Algiers which opposes any desire for independence in the region. Algeria immediately calls back its ambassador in Rabat.

- 22nd July 2021: Israel is granted observer status at the African Union (AU), a position it had been seeking for years. Algeria later accuses Morocco of having conducted a campaign in favor of Israel within the organization.

- 18th August 2021: Algeria decides to reconsider its diplomatic ties with Morocco, accusing it and Israel of supporting the Movement for the Self-Determination of Kabylia (MAK), a separatist movement Algiers points at as being responsible for the ravaging forest fires that spread across the country's north during summer 2021.

- 24th August 2021: Algeria breaks its diplomatic ties with Morocco, accusing it of "hostile actions" and of "waging a despicable war against Algeria, its people and its leaders".

- 22nd September 2021: Algeria bans its airspace to all civil and military aircraft registered in Morocco.

- 29th September 2021: The European Court of Justice annuls two trade agreements between the European Union (EU) and the Kingdom of Morocco that include the occupied territories of Western Sahara. The first concerns the agreement between the EU and Morocco modifying the tariff preferences granted by the Union to products of Moroccan origin and the second, the EU-Morocco partnership agreement in the field of sustainable fishing. A few days before the decision's enforcement, the EU decided to appeal.

- 29th October 2021: The Security Council decides to extend the mandate of the United Nations Mission for the Referendum in Western Sahara (MINURSO) until the 31st October 2022. Staffan de Mistura is appointed as the Secretary-General's new Personal Envoy.

- 31st October 2021: The contract under which Algeria supplied gas to Spain and Portugal through a pipeline passing through the Kingdom of Morocco is not renewed.[1] The last official aspect of economic cooperation between Algeria and Morocco is interrupted.

- 1st November 2021: Three Algerian truck drivers are killed by a bomb in Bir Lehlou, a Polisario-controlled Western Saharan territory. Immediately accusing the Cherifian Kingdom, the Algerian State promises the "act of State terrorism will not remain unpunished".

- 22nd November 2021: US Secretary of State Antony Blinken voices his support for Morocco's "serious, credible and realistic" plan for Western Sahara, namely autonomy without independence.

1. ECONOMIC INTEGRATION IN THE MAGHREB: THE REGION'S MOST SIGNIFICANT MISSED OPPORTUNITY

The prosperity of Maghrebi economies is surely, although indirectly, affected by the Algerian-Moroccan feud. According to a 2010 World Bank prospective report, economic integration in the Maghreb could have increased per capita GDP between 2005 and 2015 by 34% for Algeria, 27% for Morocco and 24% for Tunisia.[1] The United Nations Economic Commission for Africa (ECA) estimates that an integrated Maghreb union would have boosted its five countries' economies by the equivalent of 5% of their combined GDP.[2]

[1] https://documents1.worldbank.org/curated/en/969341468278074872/pdf/575190WP0Box353768B01PUBLIC10Maghrebpub.pdf

[2] https://www.lemonde.fr/afrique/article/2021/10/07/les-tensions-entre-le-maroc-et-l-algerie-paralysent-les-echanges-economiques_6097518_3212.html

Even within the African continent, the Maghreb is the worst performing trading bloc. According to a 2019 report by the African Development Bank (ADB)[3], intra-Maghreb trade is performing poorly compared to the continent's other Regional Economic Communities (RECs). It was limited to 2.7% of the foreign trade of countries of the Arab Maghreb Union (AMU) in 2017, by contrast to 3.1% in 2016 and an average of 3.2% over the period 2012-2017.

In contrast to the RECs of the Common Market for Eastern and Southern Africa (COMESA), the Economic Community of West African States (ECOWAS) and the Southern African Development Community (SADC), where intra-regional exports average 20% of total trade, the AMU is amongst the lowest ranked in the 2016 ADB's comparative regional integration index in all five dimensions: infrastructure, trade, productive systems, free movement of people, macroeconomic and financial convergence.

On average, over the period 2012-2017, more than 68% of intra-AMU trade was composed of primary products, particularly fuels, oil, and natural gas, which accounted for more than half of exports (52.7%). With the non-renewal of the contract linking the Algerian gas pipeline to Morocco in October 2021, trade within the Maghreb is hence likely to drop even more.

Yet AMU countries produce goods with high potential for intra-regional trade. More than twenty categories of products including fertilizer, clothing, and electrical appliances, could increase internal trade between all five countries. However, closed borders between the two most significant Maghrebi economies hinder joint efforts to keep up with world trade trends, as well as prioritizes products' exportation from the Maghreb to the global market.

2. WESTERN SAHARA: A PROTRACTED HUMANITARIAN TRAGEDY

Population displacement

Conflict is not measured uniquely in terms of economic loss or human casualties. Population displacement is perhaps the Saharan conflict's most protracted consequence, having resulted in thousands of separated families across multiple

[3] https://www.afdb.org/fr/documents/rapport-sur-lintegration-regionale-au-maghreb-2019-defis-et-opportunites-du-secteur-prive-synthese-en-francais

generations, a fragilized cultural patrimony and deracinated communities. Forced exile has been central to Sahrawi identity for the past forty-six years.

Since the 1991 ceasefire, the territory has been divided in two, with Morocco controlling an approximate 85% of the territory and Polisario the 15% rest. This separation is enforced by a series of defensive walls built by the Kingdom in the 1980s. Referred to as the Berm, the wall runs on approximately 2700 kilometers and the mine belt that runs along it is believed to be the longest uninterrupted minefield on the planet[4]. The 1975-1991 war[5] led to thousands of Sahrawis fleeing the Moroccan army advancing in the Sahara, and most took refuge in the province of Tindouf, Algeria, where them and their descendants still live in camps, making it amongst the most protracted refugee situations in modern history. By 2022, Sahrawi refugees will have been displaced for 47 years in the middle of the Algerian desert , with no solution to the conflict in sight.

The exact number of Sahrawi refugees is itself a politically sensitive question. International institutions, including the United Nations High Commissioner for Refugees (UNHCR), have never been able to conduct their own census. The World Food Program has consistently estimated the number at 90.000 refugees.[6] Latest Algerian and Polisario estimates are of 165.000, which would imply the number of Sahrawi refugees more than tripled since the initial Polisario estimation of 50.000 following the 1975 displacement, despite horrendous living conditions and high mortality rates. Morocco has regularly contested the number of refugees in Polisario-controlled camps, accusing the independentists of overestimating the number to attract political attention and secure aid. An exact estimation of the number of refugees in Polisario-controlled territories is crucial to understanding their weight in the ever-delayed referendum regarding Western Sahara's future status.

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[4] McCoull, Chad. "Country Profiles – Morocco and Western Sahara". Journal of Mine Action. ISSN 2154-1485.

[5] An armed struggle between the Polisario Front and Morocco from 1975 to 1991 (and Mauritania from 1975 to 1979), following the withdrawal of Spain from the Spanish Sahara by which it transferred administrative control of the territory to Morocco and Mauritania, but not sovereignty. It is the most significant phase of the Western Sahara conflict.

[6] https://www.wfp.org/news/un-agencies-algeria-urge-continued-food-assistance-refugees-western-sahara

Dire Living Conditions and Dispossession

The Tindouf province is located on the *hamada*, a large desert plain amongst the most uninhabitable on earth. Nicknamed the Devil's Garden for its extreme weather[7] and frequent sandstorms, it allows little to no vegetation to grow and rare access to clean water. Firewood must be sought tens of kilometers away.

Hence, in Polisario-controlled areas, camps rely on foreign aid to survive. Combined with refugees' poverty, this has led to grave health deficiencies. A 2007 report by the International Crisis Group (ICG) highlights severe prenatal care deficiencies, an 8% maternal mortality rate and high levels of malnutrition and anemia, especially amongst Sahrawi children and women. The ICG report also indicates the pervasiveness of chronic diseases among Sahrawi refugees such as vitamin and growth deficiencies, arterial hypertension, and lung diseases.[8]

Sahrawis residing in Moroccan-controlled areas face other types of problems. They share with their counterparts on the other side of the wall the pain of family separation and community deracination. Although being materially advantaged compared to Sahrawis in refugee camps and having been able to stay in their ancestors' land, they have been forced to sedentarism and urbanization. Sahrawis under Moroccan rule have mostly lost their traditional economy as pastoralism and trade became less and less possible with the defensive wall on the east, the long period of border shut down with Mauritania (1979-2002), and the fighting and presence of mines.[9]

The pro-Moroccan Saharawi upper class has greatly benefited from the Kingdom's significant investments in the desert at the expanse of a fragile Sahrawi middle class and an expanding urban underclass. Feelings of dispossession and exclusion are further aggravated by considerable emigration from the north. In towns like Laayoune, Sahrawis have become a minority and have been pushed to reside in the poorest and most surveilled neighborhoods.

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[7] Routinely exceeding 50 degrees during summer and dipping below 0 degrees in winter.

[8] https://www.crisisgroup.org/middle-east-north-africa/north-africa/western-sahara/western-sahara-cost-conflict

[9] Ibid.

Poorly Mapped Mines

In 2007, Geneva Call[10] already warned that up to fifteen million mines could be found around the Berm and across the separated territory. As the organization's program director argues, mines that have been placed across the different stages of the conflict have been imprecisely mapped, if mapped at all, and have since been displaced by natural elements.[11] The Landmine Monitor reports that more than 2,500 people have been the victims of anti-personnel mines and explosive remnants of war in Western Sahara since 1975, and in 2016, 34 new casualties were reported on both sides of the wall. Morocco remains amongst the countries which have not signed the anti-personnel mines ban treaty.[12]

Between 1991 and 2007, Geneva Call estimated that mines caused dozens of casualties and until 2007, 350 mine survivors lived in Algerian refugee camps.[13] Since 2008, the United Nations Mine Action Service (UNMAS) provided support for 48 landmine and explosive remnants survivors and 400 of their dependents, east of the berm, allowing for socioeconomic reintegration into their communities.[14]

In addition to human losses, the presence of landmines has a negative economic impact as whole portions of the Saharan territory have been abandoned because of mines' presence, or suspected presence. This situation severely hinders the mobility of Sahrawis and limits pastoralism, a crucial component of their traditional economy.[15]

3. HINDERED LOCAL AND REGIONAL DEVELOPMENT

An Incentivized Informal Economy

Trade policies in the Maghreb are the main barrier to intra-trade growth. Tariffs are lower when trading with Europe than within the region. An International Monetary

[10] An international humanitarian organization created with the aim of encouraging non-state armed actors to respect the ban on anti-personnel mines.
[11] https://www.crisisgroup.org/middle-east-north-africa/north-africa/western-sahara/western-sahara-cost-conflict
[12] https://www.genevacall.org/western-sahara-polisario-front-destroys-2446-stockpiled-anti-personnel-mines/
[13] "2000 Report of Landmine Monitor", www.icbl.org/lm/2000/country/sahara/index.php3#bookmarks
[14] https://www.unmas.org/en/programmes/westernsahara
[15] https://www.crisisgroup.org/middle-east-north-africa/north-africa/western-sahara/western-sahara-cost-conflict

Fund (IMF) report[16] published in 2018 highlights an average of applied tariffs significantly superior to the G20 or developing countries, with an average tariff duty of about 14% in 2016[17].

Trade integration is equally weakened by an inadequate regional land and air transportation network. The only commercial highway that could link all Maghreb states is the Cairo-Dakar highway, yet with borders between Morocco and Algeria being closed since 1994, the transport of goods between Libya, Tunisia, and Algeria to Morocco or Mauritania by road has been impossible. The additional interruption of air traffic between the Maghreb's two heaviest economic players – enacted by Algeria in late September – will only aggravate the region's economic disintegration.

Official figures do not consider border smuggling and companies operating in the informal sector to avoid administrative constraints. If operating legally, these companies would have to go through the European route to trade goods destined to the North African market. Although borders between the two countries have been closed for over two decades, family and commercial relations[18] maintained a strong proximity, and a certain "routine deviance" in the form of trafficking of goods and people is tolerated by different intervenors, from smugglers to border police[19].

A Frenetic Arms Race

Perhaps it is when looking at the exponential rise in the acquisition of arms, that tensions between the two neighbors are the clearest. The arms race between Morocco and Algeria began in the sixties with the sand war, and never stopped since.

Between 1974 and 1986, military spending doubled for both states, from 1.03 to 2.43 billion US dollars for Algeria, and from 887.48 million dollars to 1.57 billion dollars for its southern neighbor. The 1990s brief respite – following the end of the Algerian civil war – resumed in the early 2000s. Between 2006 and 2010, Algerian investment in its military rose from 3.4 to 5.3 billion dollars, and Morocco spent 3.09 billion dollars

[16] Economic integration in the Maghreb – an untapped source of growth, International Monetary Fund, 2018.

[17] The report mentions a sharp contrast with 5% in the EU, 4% in the United States, and 10% in China during the same period.

[18] Fuel, foodstuffs, cigarettes and tobacco, household appliances, cosmetics, pharmaceutical and drugs are the most important products exchanged at the Algerian-Moroccan border.

[19] Fatiha Daoudi. Analyse de situation aux frontières terrestres algéro marocaines : vie quotidienne d'une population partagée. Science politique. Université Grenoble Alpes, 2015.

in 2010 from an initial 2.3 billion dollars in 2006. In 2019, amounts were estimated at 3.7 billion dollars for Morocco and 10.3 billion dollars for its rival.[20]

A report published by the Stockholm International Peace Research Institute in 2020[21] ranks Algeria as the biggest arms acquirer in the continent while Moroccan military spending amounted to 4.8 billion dollars in the same year.

This continuously growing military dissuasion strategy on both sides does not necessarily translate into a better security prospective for the region. As the essential arms of Morocco's and Algeria's military expenditures are directed against each other, Libya and the Sahel remain weak security spots that cannot count on united neighbors and a common regional defense strategy. Worse still, information exchange between Moroccan and Algerian security services is set to disappear, rendering coordination regarding important regional security issues tougher and messier.

4. CONCLUSION

The Maghreb's states share a single geographic area, close dialects and similar ethnicities and cultures, the majority of Maghrebis being Arabized Sunni Muslims. The Maghreb also holds a strategic geographic position, linking Europe and sub-Saharan Africa. Integration would result in substantial economic benefits for the region. The IMF report abovementioned estimates that with a market of almost 100 million consumers, "(t)he joint Maghreb 2017 GDP would (have) exceed(ed) $360 billion, which would be comparable to the GDP of South Africa, United Arab Emirates, or Norway". A united Maghreb with harmonized trade and investment rules would also be more resilient to global trade tensions.[22] More importantly, its peoples would benefit from stronger purchasing-powers, better infrastructures, and closer communities. The latest developments to the Algerian-Moroccan postcolonial crisis unfortunately moves the dream of a united Maghreb further away.

[20] https://moroccolatestnews.com/the-arms-race-between-algeria-and-morocco-in-figures/

[21] https://www.sipri.org/publications/2021/sipri-fact-sheets/trends-world-military-expenditure-2020

[22] Economic integration in the Maghreb – an untapped source of growth, International Monetary Fund, 2018.

About the BIC

The BIC is an independent, non-profit, think-and-do tank based in the capital of Europe that is committed to developing solutions to address the cyclical drivers of insecurity, economic fragility, and conflict the Middle East and North Africa. Our goal is to bring added value to the highest levels of political discourse by bringing systemic issues to the forefront of the conversation.

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Author

Yasmine Akrimi | BIC North Africa Analyst

BRUSSELS INTERNATIONAL CENTER

@BICBrussels @bicrhr BIC

www.bic-rhr.com info@bic-rhr.com

Avenue Louise, 89 1050, Brussels, Belgium Tel:+32 027258466