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Political and Economic Trends in the Maghreb



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This paper was prepared by the Maghreb Branch of the Office of Near Eastern and South Asian Analysis. It was coordinated with the Directorate of Operations. Comments and queries are welcome and may be directed to the Chief, Arab-Israeli Division, NESA, 

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Political and Economic Trends in the Maghreb

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Introduction

*Information available
as of 1 March 1984
was used in this report.*

The five countries of the Maghreb—Libya, Tunisia, Algeria, Morocco, and Mauritania—are a diverse group, with governments ranging from Libya's and Algeria's very different revolutionary regimes through Mauritania's military leadership and Tunisia's president for life to Morocco's monarchy. Not surprisingly, cooperation among these heterogeneous countries has been sporadic and often superficial. The region is currently witnessing a prolonged conflict over Western Sahara that pits the Polisario Front and its Algerian backers against Morocco. Libyan leader Qadhafi mounted a raid against Tunisia in 1980 designed to topple the Bourguiba government and periodically dabbles in subversive schemes aimed at every one of Libya's neighbors, even its supposed friend, Algeria. Yet for all the conflict and mutual suspicion, the most notable trend among Maghreb countries today is a movement toward greater cooperation.

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The initiative for this movement—the “greater Maghreb” plan—came primarily from Algerian President Bendjedid, who has sought over the past year to normalize relations with his Maghreb neighbors, particularly Morocco. We believe the first and foremost objective of Bendjedid's initiative was to improve the chances of a political settlement of the Saharan conflict by achieving rapprochement with Morocco and improving economic interchange between Morocco and Algeria. In our opinion, Bendjedid wanted to assert influence with Tunisia in order to forestall possible turmoil when Bourguiba leaves the scene. Bendjedid probably believed that reasonably close relations with Libya's Qadhafi would help contain Libyan troublemaking. He also saw Maghreb cooperation as a means of precluding superpower intervention in the area—a goal to which Algeria remains deeply committed. In our view, the other North African leaders have been receptive to the “greater Maghreb” idea, primarily for their own political and economic reasons but also because each sees in the plan the possibilities of greater internal stability. The “greater Maghreb” idea does not include any utopian vision of political unification.

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Algeria's posture is probably the key to the success or failure of Maghreb cooperation, although Libya may be able to play a spoiler role. If Algeria's current orientation endures, as seems likely, cooperation can proceed among the others with or without Libya's participation. Indeed, just such a scenario appeared to be developing at the end of 1983. Contacts among Morocco, Algeria, and Tunisia were multiplying, and Libya's isolation pushed Qadhafi to try to jump aboard with gestures of friendship toward each of his neighbors. If Algeria's commitment to cooperation wanes and it

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shifts back to a radical stance in Arab and regional politics, the Maghreb will be polarized, with Tunisia an easy target for the subversive efforts of its more powerful neighbors and Morocco again at odds with Algeria and Libya.

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Over the past year, Qadhafi has made a deliberate effort to break out of his isolation from Arab circles in general, and from the Maghreb community in particular. He succeeded in maneuvering an invitation to visit Morocco at the end of June, which led to a rapprochement between Libya and Morocco, public Libyan statements disavowing an independent Saharan state and continued aid to the Polisario, and real or promised economic benefits for Morocco. Qadhafi's visit to Tunisia in August was similarly successful. Qadhafi promised that he would no longer train Tunisian dissidents in his terrorist camps or use his territory as a springboard for subversive operations against Tunisia. His reception in Mauritania in July was cool, but his visit to Algeria the same month, while not a major breakthrough, eased the strained relations between Algiers and Tripoli.

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On balance, in our judgment, Qadhafi's involvement in the developing "greater Maghreb" movement may ultimately do more harm than good. Both Morocco and Tunisia would welcome a respite from Qadhafi's chronic subversive efforts, but neither can trust him. Libya's presence puts pressure on Algeria to monitor and control his behavior—a formidable task—and regularly tests Algeria's commitment to a more responsible, moderate position on the highly polarized Arab political spectrum.

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Regional Problems. The Western Sahara war is the most obvious divisive factor among the Maghreb countries. Nearly a decade after the start of the war over the future of Western Sahara, the military situation is stalemated, with efforts on the diplomatic front showing little progress. Morocco's construction of a berm, a defensive perimeter that encloses the population centers of Western Sahara and southern Morocco, has been decisive in diminishing the Polisario's military impact. Through the adoption of this defensive strategy, Morocco has perpetuated the stalemate but has reduced the human and financial costs of the war. The Polisario has long acknowledged that it cannot drive Morocco's forces from the region, but it renewed its attacks in the summer of 1983—after 18 months of relative inactivity—in an effort to force Morocco to enter direct negotiations.

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Despite a more regular dialogue between Morocco and Algeria over the Saharan dispute, a settlement in the near term seems unlikely. The war is expensive for Morocco, but King Hassan has staked so much national and personal prestige on the issue that he has left himself little room to maneuver. Algeria, the Polisario Front's chief supporter, is more amenable to a political settlement but still insists on direct Moroccan-Polisario negotiations. King Hassan has refused to give the guerrillas this kind of recognition and has been unwilling to take substantial risks in negotiations sponsored by the Organization of African Unity.

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All parties have agreed to the principle of a referendum on the sovereignty of Western Sahara. For such a referendum to succeed, however, it must ratify an arrangement previously agreed to by Morocco and the Polisario. As long as the stalemate does not become too costly to Morocco, the conflict over Western Sahara is likely to continue as a divisive issue in Maghreb politics.

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For all its efforts to mend fences with its Maghreb neighbors, Libya remains a promoter of regional instability. The threat is partly due to past, and very likely continuing, Libyan efforts to overthrow Maghreb regimes.

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These include sponsorship of the raid against Qafsah, Tunisia in January 1980; the training of thousands of Tunisian dissidents and some Moroccans in Libyan camps; support for Muslim fundamentalists hostile to the Bourguiba regime; attempts  to organize subversive activity within Morocco; backing of an abortive coup against President Haidalla of Mauritania in January 1983; even contacts with the former Algerian President Ahmed Ben Bella in an effort to support his return to power. These efforts, although unsuccessful, are not negligible; the Qafsah raid, in particular, was a traumatic experience for the Bourguiba government. 

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Direct Libyan subversion, however, is probably less a threat than Qadhafi's willingness to use Libya's sizable oil revenues and conspicuously oversized arsenal to support such activity. Qadhafi's neighbors, in our opinion, tend to attribute to him more ability and determination than his amateurish efforts at subversion so far would suggest. Maghreb leaders, we believe, formulate policies with one eye out for their effect on Tripoli. By keeping his neighbors constantly off balance, Qadhafi multiplies the impact of his actions. 


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Economic Problems. Libya's economic difficulties are marginal compared with the problems facing most of its neighbors. Revenue fell sharply in 1981 and 1982 as a result of the soft oil market, forcing the country to adopt an austerity program emphasizing import controls, some lowering of salaries and subsidies, and a hold on development projects. Given the country's rich oil resources and small population, however, its current difficulties are probably temporary. 

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Tunisia, a modest oil producer, does not enjoy Libya's wealth but has experienced remarkable economic growth and high per capita income. Net oil exports are declining, however, and, barring new finds, Tunisia will continue as a net oil exporter only through the 1980s. The country also faces serious unemployment and underemployment, perhaps 12 percent of the work force in each category—partly as a result of the narrowing of traditional outlets for Tunisian labor in France and Libya. 

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Algeria, also a major oil producer, has failed to match Libya's prosperity primarily because of its much larger population. The country's emphasis on rapid heavy industrial development in the 1970s was a failure; the agricultural sector is stagnant; and unemployment, especially among the young, is likely to become a political problem. Algeria's economic malaise is in part responsible for President Bendjedid's more flexible approach to the country's economic and social problems—a tack born out of a conviction that the rigid socialist precepts of the past have failed. 

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Morocco's economic pressures are severe. It, too, has a rapidly increasing population—without Algeria's oil resources. The market for its primary natural resource, phosphate, collapsed in 1976, and a severe drought hit the country in 1981. Unemployment is escalating, and inflation is undermining wages. Defense expenditures—most of them related to the Saharan war—absorb some 40 percent of the nation's operating budget. Saudi Arabia largely defrayed the cost of the war until recently, but the country suffers indirectly as its energy and resources are deflected from more fundamental concerns. [redacted]

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Mauritania, whose chief resources are fishing grounds and iron deposits, is a poor country in a constant state of financial crisis. Mining is the country's exclusive foreign exchange earner, but the international iron ore market has been stagnant since 1978. The country's chief producing mine will be exhausted by the end of the decade, and new mines that are to be opened have a smaller iron content and are likely to prove uneconomic until the market for iron strengthens. [redacted]

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Although greater economic and political cooperation among the Maghreb countries would not solve many of their most pressing economic and social problems, the stability that might flow from a more cooperative approach would create a far better environment for tackling them and would certainly make the region more attractive to foreign investors—especially Arabs. [redacted]

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Regional Balance of Power and Military Issues. The principal military issue in the Maghreb is Qadhafi's capability and intent to use Libya's large arsenal of sophisticated weaponry. That arsenal, together with Qadhafi's adventurist policies, has been a source of great unease to the other Maghreb states. Concerns about Libyan behavior and the potential that the military balance of power may tip in Libya's favor have significantly affected their military planning. [redacted]

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The rapid growth of the Libyan arms inventory has increased Tripoli's ability to sponsor subversion and military operations against its North African neighbors. Modern artillery and armor, as well as Soviet-made tactical surface-to-surface missiles, give the Libyan Army a strike capability it did not have 10 years ago. Ground and air transport is now available to move much of this offensive equipment quickly. Meanwhile, the Libyan Navy has blossomed into the largest in the Maghreb, doubling its size in the last five years. Thirty guided missile boats and six submarines operate from Libyan ports, more than the combined inventories of the rest of the Maghreb states. Libya's air inventory has grown to the point where its primary airfields are crowded with modern jet fighters, trainers, and transport aircraft. Finally, all of Libya's cities and major military installations are protected by surface-to-air missile systems. [redacted]

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The rapid growth of Libya's arms inventory has far outstripped the military's capabilities. No branch of its armed forces can optimally employ all of the weapons systems available to it. Manning, training, and maintenance deficiencies combine to mitigate Libya's threat to its Maghreb neighbors. [redacted]

Although the strategic planning of Morocco and Algeria continues to be concerned primarily with the threat they pose to each other, each has had to devote increasing attention to Libya in recent years. Rabat's approach to the military campaign in Western Sahara has been affected by Libya's support for the Polisario. [redacted] some of the Polisario's best equipment, such as their SA-6 surface-to-air missiles, has come from Libya and helped the guerrillas achieve some military surprises and successes in 1981. [redacted]

Concerned with the balance between its forces and those of Libya, Algeria is slowly and methodically building up its ground, naval, air, and air defense capabilities and recently has begun diversifying its purchases to include US and other Western equipment. Algeria's Army—larger than Libya's and similarly equipped with modern Soviet weaponry—is probably the more capable. Its ships and aircraft, however, are outnumbered by those of Libya. Algiers must be concerned about the continued remarkable growth of Libya's military forces. Out of a basic distrust of Qadhafi, Algiers will try to prevent the balance from tipping in Libya's favor. [redacted]

Of the Maghreb states, Tunisia is the most concerned about the Libyan threat. The Qafsah raid in 1980, despite its failure, clearly demonstrated the danger of Libyan-backed subversion in Tunisia. Moreover, reports of the presence of large numbers of Tunisian dissidents in Libyan training camps continue to reach the Bourguiba government, despite the recent warming in relations between the two countries. In response, Tunisia is attempting to develop a mobile rapid reaction force to quash Qafsah-like subversion before it spreads. At the same time, Tunis plans to build up its conventional military forces to a point where they might serve as a deterrent to a Libyan invasion. Tunisia's serious financial difficulties will inhibit this program. With US financial assistance, however, Tunis has contracted for US-built jets and tanks. [redacted]

Regional Outlook. The divergence among the five Maghreb regimes with respect to their types of government and their orientation toward Arab and international problems guarantees continued strains. The Saharan dispute is likely to drag on. Qadhafi's injection of Libya into the Maghreb unity movement could contribute to the reemergence of divisions among the

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other participants, endangering the trend toward cooperation. For all of these reasons, the "greater Maghreb" concept—like the ideal of Arab unity—will be the object of continuing lipservice but probably will produce only limited results of questionable durability. [redacted]

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Even so, periods of increased friction among Maghreb states are likely to be succeeded by renewed moves toward cooperation. The area, for all its differences, is a natural unit, isolated to a degree from the tensions of the Arab-Israeli conflict and engrossed in its own concerns. Qadhafi's occasional moves toward closer ties with his neighbors last for unpredictable periods of time but invariably give way to estrangement because of Qadhafi's compulsion to meddle and subvert. Libya's position is something of an anomaly; its isolation from its neighbors is more likely to promote unity among the rest of the Maghreb states than to jeopardize it. [redacted]

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Regardless of the current state of Libya's relations with its neighbors, Libyan subversion will continue—though it may be muted when Qadhafi is attempting to play the role of Arab peacemaker. Qadhafi does not balk at following a two-track policy, wooing a country with talk of peace and brotherhood while at the same time training that country's dissidents in his camps. Qadhafi's demonstrated willingness to use any method—from bribery through subversion to coup attempts and outright military intervention—to accomplish his ends means that his neighbors will live in permanent fear of his actions. His current stance, while appearing to deemphasize subversive efforts, gives him a forum for posturing in the Maghreb and broader Arab circles. [redacted]

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Unhappiness with the Qadhafi regime on the part of the Libyan population as a whole, and the military in particular, means that his abrupt departure from the scene cannot be ruled out. Should that happen, the effects on both Libya and the region would be profound. Any Libyan successor would probably be weaker and lack a free hand in running the country for the first several years—forcing him to court the widest possible popular support, though purges within the military and other influential groups could occur. Qadhafi's controversial economic, social, and political experiments would probably disappear. A successor regime would be likely to retain Qadhafi's close relationship with the Soviet Union—if only to guarantee continued delivery of military spare parts—but would move to reduce tensions with the United States. It would work to reintegrate Libya into Arab councils. Most important, a successor, even one not necessarily more conservative than Qadhafi, would undoubtedly lack Qadhafi's compulsion to export his "Green Book" philosophy throughout Africa and the Middle East. Libya would continue to be a significant factor in the region but not necessarily a force for destabilization. [redacted]

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The Maghreb Centered on Algiers, Algeria



Boundary representation is not necessarily authoritative.

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Morocco

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Political and Economic Trends in the Maghreb [redacted]

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Morocco

Among the North African countries, Morocco's history has the greatest continuity. The dynasty of King Hassan can be traced back to the 17th century, and the monarchy itself has existed with only brief interruptions since the ninth century. This continuity has a powerful influence on contemporary Moroccans, the majority of whom have strong allegiances to their King as the nation's religious and political leader and have been relatively undemanding with regard to major economic and political reforms. In the wake of two attempted military coups in the early 1970s, King Hassan has ruled much more attentively, demonstrating both skill and ruthlessness in dealing with potential opposition and competing interest groups. His relatively secure position at home has allowed the King to play an active role in Middle East politics where he has been a voice for moderation and a reliable friend of the United States. Although most of the Moroccans seem satisfied with King Hassan's rule, he is likely to face great problems over the next several years as a result of a deteriorating economy, high expectations among a burgeoning, youthful population, and a costly and seemingly unwinnable war in Western Sahara.² [redacted]

The Moroccan parliament sits for a six-year term and is composed of a single chamber, two-thirds of which is elected by direct, universal suffrage. The other third of the membership is selected by local councils and trade, artisan, and labor organizations. Local governments are elected and hold considerable power in the conduct of day-to-day activities affecting the average citizen. Provincial governors are appointed by the King. [redacted]

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The King's authority and his manipulation of Morocco's political system have prevented the formation of political institutions with enough power and credibility to restrict Hassan's ability to make all major decisions. The small Socialist Union of Popular Forces, Morocco's only credible opposition party, in recent years has had its activities severely restricted. The token pro-Soviet Communist party—Party for Progress and Socialism—is fairly tame but has a significant following among youth and intellectual circles. [redacted]

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Predominance of the Monarchy

King Hassan II—who is 54 years old—is the epitome of a traditional Moroccan monarch. He is a highly self-confident and paternalistic leader who believes he is uniquely qualified to determine what is best for his country. Hassan feels a strong commitment to perpetuate the Moroccan monarchy—the oldest reigning dynasty in the Arab world—and any challenge to his leadership intensifies his determination to succeed in carrying out his inherited role. [redacted]

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Morocco's "Democratic Experiment"

Shortly after independence from the protectorate of France and Spain in 1956, King Mohammed V—Hassan's father—began what has become known as the country's "democratic experiment." From a series of constitutions—the most recent promulgated in 1972—the structure of a constitutional monarchy has evolved complete with a parliament, political parties, and local governments elected by universal suffrage. In fact, the King's powers remain all embracing, and what constitutional restraints there are have been periodically abridged by the King's imposition of emergency powers. [redacted]

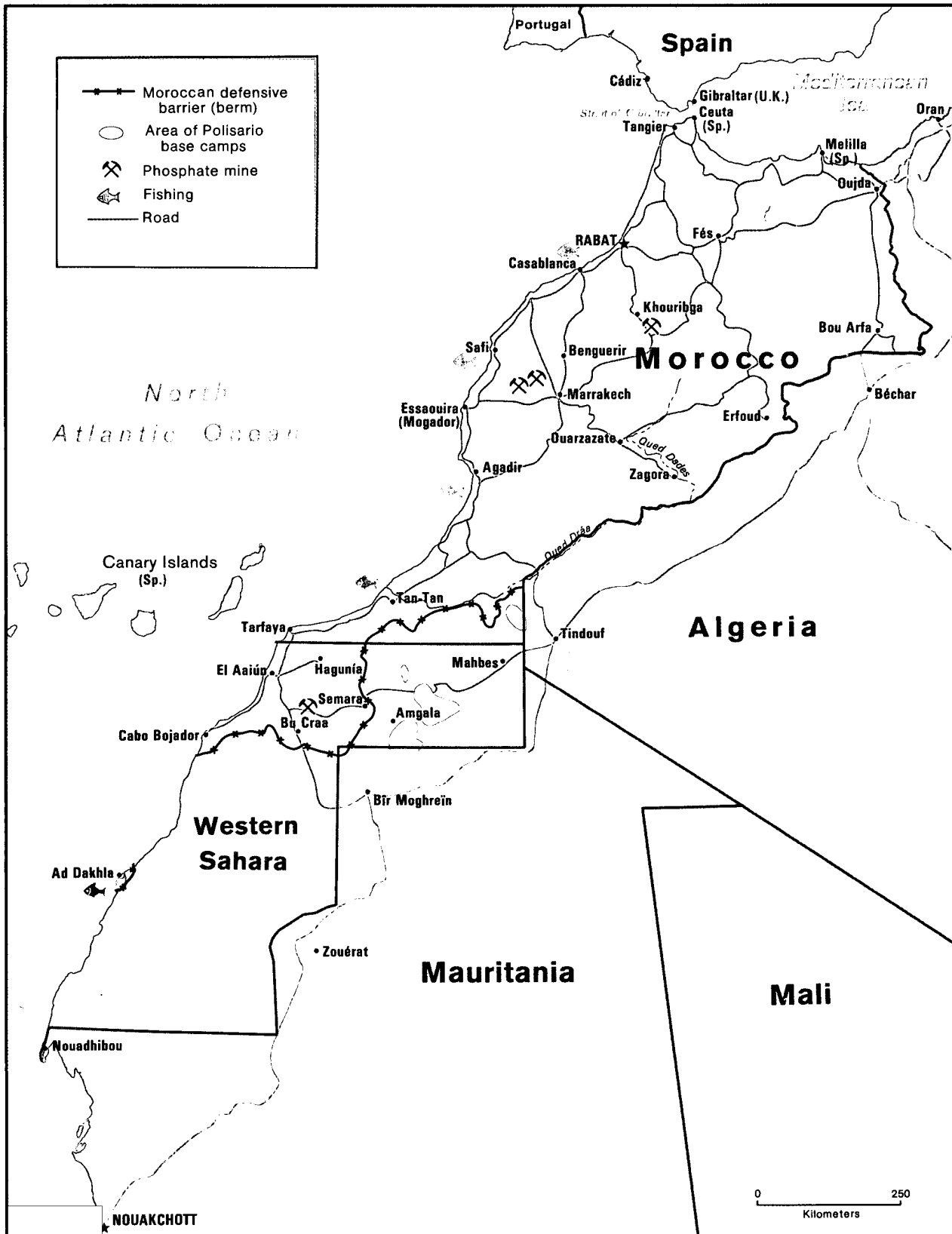
The King's style of rule is based on the adroit manipulation of competing interest groups through divide-and-rule tactics. Hassan's considerable skills in political manipulation have enabled him to maintain the upper hand. Nevertheless, faced with complex

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² Statistical information on economic, social, and military trends in Morocco is located in the appendix. [redacted]

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Morocco and Western Sahara

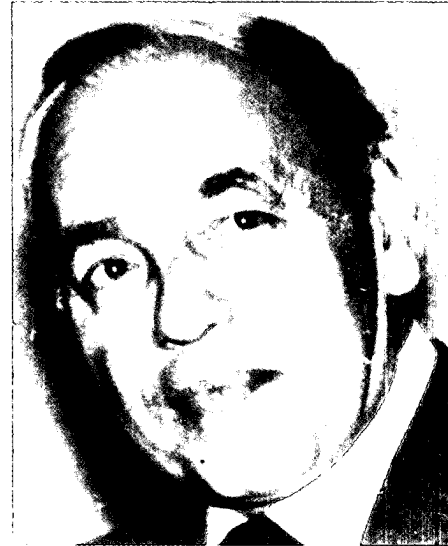


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Morocco

Population	22,889,000
Government	Constitutional monarchy
Head of state	King Hassan II Prime Minister—Mohamed Karim-Lamrani
Religion of native population	98.7 percent Sunni Muslim, 1.1 percent Christian, 0.2 percent Jewish
Literacy rate	28 percent
Population, 15 years and under	47 percent
Foreign reserves less gold	\$43 million in October 1983
Gross domestic product	\$14.2 billion in 1982
Size of armed forces	202,000



King Hassan II . . . secular, religious, and military leader of Morocco. Sygma ©

[Redacted]

issues such as the Moroccan economy, where Hassan lacks technical knowledge, he sometimes overvalues his own opinion, according to the US Embassy. [Redacted]

military's combat capability is restricted; and command and control at the top rests with the King. [Redacted]

Hassan, in addition to his role as head of state and supreme commander of the armed forces, has a unique position as leader of Morocco's Islamic community based on tradition and further legitimized by the country's Constitution. Further strengthening the King's position is the popular belief that he possesses *baraka*, an aura of holiness which is seen as the manifestation of divine grace transmitted through the Prophet's descendants, enhancing the mystical regard that thousands of rural and poorly educated Moroccans have for the monarchy. [Redacted]

Hassan, who personally controls foreign policy, often leaves domestic affairs to various ministries and government technocrats. According to US Embassy reports, Morocco is a relatively open society, and free discussion of most subjects—except Islam and the monarchy—occur on a daily basis in a variety of newspapers, most of which are political party organs. Although censorship is forbidden, the distribution of some publications occasionally has been prevented, in particular when articles critical of the King appear. Morocco's major labor unions are active in defending worker interests, and the judicial system, which answers only to the King, is efficient. [Redacted]

Following two military coup attempts in 1971 and 1972 led by ambitious senior officers, Hassan abolished the position of Minister of Defense and assumed direct control of the military as chief of general staff. Although the military has regained some of its prestige, the armed forces remain an object of palace suspicion; officers' activities are closely watched; the [Redacted]

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Prince Sidi Mohamed Alaoui, heir to the Moroccan throne. [redacted]

Liaison ©



Foreign Policy and the King

Hassan personally plays the central role in the formulation of Moroccan foreign policy—at times at the expense of timely attention to domestic issues. His moderate positions on most issues often parallel or coincide with those of the United States and the West in general. [redacted]

Although the King appears secure for the near term, Hassan faces growing domestic challenges. Deteriorating economic conditions coupled with rising expectations among the burgeoning and youthful population are sources of popular discontent. There is restiveness among students, the labor movement, and some Islamic fundamentalists who are searching for issues on which to challenge the King.⁵ Morocco's military and security forces appear loyal, but there is some dissatisfaction among younger officers over the poor quality of senior leaders. Although the King has shown considerable skill in managing opposition, the possibility of a challenge by small, disgruntled elements of the military, as in the early 1970s, or by religious extremists cannot be ruled out. [redacted]

Hassan's son, 20-year-old Crown Prince Sidi Mohamed, is the designated heir to the throne. Sidi Mohamed's selection has been approved by the religious leaders of the country and is in accordance with the Moroccan Constitution. He has been groomed since childhood to assume control of Morocco. [redacted]

The King strongly identifies with Arab causes, especially the struggle to recover Palestine. Hassan, for example, was host to an Arab summit in 1974 that laid the groundwork for Islamic bloc votes in the United Nations in favor of the Palestine Liberation Organization, and he contributed troops to the Arab-Israeli war in 1973. The King was chairman of the Arab League from 1981 to 1983 and heads its Fez Middle East peace committee. Hassan also chairs the Islamic Conference Organization's Jerusalem committee. [redacted]

France is Morocco's principal trading partner and a primary source of financial assistance, and Rabat depends heavily on Paris for arms and military training. The French also have considerable investments in Morocco. Nevertheless, there was a noticeable cooling of relations following the French election of a socialist government in 1981. The relationship has improved since President Mitterrand's visit to Morocco in early 1983, and Rabat appears to accept Paris's attempts to balance relations with Morocco while improving ties with Algeria. [redacted]



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**Kingdom of Morocco,
Leading Government Officers**

King	Hassan II
Prime Minister	Karim-Lamrani, Mohamed
Minister of State	Osman, Ahmed
Minister of State	Bouabid, Maati
Minister of State	Bouabid, Abderrahim
Minister of State	Bahnini, Hadj M'hamed
Minister of State	Boucetta, M'hamed
Minister of State	Aherdane, Mahjoubi
Minister of State	Alaoui, Moulay Ahmed
Minister of State	Jadidi, Mohamed Arsalan el
Minister of Cooperation	Radi, Abdelouahed
Minister of Foreign Affairs	Belkeziz, Abdelouahid
Minister of Planning and Cadre Training	Douiri, M'Hamed
Minister of Agriculture and Agrarian Reform	Demnati, Othman
Minister of Commerce, Industry, and Tourism	Guessous, Azzedine
Minister of Cultural Affairs	Belbachir, Said, Dr.
Minister of Energy and Mines	Saadi, Moussa
Minister of Equipment	Kabbaj, Mohamed
Minister of Finance	Jouahri, Abdellatif
Minister of Housing and Land Management	Lahlou, M'Fadel
Minister of Information	Filali, Abdellatif
Minister of Interior	Basri, Driss
Minister of Justice	Alaoui, Moulay Mustapha Belarbi
Minister of Labor and National Training	Zahidi, Moulay Zine
Minister of National Education	Laraki, Azzedine, Dr.
Minister of Ocean Fisheries and Merchant Marine	Smili, Bensalem
Minister of Posts and Telecommunications	Laensar, Mohamed el
Minister of Public Health	Rahal, Rahali, Dr.
Minister of Relations With Parliament	Belhadj, Ahmed
Minister of Islamic Affairs	M 'Daghri, Abdelkebir Alaoui
Minister of Handicraft and Social Affairs	Fassi, Abbes el
Minister of Transportation	Ben Ali, Mansouri
Minister of Youth and Sports	Semlali, Abdellatif
Minister Delegate in the Prime Minister's Office	Ghallab, Abdelkarim

Rabat looks to the United States as a strong friend, along with France and Saudi Arabia. The King, during a visit to Washington in May 1982, approved an access and transit agreement for US rapid deployment forces. US military assistance—primarily FMS loans—increased sharply to \$101 million in fiscal year (FY) 1983 with \$91 million requested for FY 1984. Economic assistance totaled \$48 million in FY 1983 with \$61 million requested for FY 1984. Credits and guarantees provided by the Commodity Credit Corporation of \$197 million in FY 1983 probably will be the same or higher in FY 1984. Combined US economic assistance accounted for about 20 percent of the foreign assistance received by Rabat in 1983. Banks in the United States hold about 20 percent of the nation's \$3 billion commercial debt.

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Improved US-Moroccan ties in recent years have been well received, but some Moroccans are beginning to question the value of closer relations with the United States as their expectations for military assistance and other benefits from the access agreement remain unfulfilled. Furthermore, if Morocco continues to cultivate closer ties with Algeria and Libya as part of the Maghreb unity effort, Rabat may feel compelled to be more discreet in its relations with the United States—especially in military matters.

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The eight-year-old dispute over Moroccan claims of sovereignty in Western Sahara is Rabat's most serious foreign policy concern. Hassan has made the Sahara question one of royal prerogative, not only because he is charged constitutionally with wide powers in national security, but because the historical foundation of Morocco's claim to Western Sahara is based on the traditional oath of fealty to the Sultan of Morocco sworn by Saharan tribes. For most Moroccans, according to the US Embassy, the central issue is ensuring the continuing loyalty of Saharan subjects, despite the disruptive efforts of "mercenaries"—Polisario Front—aided by Rabat's neighbors. Although acquisition of the Sahara remains a popular cause among Moroccans, the seemingly unwinnable war could eventually cause domestic trouble for the King and further divide the Organization of African Unity if a solution is not found.

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Fish packing at the quayside at Agadir.

The Economy

Morocco is endowed with extensive water resources and arable land. The nation controls about two-thirds of proven world phosphate resources and the fourth-largest deposits of oil shale. Little-tapped fishery resources rank as some of the richest in the world. The existing economic infrastructure rivals any in Africa. Despite these resources, rapid population growth and severe financial constraints have limited the development of Morocco's economic potential.

The economy has not rebounded from the slowdown brought about by the three-year (1978-80) austerity plan and changing international and internal economic conditions. Mounting financial strains stemming from overly ambitious government spending during the 1973-77 development plan and the collapse of the phosphate market in 1976 forced Rabat to shift gears and adopt a less ambitious development program. While austerity measures helped reduce the nation's trade and budget deficits, they hit the modern sector of the economy especially hard. Slow economic growth has produced escalating unemployment. Wage increases have failed to keep pace with double-digit inflation.

Real GDP growth has averaged only 2.5 percent since 1978 in sharp contrast with the 7-percent growth of the previous five-year period and below the rate of

population increase. The phosphate industry, the nation's largest foreign exchange earner, has been especially hard hit. Soft market conditions have forced Rabat to sharply trim its phosphate rock prices since 1981. As a result, foreign exchange earnings from rock exports have declined by over 25 percent. Despite these setbacks, plans are progressing to expand domestic production capacity with a goal of converting 30 percent of phosphate rock annually into refined products by 1985.

Growth in agricultural production of about 1.5 percent annually has failed to keep pace with the needs of Morocco's rapidly growing population. Poor performance in agriculture because of recurring drought, and especially the severe drought in 1981, is a contributing cause of the nation's economic plight. With the livelihood of about half of the population dependent on agriculture, the drought's impact has been widespread. The rural exodus has increased dramatically. Financing large grain imports has severely taxed Rabat's national budget and foreign payments position and consumed a large share of available foreign financing.

The severity of recent droughts means that, even with a return of favorable weather, it will take several years to restore the agricultural sector to its pre-drought position. During this period, heavy grain imports will be required to allow farmers to rebuild depleted grain stores and livestock herds.

Heavy defense expenditures also have contributed to the economic malaise. Defense-related expenditures have accounted for an estimated 40 percent of national operating budgets in recent years. While the cost of the Saharan conflict has largely been defrayed by Saudi Arabian assistance totaling as much as \$1 billion annually in recent years, it draws attention and other resources from pressing economic concerns.

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Morocco's foreign payments position has deteriorated sharply in the wake of declining export earnings, drought-induced grain imports, and the substantial depreciation of the dirham against the US dollar. Current account deficits have increased from \$1.3 billion in 1978 to \$1.8 billion in 1983. This condition has forced Rabat to stiffen austerity measures. Along with these measures the government has attempted to reschedule some of its burdensome foreign debt, which consumes about half of annual export earnings in service payments. [redacted]

have to rely more heavily on the country's relatively efficient security forces to maintain order, we believe that Hassan is secure for the near term. Nevertheless, King Hassan, like the late Egyptian President Sadat, could fall victim to a religious fanatic or a small disgruntled group with little or no warning. [redacted]

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The nation's five-year development plan (1981-85) has suffered a serious blow because of the foreign exchange shortage and is in danger of being scrapped. Investment under this plan is far behind schedule. The phosphate industry has received priority over spending in the manufacturing and mining sectors. [redacted]

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Outlook

Although Morocco has significant potential for development, financial difficulties will remain acute for at least several years and will require that the King devote more of his attention to the economy. With large current account deficits persisting through 1986, the government will be hard pressed to carry out most aspects of its development plan. Economic growth will be slowed by the austerity program, and unemployment will remain a troubling issue. Even with renewed access to IMF loans and a partial rescheduling of the foreign debt, the nation's tight financial position will serve to increase its dependence on foreign aid—particularly from Saudi Arabia. Should US assistance not meet Rabat's expectations or if economic growth declines sharply, closer US-Moroccan ties could become a focus of concern among dissatisfied elements—including the military. [redacted]

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King Hassan II faces growing prospects for domestic unrest under these circumstances. Deteriorating financial conditions and rising expectations among the youthful population—one-half under 20 years old—are key sources of discontent. Hassan is not, in our opinion, blind to these problems and the political difficulties that may lie ahead. Although the King faces the likelihood of popular outbursts and may

Algeria

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Algeria

Algeria's prospects for continued political stability and development appear better than at any time in its history as an independent state. Under Chadli Bendjedid, Algeria's third president since independence from France in 1962, a new sense of national unity and new goals have emerged. Bendjedid and the military officers, who provide core support for his presidency, are much less ideological than the preceding Boumediene regime and have brought considerable flexibility and pragmatism to the country's domestic and foreign policies. Adherence to strict socialism has been loosened to accommodate consumer concerns and energize a work force wearied by the lean years under Boumediene.⁷ [redacted]

In the realm of foreign policy, Bendjedid and his supporters are less driven by the leftist viewpoint spawned during the revolution and seem to be pursuing policies founded on the belief that regional stability—both in North Africa and the broader Middle East—best serves Algeria's economic and political interests. The shift in orientation appears to have broad acceptance and probably represents a maturing of the Algerian revolution rather than Bendjedid's vision alone. [redacted]

This new outlook, while easing many of the political frictions of the past, has not totally erased them. Leftist ideologues, although relegated to the back benches in most political institutions, have residual influence and are awaiting a serious economic or foreign policy misstep on the part of Bendjedid. The country's large Berber minority continues to agitate for increased status and access to power, and, like most other Arab countries, Algeria is trying to cope with Islamic fundamentalism. The regime has dealt with these problems by not tackling them head on but by concentrating on building support through its performance in meeting vital popular concerns such as housing and availability of consumer goods and by enhancing national pride through its regional activities. [redacted]

⁷ Statistical information on economic, social, and military trends in Algeria is located in the appendix. [redacted]



Chadli Bendjedid, President of Algeria. [redacted] Camera Press ©

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The Government

Bendjedid is first among equals in a highly stratified system of government where the military is the final arbiter of power. In addition to the presidency, Bendjedid also holds the title of Minister of Defense, commander in chief of the armed forces, and secretary general of Algeria's sole political party, the National Liberation Front (FLN). As Bendjedid's first five-year term draws to a close, it is clear that he has overcome the stigma of having been a compromise candidate and has grown in political stature and authority. This 54-year-old self-educated former Army colonel has finely honed leadership skills and enjoys the support of most Algerians. [redacted]

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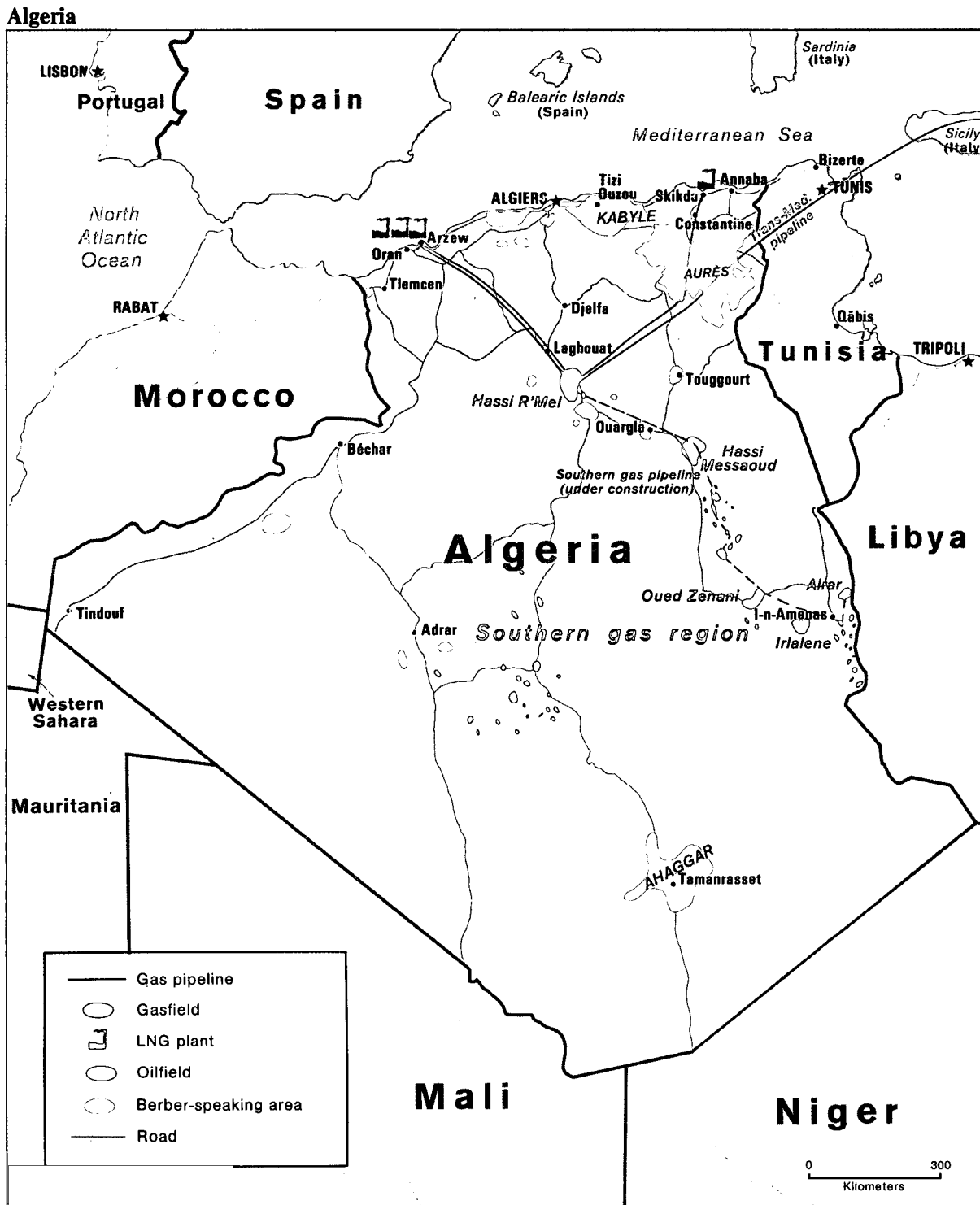
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Although the political system remains highly centralized and still largely controlled by the military leadership, Bendjedid has established a more comfortable relationship between the government and the public through his outgoing personal style, by demonstrating greater sensitivity to popular concerns, and by limiting the once pervasive role of the security services.

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Algeria

Population	20,695,000; 80 percent Arab, 20 percent Berber
Government	Republic; single-party rule
Head of state	Chadli Bendjedid
Religion of native population	99 percent Sunni Muslim, 1 percent Christian and Jewish
Literacy rate	35 percent
Population, 15 years and under	50 percent
Oil production	700,000 b/d in 1983
Foreign reserves less gold	\$1.8 billion in November 1983
Gross domestic product	\$42.9 billion in 1982
Size of armed forces	148,000

Bendjedid's benign demeanor, however, belies a toughness and political cunning that he has put to good use in establishing his authority over the country. In consolidating his power, he has preferred to move patiently and discreetly, using the formidable official powers given the President to weed out the radical holdovers from the previous regime.

Bendjedid practices a collegial style of leadership. Embassy reporting suggests that most major decisions are made in concert with an inner circle of trusted loyalists whose influence depends on their personal relationship with the President or their demonstrated expertise. This system of decisionmaking assures consultation among the political actors—the military, the FLN, and the technocratic elite—and prevents individuals from rivaling the President's influence. Although Bendjedid routinely covers his political flank through wide consultations, we believe he seeks first and foremost the approval of the military. He does so partly because he is cut from the same cloth and is well aware that the military is the only source of power that could effectively challenge a presidential initiative.

**Democratic and Popular Republic of Algeria,
Leading Government Officers**

President	Bendjedid, Chadli, Col.
Prime Minister	Brahimi, Abdelhamid
Minister of State for the Presidency	Abdelghani, Mohamed Ben Ahmed
Minister of Agriculture and Fishing	Kasdi, Merbah, Col.
Minister of Commerce	Khellef, Abdelaziz
Minister of Culture and Tourism	Meziane, Abdelmajid
Minister of Energy, Chemical, and Petrochemical Industries	Nabi, Belkacem
Minister of Finance	Benhamouda, Boualem
Minister of Foreign Affairs	Taleb Ibrahim, Ahmed, Dr.
Minister of Heavy Industry	Saadi, Salim, Lt. Col.
Minister of Higher Education	Bererhi, Abdelhak Rafik
Minister of Hydraulics, Environment, and Forests	Rouighi, Mohamed Ali
Minister of Information	Rouis, Bachir
Minister of Interior and Localities	Yala, M'hamed Hadj
Minister of Justice	Baki, Boualem
Minister of Light Industry	Messaoudi, Zitouni
Minister of National Defense	Bendjedid, Chadli, Col.
Minister of National Education	Kherroubi, Mohamed Cherif
Minister of Planning and National Development	Oubouzar, Ali
Minister of Posts and Telecommunications	Bessaieh, Boualem, Col.
Minister of Professional Training and Labor	Nabi, M'hamed
Minister of Public Health	Houhou, Djamel Eddine
Minister of Public Works	Benfreha, Ahmed
Minister of Religious Affairs	Chibane, Abderrahmane
Minister of Social Protection	Ounissi, Z'hor
Minister of Transportation	Goudjie, Salah
Minister of Urban Planning, Construction, and Housing	Belayat, Abderrahmane
Minister of Veterans	Nemmiche, Djelloul Bakhti
Minister of Youth and Sports	Bouchama, Kamal

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The Military and the FLN

Under Bendjedid, the Army, Air Force, Navy, and gendarmerie, collectively known as the People's National Army (ANP), continue to exert the subtle but pervasive control of Algerian politics that they have held since independence. The military derives its political clout from its monopoly of organized force, which it rarely has had to use, its status in Algerian society, and its control of key party and government positions. The ANP promotes its viewpoint primarily through its control of the FLN. In addition, active military officers hold eight of the 28 Cabinet seats. [redacted]

The FLN—theoretically the locus of all power—is now basically a facade behind which military officers and key government leaders consult and legitimize their policies. The functionaries and party ideologues who administer the party have become increasingly less powerful in the years since independence and under Bendjedid have had their influence further reduced. Bendjedid has transferred greater power to the secretary general—a position he holds—and has eliminated many leftists from positions of influence. As a result, the FLN burnishes the legitimacy of Bendjedid's regime even as he has dismantled the stricter socialist structures of the Boumediene era. [redacted]

The Opposition

In our judgment, no formidable opposition exists in Algeria today. The US Embassy in Algiers reports that opposition groups—all of which are illegal—are small, fragmented, and forced to operate clandestinely or outside the country. Moreover, many of the potential opposition leaders are either in exile or have retired from active political life, and most have become irrelevant to Algeria's political and economic reorientation. Bendjedid has also had some success in neutralizing foes, particularly leftists, by granting pardons and allowing some members of the opposition to return to Algeria. Furthermore, the clashes that occasionally erupt among university students, fundamentalists, and workers have been easily contained by Algeria's police and security services. [redacted]

In our view, Islamic fundamentalists present the greatest problem for the regime at this time, even though the groups are small and poorly organized and the government controls the religious establishment.

The heightened religiosity throughout the Islamic world has spurred a revival in Algeria that has led to a handful of violent demonstrations over the past three years and caused the regime to pursue a more aggressive policy in dissolving militant fundamentalist groups. [redacted]

A broader source of underlying tension in Algerian society stems from ethnic and linguistic fissures that have plagued Algeria in some cases for centuries. For instance, the Kabyle Berber region¹⁰ has historically been a center of opposition to the central government. Far from desiring regional autonomy, however, Berber resentment and unrest arise mostly out of what is perceived to be the government's discrimination and neglect, particularly in the armed forces and in education. [redacted]

Foreign Policy

Algerian foreign policy under Bendjedid is marked by moderation and pragmatism. Bendjedid has muted Algeria's anti-Western rhetoric and applied the principles of nonalignment more evenhandedly in hopes of reducing Algeria's dependence on the Soviet Union for arms and expanding ties with the United States. Nonetheless, the traditional Algerian principles of nonalignment and self-determination remain elements of Algerian foreign policy and are of signal importance on such issues as Western Sahara and North-South cooperation. [redacted]

An important feature of Bendjedid's pragmatism is his promotion of regional cooperation under the rubric of "greater Maghreb unity," which thus far has included a meeting with Moroccan King Hassan and the resolution of a longstanding border dispute with [redacted]

¹⁰ The Kabyles of the Kabyle Mountains east of Algiers are the largest of the Berber groups in Algeria. Second are the Chaouias of the Aures range south of Constantine; the M'zabites of the northern part of the Sahara region and the Tuaregs of the southern Ahaggar mountains exist only in small numbers. [redacted]

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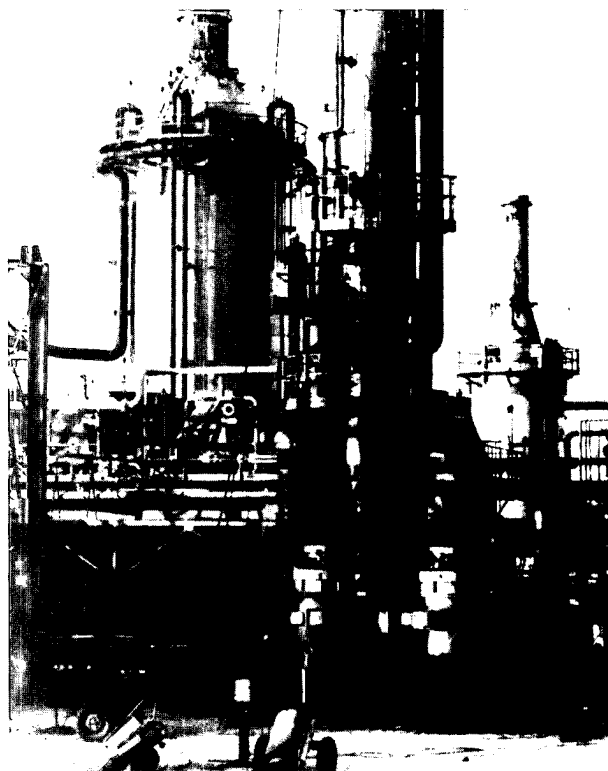
Tunisia. In pursuing these goals, we believe Bendjedid is motivated not only by domestic concerns but by broader political objectives:

- Orchestration of regional cooperation to preclude superpower involvement and encirclement by unfriendly states in the Maghreb.
- Encouragement of greater economic interchange.
- Containment of Libyan adventurism.
- Assertion of Algerian leadership in North Africa.
- Positioning Algiers to influence a post-Bourguiba Tunisia. [redacted]

As in North Africa, Algeria shows growing support for Middle East stability and Arab unity. Technically still a member—along with Libya, Syria, South Yemen, and the PLO—of the Steadfastness Front, which opposes the Camp David accords, Algeria has resisted efforts to breathe new life into the front and instead accepted a large contingent of PLO combatants expelled from Lebanon, participated in the 1982 Fez summit, and responded positively to US Middle East peace initiatives. [redacted]

Algeria's ties with the West have historically been driven by economic concerns and geographic proximity rather than ideological affinity. Bendjedid has signaled to West European countries that he would like to broaden Algeria's ties to include military cooperation. Encouraged by socialist governments in Western Europe, Algiers is likely to use a two-pronged approach to obtain additional assistance from Western Europe in the next several years. What Algeria cannot achieve through direct government contacts, it will try to obtain via party-to-party contacts. [redacted]

Despite Algiers's efforts to expand ties with the West, Algerian-Soviet ties remain dominant. Moscow supplies almost all of Algeria's military equipment, and, according to Embassy reporting, some 1,800 Soviet advisers constitute the largest foreign advisory group in Algeria. Wary of excessive dependence on Moscow, Bendjedid is seeking to diversify the military's arms procurement and training and has tried to soften Algiers's identification as a Soviet client. A significant shift in Algeria's military relations in the near future, however, is unlikely. Possessing one of the most modern military machines in Africa, Algiers will continue to deal with Moscow to keep its relatively new inventory operational. [redacted]



Petrochemical plant at Arzew. [redacted]

These significant foreign policy adjustments under Bendjedid have created a confluence of interests with the United States that is unique in the history of the two countries' relations and, in our view, is durable. The sale of 14 C-130 aircraft in the last two years, the granting of Foreign Military Sales eligibility, and the unprecedented trip of the US Vice President to Algiers in 1983 demonstrate that Bendjedid has determined that cultivating stronger, more open ties with the United States is no longer a political liability at home. Despite advantages Algiers may see in closer ties with Washington, divergent ideological perspectives will present constraints, and Algiers will be cautious in its efforts to strengthen those ties. [redacted]

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The Economy

The petroleum sector provides the foundation of Algeria's economy. Algeria follows Libya and Nigeria as the third-largest African petroleum producer. Hydrocarbons provide 95 percent of Algeria's export earnings and represent about 30 percent of GDP. Within the last few years the hydrocarbon export mix has shifted away from crude toward condensate, refined products, and natural gas. [redacted]

In the early 1970s the Algerian Government embarked on an ambitious investment program in an effort to diversify and industrialize the economy quickly by using oil revenues and, later, gas revenues for financing. This program, which allocated 40 percent of GDP to investment, directed money primarily toward heavy industry. By 1977 the Algerian leadership, faced with rapidly escalating foreign debt and only marginal progress in industrialization, altered its development strategy and postponed or canceled some of the large gas development projects. In development plans since that time, more of the investment has been focused on previously neglected sectors, such as transportation, housing, public services, and light industry in order to satisfy the Algerian public and also to ensure the necessary infrastructure to sustain future economic growth. Hydrocarbons, however, still receive the largest share of investment funds. [redacted]

Agriculture employs 30 percent of the Algerian labor force but provides only 6.5 percent of GDP. Agricultural production has stagnated during the past two decades while the population has increased, requiring larger food imports. Several factors are responsible for the stagnation:

- Significant shortfalls in the use of investment funds allocated to agriculture, resulting in insufficient replacement of equipment, inadequate development of water resources, and serious deterioration of irrigation structures.
- A government food price policy that has made agricultural activity unprofitable.
- A decline in the agricultural labor force spurred on by wage policies that have caused inequalities between the urban and rural sectors.

- An overly cumbersome centralization of planning, investment, and marketing systems and lack of coordination between these organizations.

The current development plan attempts to address some of these problems, and some organizational and pricing changes have been made. Many of the proposals for improvements in agriculture, however, are vague. [redacted]

The recent decline in oil and gas revenues as a result of the weak international market has resulted in a decrease in government spending on current development projects and an abrupt decline in imports. The Algerian populace has been shielded to some extent from the impact of these unofficial austerity measures. To help offset the impact of austerity, a 10-percent minimum wage increase was granted at the end of 1982, the tax exemption limit raised, substantial subsidies retained on more basic food items, and conveniences such as checking account services and government supermarkets set up. So far the government does not seem to be in any danger of public disapproval for its economic actions, but further belt tightening may pose problems. [redacted]

Algeria's rapid population growth rate—at 3 percent in recent years, second only to Libya in North Africa—has strained the country's economic and social systems. Schools are run on split schedules in order to accommodate the student load. The housing construction rate targeted at 300,000 dwellings per year in the current development plan is not enough to reduce the occupancy level of seven people per unit. Rapid population growth coupled with a stagnating agricultural sector has led to rising food imports. The increasing numbers of unemployed young adults will become an increasing political liability for the government. [redacted]

The Algerian Cabinet adopted a five-year program in February 1983 to address family planning issues. It stated at the time that positive action to reduce the birth rate had become indispensable for any lasting improvement in the country's economic productivity or in its ability to respond to the social needs of the

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population. Although a national seminar on family planning was held as a result of this program a few months later, it will be several years before the population squeeze eases. Meanwhile, Algeria must not only persist in its family planning efforts, but must find effective ways to keep population strains under control. [redacted]

If Bendjedid suddenly died, moderate military elements would probably again carry decisive weight in the succession and would choose someone from their ranks. If a new president assumed office in the next several years, he probably would not significantly deviate from Bendjedid's programs. [redacted]

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Outlook

Algeria is likely to be politically and socially stable for some time to come. Bendjedid is secure for the near term, having anchored his men in the government, the FLN, and the military to the point that his reelection at the party congress in 1984 was not contested. Even though some groups in Algerian society are disappointed that neither the revolution nor Bendjedid's liberalization policy have lived up to expectations, Bendjedid is more popular than either of his predecessors, and many Algerians believe life has improved during his administration. [redacted]

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The Army will remain the real power broker in Algerian politics for the near future. More than any other interest group, the Army has a stake in preserving a system in which its privileged position is uncontested. Moreover, Bendjedid has further reduced the chance for friction between himself and the armed forces by being sensitive to the military's concerns. [redacted]

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A number of Algerian problems, especially population pressures and unemployment, are likely to trouble the regime over the next decade. As the regime's economic policies promote greater industrial diversification, concern over departures from traditional lifestyles is likely to grow. In the long run, factors of instability could coalesce in an explosive mix that even the Army could not control. It is difficult to predict, however, what force—other than the Army—could channel them into an effective political movement. It is unlikely that Algeria will return to the radical posture of the Boumediene era. Should economic failure, scandals, or some other crisis threaten the regime, Bendjedid would probably become the Army's scapegoat in the name of preserving stability and protecting its interests. While the leadership would be different, the country's political elite would remain intact, as would its generally pragmatic outlook. [redacted]

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Tunisia

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Tunisia

Habib Bourguiba has been Tunisia's President since the country gained independence from France in 1956. Under his leadership, Tunisia has experienced remarkable economic growth despite its narrow resource base, limited markets, and a shortage of investment capital. Bourguiba's prestige and keen political acumen have discouraged serious challenges to his authority during this period. His policy of friendship with the West has gained Tunisia a large measure of protection from its larger, better armed neighbors, Libya and Algeria.¹³ [redacted]

Despite these achievements, Tunisia will face unprecedented challenges soon. Bourguiba—80 years old and ailing—is nearing the end of his rule. His paternalistic, authoritarian style has stifled demands among increasingly well-educated Tunisians to liberalize the country's political system. Rapid modernization and improvements in the standard of living have generated unrealistically high expectations for prosperity and opportunity among all classes of Tunisians—including the country's youth; over 70 percent of the population is 26 years old or younger. An increasing number of Tunisians have responded to the dislocations of rapid social change by embarking on a search for their cultural, linguistic, and religious identity. These developments have weakened the institutional fabric of political life in Tunisia and increased the chances for instability in the post-Bourguiba era. [redacted]

Bourguiba's Tunisia

Habib Bourguiba has been at the forefront of Tunisian politics for almost 50 years. The prestige and power that have accrued to him from his role in leading Tunisia's drive for independence have secured his predominant position in Tunisian politics. [redacted]

Bourguiba is a consummate politician who has dedicated himself to steering Tunisia on a path consistent with his values and vision of Tunisia's future. He has sought to avoid coercion and repression and to blend pragmatism and rapid change. In doing so, however, his avowedly secular policies have largely ignored the

¹³ Statistical information on economic, social, and military trends in Tunisia is located in the appendix. [redacted]



Habib Bourguiba, President of Tunisia. [redacted]

Wide World ©

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Arab-Muslim character of Tunisian society, contributing to a malaise caused by the disruption of traditional values. [redacted]

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Bourguiba's genius has been his ability to make Tunisia's closed political system work for nearly 30 years behind a democratic facade. Bourguiba has presided over the drafting of a constitution, sponsored elections, created political institutions, and in 1976 regularized the procedures for succession. Under Bourguiba, a modern political party—the Destourian Socialist Party, successor to the Neo-Destour Party founded by Bourguiba in 1934—became a key source of legitimacy for the regime. [redacted]

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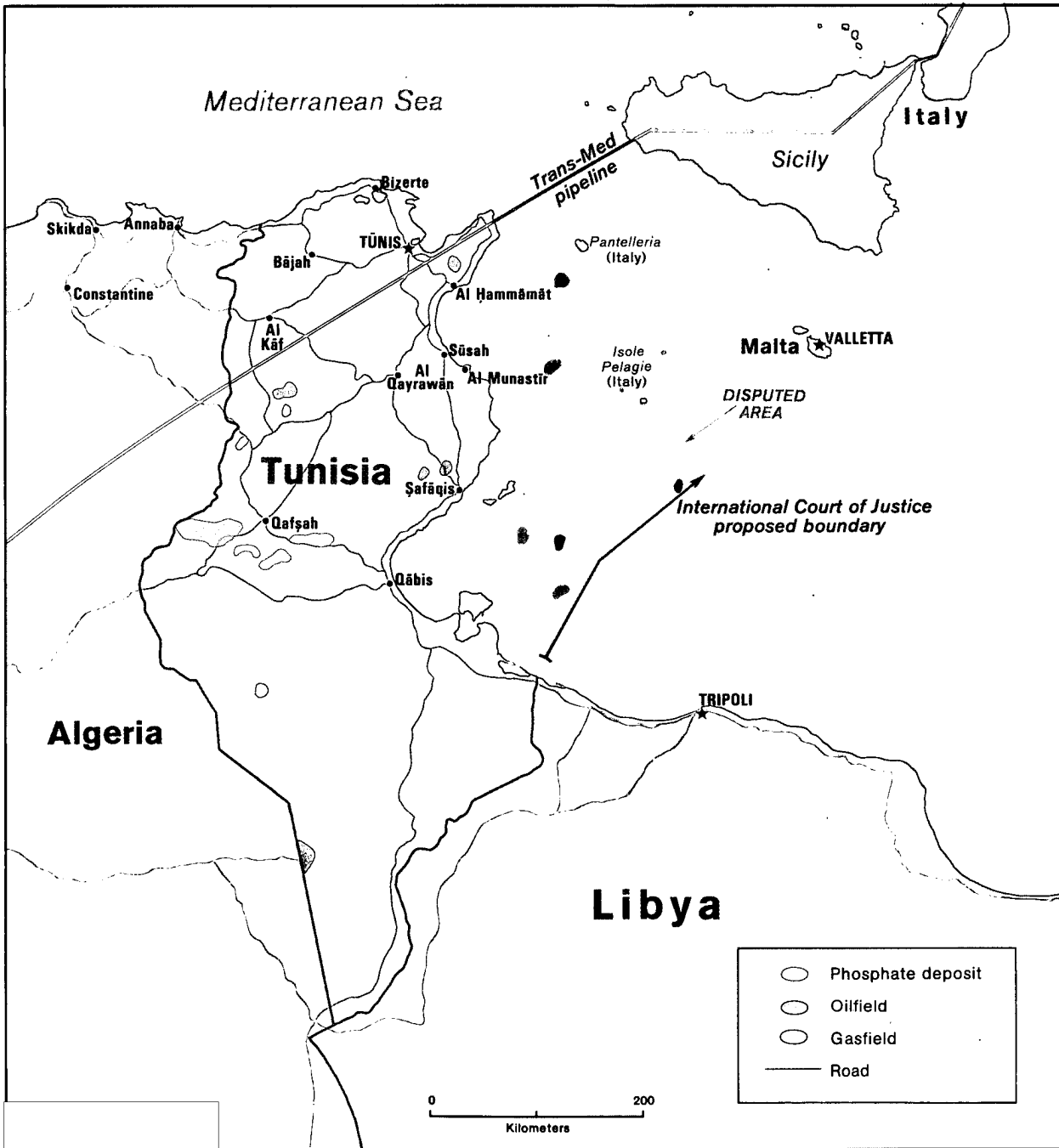
Bourguiba, however, has until recently retained a stranglehold on power. He has replaced Cabinet ministers at will and severely limited the political independence of even his most trusted subordinates. Although Tunisia's National Assembly and President are elected concurrently every five years, an amendment in 1974 named Bourguiba President for life.

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Tunisia

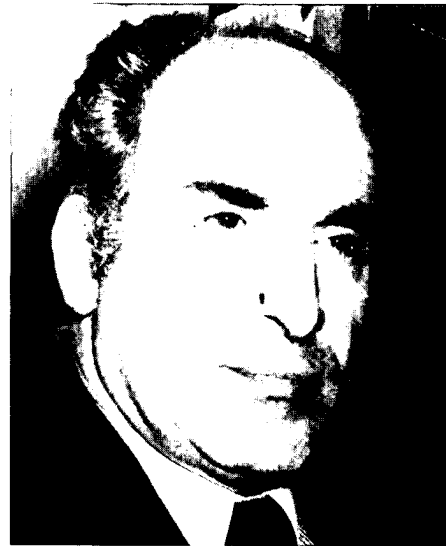


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Tunisia

Population	7,020,000
Government	Republic
Head of State	Habib Bourguiba, president Mohamed Mzali, prime minister
Religion of native population	98 percent Sunni Muslim, 2 percent Christian and Jewish
Literacy rate	62 percent
Population, 15 years and under	46 percent
Oil production	120,000 b/d in July 1983
Foreign reserves less gold	\$578 million in November 1983
Gross domestic product	\$7.9 billion in 1982
Size of armed forces	48,000

[Redacted]



Mohamed Mzali, Prime Minister of Tunisia. Al-Hawadith ©

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Bourguiba also was accused, [Redacted] of interfering in the election in November 1981 to ensure the appointment of his favorites to the legislature. [Redacted]

Except for the politically insignificant Communist Party, Bourguiba's Destourian Socialist Party (PSD) was until recently Tunisia's only legal political group. While its open membership, coordination committees in the governorates, and cells among Tunisian workers provide important avenues for political participation, disciplinary commissions ensure loyalty to the party line. Under the watchful eye of Bourguiba the PSD explains and mobilizes support for government policies. [Redacted]

The Succession Issue

Bourguiba's age and failing health have weakened his hold on power over the past several years. [Redacted]

[Redacted]

The question of who will succeed Bourguiba has been the key political issue in Tunisia for some time, but until the mid-1970s Bourguiba vacillated over how his

successor should be chosen. Finally, in 1976 Bourguiba sponsored a constitutional change specifying that in case of a presidential vacancy the prime minister will assume the functions of the presidency for the remainder of the term of the National Assembly—which currently runs until November 1986. If the prime minister is incapacitated, next in line are the president of the National Assembly and the Minister of Justice. Presidential candidates for a new term must be approved by a government commission and then run against each other in a nationwide popular election. [Redacted]

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Widespread riots in January 1984 over the sudden removal of bread price subsidies have clouded the issue of presidential succession. Prime Minister Mzali blamed Interior Minister Driss Guiga for mishandling the riots, ousted him from the cabinet, and assumed the Interior portfolio himself. It is unclear whether this marks a permanent eclipse of Guiga, who was a leading contender for the succession, or simply a temporary dip in his political fortunes. It is also uncertain how secure Mzali's position is, since the public largely blames him for the unpopular price

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hikes. Should Mzali falter, Foreign Minister Beji Caid es-Sebsi would be a likely candidate to succeed Bourguiba. [redacted]

The political struggle is complicated by the interference of Bourguiba's wife Wassila, who is a bitter foe of Mzali, and Habib Bourguiba, Jr., the President's son by a previous marriage who occupies the post of special adviser. [redacted]

The Tunisian armed forces generally have been apolitical. Since independence, President Bourguiba has maintained tight civilian control over the military and kept it out of political controversies. But senior officers—drawn from the Tunisian establishment that produces the government and party elite—have a strong stake in stability. If the succession is accompanied by prolonged crisis, the military may move to secure an orderly transfer of power or to ensure that its own favorite assumes the presidency. [redacted]

Pressure Groups

Organized opposition groups in Tunisia have not gained a great deal of strength, in large part because the PSD co-opts many critics of the regime. Several groups, however, have the potential to significantly influence Tunisian politics in the post-Bourguiba era. They include disaffected liberals, trade unionists, and Islamic fundamentalists. Other opponents of the regime, such as the socialist-oriented Movement of Popular Unity, Ba'thists, Nasserites, and several extreme leftist groups, operate clandestinely or have been based abroad and have little following. [redacted]

The *Social Democrats*, led principally by Ahmed Mestiri, are the most visible and tolerated of the exclusively political opposition groups. Recently legalized, they are a collection of former government officials and members of the PSD who draw their support largely from the professional middle class. The Social Democrats are reformers who favor working within the system to accomplish its modification. [redacted]

**Republic of Tunisia,
Leading Government Officers**

President	Bourguiba, Habib
Prime Minister	Mzali, Mohamed
Special Adviser to the President	Bourguiba, Habib, Jr.
Minister of Agriculture	Ben Osman, Lassad
Minister of Culture	Ben Slama, Bechir
Minister of Family and Women's Advancement	Mzali, Fathia
Minister of Finance	M'Barka, Salah Ben
Minister of Foreign Affairs	Caid es-Sebsi, Beji
Minister of Higher Education and Scientific Research	Ben Dhia, Abdelaziz
Minister of Housing	Amor, Moncef Bel Hadj
Minister of Information	Kefi, Abderrazak
Minister of Interior	Mzali, Mohamed
Minister of Justice	Chaker, Mohamed
Minister of National Defense	Baly, Slaheddine
Minister of National Economy	Sfar, Rachid
Minister of National Education	Chedli, Mohamed Fredj
Minister of Plan	Khelil, Ismail
Minister of Public Health	Touhami, Habib
Minister of Public Works	Ben Jomaa, Sadok
Minister of Social Affairs	Ennaceur, Mohamed
Minister of Tourism and Handicrafts	Chelbi, Ezzedine
Minister of Transport and Communications	Khouaja, Brahim
Minister of Youth and Sports	Kraiem, Mohammed
Minister Attached to the Prime Minister	Kooli, Mongi
Minister Attached to the Prime Minister for Civil Service and Administrative Reform	Chekir, Mezri

The *labor movement* in Tunisia rivals the ruling PSD in size, organization, and longevity. Following independence, the General Union of Tunisian Workers (UGTT)—Tunisia's main labor union federation—was successfully used by Bourguiba as an instrument of support for his far-reaching social and economic programs. Over the last 10 years, however, the

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UGTT, headed by Habib Achour, has gradually become large enough and sufficiently broad based to challenge the ruling party and government on economic issues. [redacted]

visits by their naval combatants to demonstrate their interest in Tunisian security. Bourguiba has often referred to the US 6th Fleet as Tunisia's "shield in the Mediterranean." [redacted]

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Islamic fundamentalists are gaining strength and have become more active since Ayatollah Khomeini's takeover in Iran in 1979. The fundamentalists, most of whom are organized into the *Mouvement de la Tendance Islamique* (MTI), are pushing for a return to the more conservative doctrines of Islam to halt what they regard as the moral decay brought about by Bourguiba's strongly secular policies. More extreme fundamentalist groups, such as the Islamic Liberation Party or Hizb al-Tahrir, favor replacing the government with religious leaders. Continuing attempts by Tunisian security forces to check fundamentalist activity—including the arrest of the MTI leadership in 1981—have failed to stem the appeal of the Islamic resurgence. Radical Muslims moved quickly to exploit public anger when bread riots erupted in January 1984. The fundamentalists are the only important opposition group with any interest in destabilizing Tunisia and would almost certainly try to take advantage of the uncertainty and political infighting that might ensue following Bourguiba's departure. [redacted]

Bourguiba's firm pro-Western orientation also is designed to elicit foreign aid and investments. Washington has provided Tunis with almost \$1 billion in economic assistance since Tunisia gained independence in 1956, but the United States plans to phase out its concessional economic assistance program by 1985 because Tunisia's growing per capita income makes it ineligible for further PL-480 concessional aid. Differences with France resulting from claims for compensation for property nationalized by Tunisia in 1964 have led to several temporary cutoffs of French economic aid. Former French President Giscard's strong concern to preserve Paris's historic spheres of influence led him to restore French assistance in the mid-1970s. [redacted]

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Tunisia consistently adopts a moderate approach to international problems. Tunisia has encouraged dialogue and compromise in international forums such as the Organization of African Unity, the Arab League, and the United Nations. [redacted]

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Tunisia's Foreign Policy

The chief concern of Tunisian foreign policy is to protect the country from its larger neighbors—Libya and Algeria. Tunisia considers its fears confirmed by the raid on Qafsah in 1980 by Tunisian dissidents backed by Libya with the collaboration of some Algerian FLN officials. Tripoli's continuing support for Tunisian exiles contributes to Tunis's distrust of Libyan leader Qadhafi even during his periodic attempts to mend fences. Tunisian relations with Algeria have improved, however, since the two countries signed an agreement in March 1983 resolving their longstanding border dispute. [redacted]

At the same time, Tunis maintains cordial relations with a number of East European states and normal, but not overly warm, relations with the Soviet Union in part to enhance its nonaligned credentials. Tunisia permits Soviet naval visits and the use of ship repair facilities by vessels of the Soviet Mediterranean squadron. [redacted]

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Tunisia's strongest relations predictably are with the moderate Arab states, and it has adopted a balanced approach to Arab-Israeli issues. Bourguiba, for example, has quietly endorsed the Camp David accords and has worked behind the scenes to encourage Arab acceptance of Israel. On the other hand, Tunisia sent a small military contingent and material aid to Egypt and Syria during the 1973 war with Israel and has strongly endorsed the Palestinian's right to statehood. The success of this balanced policy was highlighted in 1979 when Arab states opposing the Camp David

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Lacking the manpower and resources to keep pace militarily with Libya and Algeria, Bourguiba has forged tacit security relationships and acquired virtually all of its arms and training assistance from France and the United States. Tunisia also welcomes

[redacted]

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Modern facilities, fine beaches, and historic scenery at Al Hammamat, a center of Tunisia's tourist industry.

accords moved the seat of the Arab League from Cairo to Tunis, and in 1982 when the leadership of the Palestine Liberation Organization chose Tunis for its headquarters after the PLO evacuated Beirut.

Development Strategy

Tunisia's economy, which prospered in the immediate postindependence period thanks to a relatively stable political environment under President Bourguiba, now faces some challenges. Worldwide recession of the last few years has severely affected Tunisia's major foreign exchange earners—petroleum, tourism, and phosphates—and has hampered economic growth. A well-educated populace is demanding more social spending and is critical of higher military outlays. The limited improvement in agricultural performance is not enough to reduce imports of a high portion of domestic food needs, while rising unemployment and inflationary tendencies are also adding to economic difficulties.

Tunisia is interested in promoting oil and gas exploration and development but is cautiously basing its five-year development plan on the assumption of no major new oil discoveries and a gradual reduction of oil exports. Given current growth in domestic oil consumption and projected oil production levels, Tunisia

should continue as a net oil exporter only through the remainder of this decade. More than 30 foreign companies are involved in exploitation and development of Tunisia's oilfields and gasfields. None of the oil exploration areas is expected to contain large fields, but Tunisians hope that they will be commercially exploitable.

The boundary dispute between Libya and Tunisia affecting offshore oil exploration is now at a standoff. Although the line proposed by the International Court of Justice has not been officially recognized by either country, oil firms are set to resume exploration and production plans based on this line. On the Tunisian side of the line the fields appear to be of only modest size at best.

Agriculture, which chronically lags behind the rest of the economy and meets only 50 percent of domestic food consumption, is one of the priority areas in current investment planning. Several institutional and policy measures, which affect producer prices, credit facilities, and marketing cooperatives, have been implemented recently to stimulate output. Projects are also under way to expand irrigated areas and increase the use of agricultural machinery.

Job creation is also a major concern. Current unemployment is estimated at 12 percent, with underemployment accounting for an additional 12 percent. Economic investment is being directed toward smaller, labor-intensive enterprises, especially in the less developed regions, to create more jobs. The traditional outlets for Tunisian labor in France and Libya have not grown in recent years. Although efforts to place Tunisian workers in the Persian Gulf states have been made, results have been limited. The slight warming in relations with Libya may ease unemployment somewhat in the near future, but domestic employment will still lag behind targets.

With net oil exports declining, unemployment rising, and per capita income at levels that make it increasingly difficult for Tunisia to obtain development assistance from traditional donors at concessional

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terms, Tunisia is counting on recently founded joint investment banks and direct foreign investment to help finance its development. Overall investment levels so far have been above target since the drive to encourage these joint banks began. Tunisia has had to seek some additional financing in Western Europe as well, but its supply of investment funds for the future looks healthy. [redacted]

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Outlook

The Tunisian political and administrative system and economy have several strengths that militate against prolonged domestic unrest. The leadership is well-educated and pragmatic and recognizes that it faces urgent problems. The current five-year development plan, for example, is designed to ease unemployment, an increasingly difficult political issue. [redacted]

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Nonetheless, the domestic scene will become more volatile when Bourguiba is no longer President. Bourguiba's successor is likely to encounter increasing demands to open up the political system and to face far more criticism of his social and economic policies. Although most opposition groups and figures are expected to pursue their goals through legitimate channels, over time their opposition could lead to a considerable weakening of presidential power. Furthermore, a prolonged and divisive succession period increases the possibility that the military may intervene in politics for the first time. [redacted]

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Tunisia can be expected to identify less openly with the United States and assume a more pro-Arab and nonaligned foreign policy in the post-Bourguiba era. It is unlikely, however, that Tunisia would move close to the Soviets or grant them basing rights. Ties to the United States and Western Europe will remain important for defense support and economic investment and trade. Despite the attraction of improved economic cooperation with Libya in the post-Bourguiba period, the Tunisian Government will remain wary of Libyan subversion or interference as long as Mu'ammar Qadhafi is in power in Tripoli. [redacted]

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Libya

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Libya

Libya is a country that looms large on the international scene—not because of its resources or accomplishments, but because its leader, Mu'ammur Qadhafi, sees himself in grandiose terms, has a talent for generating publicity that magnifies his every act, and has no compunctions about violating international norms. Libya's oil revenues have been a major factor in making Qadhafi more than a religious and political ideologue with near-dictatorial power. They have given him the means to purchase an impressive arsenal from the Soviet Union that far outstrips Libya's needs and to peddle his influence among weaker states of the region. They have brought enough prosperity to the country that, despite growing resentment of Qadhafi's "reforms" and fear of what he will do next, most Libyans seem prepared to put up with him. But it is Qadhafi's conviction that he is little short of a messiah that has fueled his policies and given him the ruthlessness to employ any method—from subversion to assassination—to achieve his ends. [redacted]



Col. Mu'ammur Qadhafi, Libyan chief of state. [redacted]

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Qadhafi and His Revolution

When Qadhafi and his colleagues seized power in 1969, Libya was still a traditional, tribal society whose local officials were largely tribal sheikhs. During the decade following his takeover, the regime experimented with various systems of mass organization and participation in an effort to replace traditional elites and to mobilize support for the new leadership. Some—like the creation of an Arab Socialist Union patterned after the one in Nasir's Egypt—were quietly abandoned; others, like the system of people's committees selected to run virtually every Libyan institution, have persisted. As time passed, Qadhafi's ideas, set forth in successive volumes of his *Green Book*, crystallized, and his efforts to implement them became more radical. In theory, Qadhafi's plan is for the people to control all aspects of their political and economic lives and for all government officials to be true public servants. In practice, however, Qadhafi—who has no official title—runs the country with an iron fist. He has destroyed virtually all private enterprise, imposed radical social practices on a tradition-bound public, advanced his own interpretation of Islam, and dragged an inward-looking population into

risky foreign adventures—all for the sake of building a modern, powerful, specifically Islamic state into which other Arab and Muslim nations should eventually incorporate. His attempts to transform Libyan life have stirred resentment in virtually every class in Libyan society. [redacted]

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Qadhafi created "revolutionary committees" in 1977 as a way of generating support for the regime and of monitoring compliance with its decrees, but these at first maintained a relatively low profile. As Qadhafi's revolution swung into high gear in 1980, he began to employ a variety of repressive mechanisms—arrests, show trials, executions of "economic criminals" and political opponents at home, and the murder of dissidents abroad—relying on the revolutionary committees as agents of the regime's oppression. [redacted]

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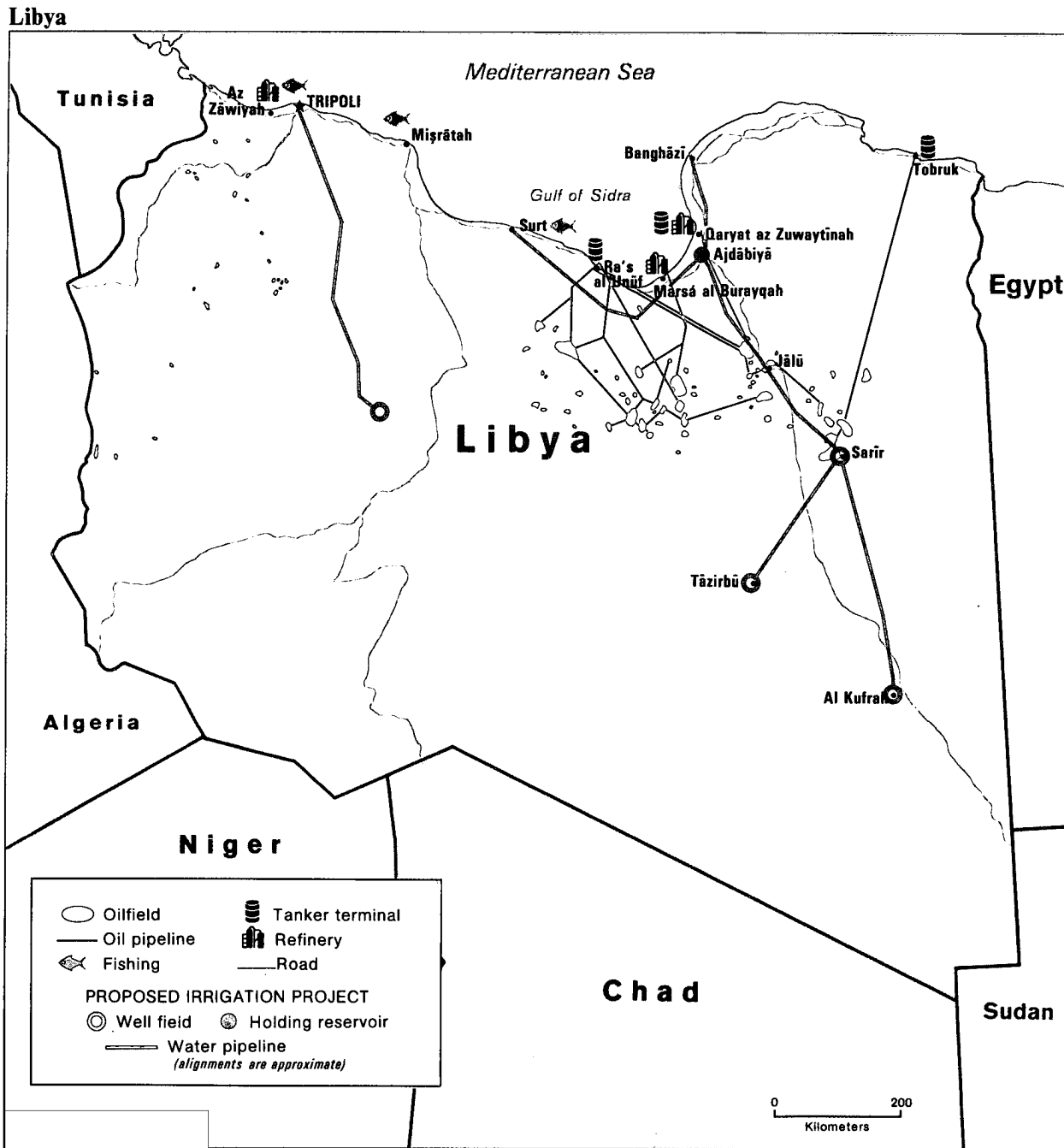
On the economic front, too, the regime launched an attack on the vestiges of Libyan capitalism. Initial revolutionary reforms had struck primarily at the middle class—the confiscation of houses not occupied

¹⁶ Statistical information on economic, social, and military trends in Libya is located in the appendix. [redacted]

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Libya

Population	3,498,000; 86 percent native
Government	Republic
Head of state	Col. Mu'ammarr Abu Minyar al-Qadhafi
Religion of native population	97 percent Sunni Muslim, 3 percent other
Literacy rate	50 percent
Population, 15 years and under	52 percent
Oil production	1.2 million b/d, 1983
Foreign reserves less gold	\$5.6 billion in October 1983
Gross domestic product	\$26 billion in 1982
Size of armed forces	78,835

[redacted]

by their owners, the takeover of many businesses by their employees, and the nationalization of import industries. But as more radical measures were adopted, the circle of those affected grew. After the nationalizations of the traditional *suqs* (small shops), all consumers were forced to shop in state-owned department stores, where long lines and shortages became facts of life. Access to individual savings above a certain minimum was blocked, a move that for the first time affected the lower classes as well as the middle class. Even more upsetting in a traditional Muslim society like Libya's was Qadhafi's attempt to transform the position of women, subjecting females, for example, as well as males to compulsory military service. [redacted]

The Army—especially the officer corps—has particular reasons for disillusionment with the regime. It has borne the brunt of Qadhafi's determination to inject Libyan power into places like Uganda and Chad, which both the population and the Army consider irrelevant to the country's interests and where casualties have been heavy. The regime's decision to introduce revolutionary committees into the ranks of the armed forces has meant that young zealots were often elevated over the heads of their superiors—a situation that destroyed military discipline and eroded morale.

High-level officers were among those arrested and executed during the 1980 purges. The lower ranks have their complaints as well; recruiting methods frequently involve deception, and desertions are not uncommon. [redacted]

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As a result of these factors, coup plots and coup attempts have become increasingly frequent in the past six years, most of them originating within the ranks of the military. Each is invariably followed by a series of arrests, which presumably adds to resentment within the military while discouraging its expression. [redacted]

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[redacted] In our judgment, however, military dissidence is the most serious problem faced by the Qadhafi regime. The unusual governmental structure Qadhafi has erected has no provision for succession and is not likely to survive much beyond Qadhafi's passing from the scene. Thus, in the event of Qadhafi's death or removal, there is likely to be a power struggle among a wide assortment of cliques and interest groups. [redacted]

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Spreading the Revolution

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A study of Qadhafi's *Green Book* and speeches indicates that Qadhafi's foreign policy aims are shaped by his conception of himself as an agent of vast historical forces that will ultimately transform society. Qadhafi looks at the world in terms of three successively larger arenas—the Arab, the Islamic, and the Third World—in each of which he, the true heir of Egypt's Nasir, is destined to play a leading role. In his view, the international community of Islam, with the Arab states at its heart, will grow in power and in time form an alternative to the leadership of the superpowers, attracting the adherence of the Third World in the process. Such a belief is both a motive and a rationale for endless meddling in world affairs, whether Arab, African, or areas further afield. [redacted]

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Libya (Socialist People's Libyan Arab Jamahiriya), Leading Government Officers

Chief of State	Qadhafi, Mu'ammar al-, Col.
Chairman, General People's Committee	Talhi, Jadallah Azzuz al-
Secretary of Agrarian Reform and Land Reclamation	Durdah, Abu Zayd Umar
Secretary of Atomic Energy	Qa'ud, 'Abd al-Majid al-Mabruk al-
Secretary of Communications and Maritime Transport	Hudah, Bukhari Salim al-
Secretary of Economy and Light Industries	Abu Furaywah, Musa Ahmad
Secretary of Education	Zulaytini, Abd al-Hafiz al-
Secretary of Electricity	Arbash, Jum'a Salim al-
Secretary of Foreign Liaison	'Ubaydi, 'Abd al-Ati al-
Secretary of Health	Langi, Murad Ali, Dr.
Secretary of Heavy Industries	Muntasir, Umar Mustafa
Secretary of Housing	Manqush, Muhammad Ahmad al-
Secretary of Information and Culture	Hijazi, Muhammad Mahmud
Secretary of Justice	Zuwayy, Muhammad bil Qasim al-
Secretary of Municipalities	Hijazi, Muhammad Mahmud
Secretary of Petroleum	Maqhur, Kamal Hasan al-
Secretary of Planning	Shakshuki, Fawzi al-
Secretary of Popular Committees	Zahmum, 'Abdallah
Secretary of Popular Conferences	Ba'wash, 'Ali
Secretary of Public Service	Mabruk, Muhammad Abdallah al-
Secretary of Social Security	Hasan, Ibrahim al-Faqi
Secretary of Sport	Quwaydir, Ibrahim
Secretary of Treasury	Sharlalah, Muhammad Qasim
Secretary of Unions, Trade Unions, and Professional Associations	Qarba, Mukhtar
Secretary of Utilities	Shukri, Muhammad Ubayd al-

In the mid-1970s Qadhafi began to translate these ideas into a concerted effort to undermine conservative governments by supporting—or creating—subversive groups and on occasion abetting international terrorist activity. Since that time, reports of Libyan

subversive activity have ranged from Latin America to the Far East, though Qadhafi has concentrated on his more immediate neighbors—North African and other Arab states. [redacted]

In Africa, Libyan activity over the past several years has centered on two targets: Sudan and Chad. Qadhafi's eagerness to overthrow Sudanese President Nimeiri stems from Sudan's willingness to stand with Egypt following the Camp David accords and cooperate with the United States, but it has been fueled by a personal antagonism between Qadhafi and Nimeiri that has assumed a life of its own. Qadhafi has sponsored three coups against Nimeiri, the latest in February 1983, when the United States moved AWACS aircraft to Egypt to discourage Libya from sending bombers over Khartoum. In Chad, Qadhafi is well into his second invasion in an effort to return to power a leader he prefers—one who will be amenable to his "guidance" and confirm Libya's historical claim to a strip of Chadian territory unilaterally annexed by Libya in 1973. Other countries—notably Niger and Togo—are seriously worried about the Libyan threat to their security. Qadhafi had more than a little to do with the recent coming to power of the Sankara regime in Upper Volta, and he has established special relationships with both Ghana and Benin that allow him to use their territory for subversive activities against various neighbors [redacted]

Qadhafi is philosophically inclined toward maintaining a neutral stance between the two superpowers, but his hatred of Western colonialism and of US support for Israel has propelled him closer to the Soviet Union and strained relations with the United States. The Soviets have supplied Qadhafi with his sizable arsenal—for which they have generally been paid in cash, except during the height of the oil glut—and keep some 1,500 military advisers in Libya for training purposes. There is no evidence of joint planning with respect to Qadhafi's subversive efforts in Africa and the Arab world, although the Soviets have given the

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Libyans cautious technical help during both incursions into Chad—in each case after the operation was well under way. The Soviets have made no effort to restrain Qadhafi by restricting his access to weapons and endorse his aims of undermining conservative regimes, replacing them with governments having a “revolutionary” orientation, and working to eliminate “vestiges of Western colonialism” in the area. [redacted]

Relations with the United States have grown increasingly sour during Qadhafi’s tenure. The United States withdrew its diplomats in December 1979 after the US Embassy in Tripoli was attacked by anti-American demonstrators reacting to the seizure of US hostages in Iran. After the Qadhafi regime began murdering Libyan dissidents in exile in 1980, the United States reacted to reports of Libyan harassment of its nationals in the United States by expelling all Libyan diplomats from Washington in May 1981. Relations reached a nadir the following August, when the United States, in the course of naval exercises in the Gulf of Sidra off Libya’s coast, shot down two Libyan jets. About the same time, reports began to circulate of Libyan efforts to arrange the assassination of President Reagan and other US officials, prompting the United States to issue stern warnings to Qadhafi, stop the import of Libyan oil, and bar travel by US citizens to Libya. Subsequent Libyan overtures have been met with the response that improved relations depend on an end to Libyan subversion and support for terrorism. [redacted]

Despite the number and range of Qadhafi’s efforts, his subversive activities have not been conspicuously successful. In many ways, his reputation is his most effective weapon. His two incursions into Chad have shown his neighbors that he will not hesitate to use his military arsenal. His dispatch of hit squads against Libyan dissidents has had an impact on African and Arab leaders worried about assassination. Nevertheless, Qadhafi is handicapped by serious vulnerabilities. The Libyan military has never approved of Qadhafi’s adventures in Uganda and Chad, and he cannot use the military without considering the possibility of a coup. His scattershot support for subversive groups has never proved effective. Qadhafi’s personal conduct of Libya’s foreign policy has rendered it erratic and ill informed; such foreign policy expertise as the country once possessed was all but destroyed

when Qadhafi converted embassies into “people’s bureaus” run by committee. Finally, Libya’s economic difficulties over the past few years have hampered its ability to bankroll foreign schemes and added to Qadhafi’s reputation for renegeing on his promises of aid. [redacted]

Economic Development

Qadhafi has used Libya’s oil wealth to finance a large-scale economic development program with increasing emphasis on state management of the economy, national control of the oil sector, and improvement of social services. Libya ranked as one of the poorest nations in the world at independence in 1951 and was heavily dependent on foreign aid. At that time, commercially exploitable quantities of mineral resources were unknown, and industrial development was nonexistent; over 70 percent of the population depended on rudimentary agriculture or nomadic livestock farming. The discovery of high-quality crude oil in 1959 marked a major turning point for Libya, rapidly transforming the sparsely populated country into a wealthy state with substantial financial resources for development. [redacted]

Oil revenues escalated sharply—especially after 1973—in response to Qadhafi’s hardline oil pricing policies. Despite the substantial expansion of the nonoil sector, revenues from petroleum still account for about 80 percent of government revenues, more than 50 percent of GDP, and virtually all export earnings, according to IMF estimates. [redacted]

Development expenditures rose from about \$162 million in 1969 to \$2.5 billion in 1974 and then escalated sharply with rising oil revenues. Development spending peaked at \$10 billion in 1981, despite the soft oil market. The regime has concentrated on diversifying the productive base of the economy and on reducing the inequality in income distribution. [redacted]

Petroleum-based export industries including petrochemical facilities and crude processing plants have received priority. The manufacturing and agricultural sectors, however, have received large allocations in

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support of Qadhafi's goal of domestic self-sufficiency. While most development has been concentrated in major urban areas along the coast, isolated areas have shared in the nation's prosperity, reflecting the regime's goal of equitable income distribution. [redacted]

Although officially stressed, agriculture—which employs almost 20 percent of the labor force—is unlikely to expand rapidly, and the exodus to the cities probably will persist. Low yields at high cost are a perennial problem, and the scarcity of water and arable land permits only limited improvements. Although the regime has established large desert agriculture projects, inappropriate cropping techniques are depleting underground water resources, which we believe could reach critically low levels by the early 1990s. The nationalization of agriculture is an issue that is causing popular disgruntlement. [redacted]

Qadhafi's drive to transform Libya rapidly into an industrialized, self-sufficient state has been at high cost. Libya's limited absorptive capacity has caused serious delays in project implementation and reduced the effective return on Tripoli's large development investments. Many showcase projects are too large to be operated efficiently under current market conditions or depend on imported raw materials. Libya's small population and dearth of domestic technical expertise force it to rely on a large foreign labor force—500,000 workers—to keep the economy afloat. [redacted]

Persistent soft oil market conditions since 1980 have cast a chill on economic activity.¹⁹ The government initiated an austerity program in 1982 in response to declining oil production—from 1.8 million b/d in 1980 to 1.2 million b/d in 1983—and lower petroleum revenues. Import controls were implemented to help stem the decline in the current account surplus. Government salaries were trimmed, subsidies lowered, and a central committee created to control public spending. Rapidly mounting financial imbalances forced Tripoli to trim the development budget by 19 percent in 1982 and hold spending to this level [redacted]



Agricultural self-sufficiency is a priority in Libya's development plans. [redacted]

in 1983. The financial shortfall has severely compromised the 1981-85 plan, which anticipated development spending of \$62 billion—double the amount of the previous plan. Several development projects including a large aluminum smelter and a major petrochemical complex have been delayed. The new level of development spending, however, is more consistent with Tripoli's absorptive capacity. [redacted]

Libyans have enjoyed substantial economic gains under the Qadhafi regime, especially the large lower class. Per capita GDP has soared to nearly \$8,000. Improvements in education have been dramatic; about 1 million students were enrolled in 1982 compared with 360,000 in 1969, and overall literacy jumped to over 50 percent, according to IMF estimates. While the recent economic setbacks have caused a decline in the standard of living, most Libyans still live reasonably well. The average Libyan is little affected by changes in the development program, and the nation's heavy dependence on foreign labor shields the population from the economic slowdown. [redacted]

Outlook

Although Libya's economic future looks secure, the political forecast is uncertain. Qadhafi's ruthless and efficient security services, his appointment of relatives [redacted]

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and fellow tribesmen to sensitive positions, and compulsive security precautions have succeeded in insulating him from growing popular and military discontent. We judge that he will be able to hold on to power for some time. Nevertheless, we also believe it likely that domestic unhappiness will continue to mount and that the likelihood of either a successful military coup or a power play against Qadhafi from within his inner circle will grow. We consider that a coup, a palace revolution, or perhaps assassination by a lone assailant are the most probable scenarios for Qadhafi's departure from the Libyan scene. [REDACTED]

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Before that happens, however, we expect Qadhafi to pursue the kind of foreign policy we have seen so far, marked by erratic bursts of aggressiveness and the use of subversion and terrorism, alternating with efforts to mend fences and pose as a key figure in Arab and international circles. Meanwhile, at home, we will see a population increasingly unhappy with Qadhafi's radical reforms, increasingly fed up with his foreign adventures, but reluctant—out of a combination of fear and passivity—to act, and a military prone to frequent but ill-considered attempted coups. [REDACTED]

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Mauritania

Mauritania

Mauritania, which has a paucity of human and material resources, is economically only marginally viable and will continue to depend on foreign assistance for some years. Ethnic and regional differences, complicated by nomadic migration south, are a primary cause for a lack of strong national identity. The military dominates the government and has been relatively successful in preventing the emergence of a cohesive opposition, even though ethnic and regional tension would seem to provide the impetus for such movements. Most Mauritians regard government as irrelevant to their lives but are likely to be forced to look more to the regime for basic human needs as food shortages and unemployment continue.²⁰ [redacted]

Military Government

Mauritania has been ruled by several military regimes since the overthrow of the civilian government of Moktar Ould Daddah in 1978. The Military Committee for National Salvation, which currently runs the country, in theory governs by consensus, although President Haidalla is clearly first among equals. Members of the committee—military officers from captain to colonel—hold key government and military positions. According to US Embassy reports, most members are moderate in the Mauritanian context, and most of the country's political, ethnic, and regional factions are represented. [redacted]

Haidalla has established a degree of stability in Mauritanian politics that was lacking during the early years of military rule. The President, who has been in power four years, has survived by manipulating the country's various factions, especially among the northern Arabic-speaking Moorish tribes and between Moors and blacks. Haidalla, reputedly an honest and religious man, distributes Mauritania's few spoils to co-opt potential opponents and creates alliances that often dissolve quickly. [redacted]

Haidalla has matured in office and appears to govern with a firm hand, according to US Embassy reports. He has become more sensitive to the problems of the country and has worked to explain government policies and dilemmas to a wide audience throughout the country. [redacted]

²⁰ Statistical information on economic, social, and military trends in Mauritania is located in the appendix. [redacted]



Mohamed Ould Haidalla, President of Mauritania. [redacted] Sygma ©

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The regime's current program to bring a form of democracy to Mauritania is called "Structures of the Education of the Masses." This project is a political and economic communications network with the main goal of involving politically apathetic Mauritians in national politics and economic development through decentralized cooperatives and advisory groups, according to the US Embassy. The movement has had some success, according to the Embassy, despite the impediments created by traditional tribal and racial conflicts and the difficulties of organizing a widely dispersed, largely illiterate, and extremely poor society. At a time when Mauritania's economic situation is near disaster, the program may provide an outlet for grievances and a structure for mobilizing government and self-help efforts. [redacted]

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Racial Differences and Tensions

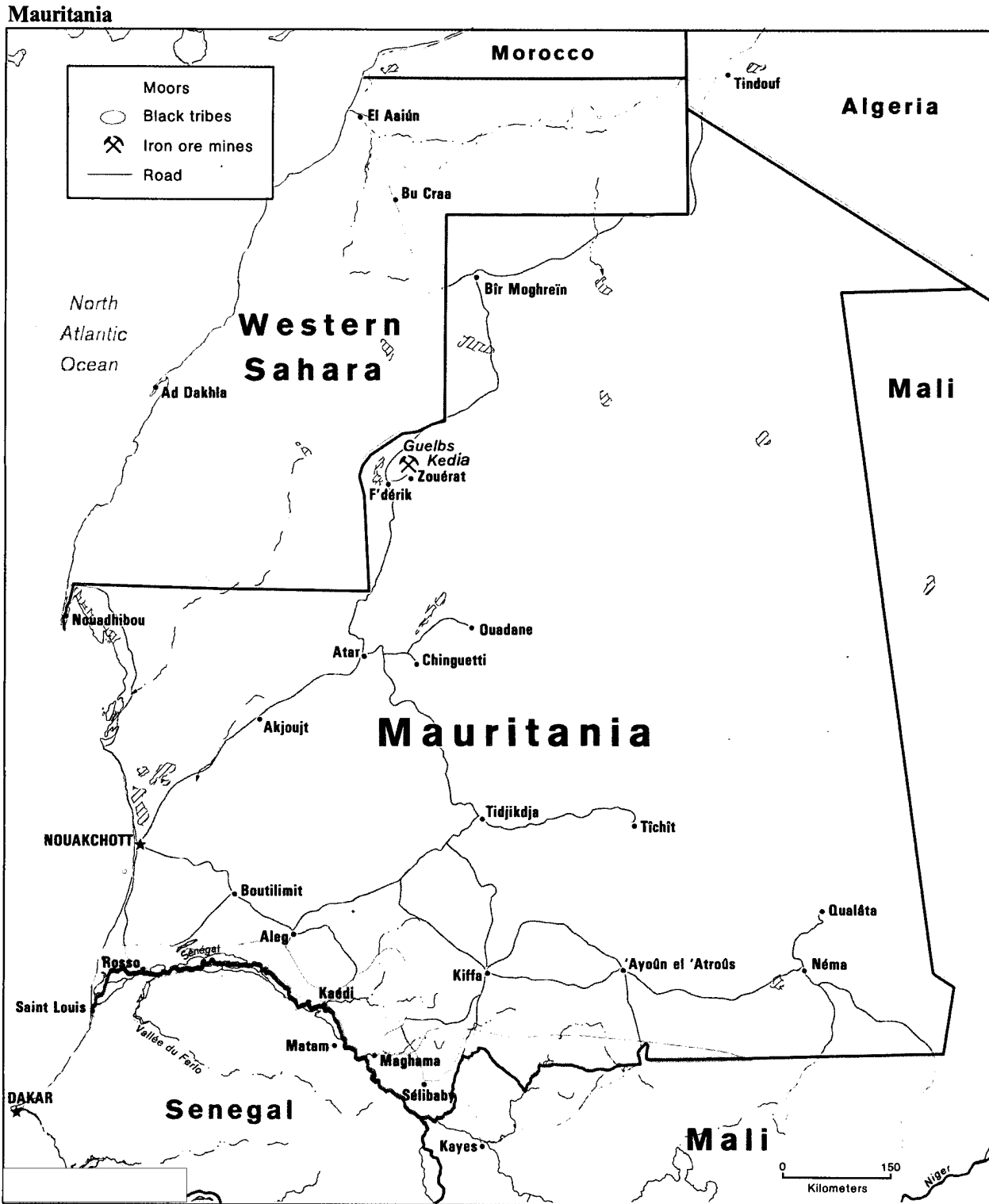
Racial tension is perhaps the most serious threat to Mauritania's long-term stability, in our opinion. The country's population of 1.6 million is divided into distinct and antagonistic societies that have fundamentally different psychologies, lifestyles, and cultural heritages. [redacted]

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Mauritania

Population	1,591,000
Government	Republic, military rule
Head of state	Lt. Col. Mohamed Khouna Ould Haidalla
Religion of native population	100 percent Sunni Muslim
Literacy rate	17 percent
Population, 15 years and under	45 percent
Foreign reserves less gold	\$112 million in November 1983
Gross domestic product	\$715 million
Size of armed forces	15,850

The Moors—Arabic-speaking descendants of North African Arabs and Berbers who comprise about 30 percent of the population—live in the arid regions that form most of Mauritania. The once largely nomadic Moors control the government and economy. They dominate the French-speaking blacks who are descendants of the area's indigenous peoples and live primarily along the fertile shores of the Senegal River in the far south. [redacted]

Blacks, also 30 percent of the country's people, make up the majority of the military's enlisted personnel, the lower grades of the civil service, and unskilled labor force. Some blacks have reached high positions; there are a few black ministers in the current government, and the Chief of Staff of the Armed Forces is also a black. [redacted]

A group called the *Haratin*—former slaves raised by their Moor masters in the Moorish traditions—represent the remaining 40 percent of the inhabitants. Although the *Haratin* are blacks, the Moors have traditionally included them among their own number. The majority of the *Haratin* remain a servile class in Moor society, where they act as servants and do manual labor. Nevertheless, the *Haratin* are showing increased political awareness, and, in a society characterized by a racial cleavage, they could eventually upset the existing balance between blacks and Moors. [redacted]

On key issues like their relations with black communities and Arabization in the schools, the Moors have powerful reasons to stick together to maintain their dominance. On other questions, however, the Moors are far from united. They tend to identify closely with family and region and, despite independence over 23 years ago, have failed to transfer much loyalty to the state. [redacted]

Blacks, who prefer a closer alignment with black Africa, criticize the Moor-dominated regime at times for tilting toward radical Arab countries and groups, such as the Polisario Front, according to US Embassy reports. Blacks have consistently opposed the government's involvement in the Western Sahara conflict because they consider it an Arab fight and because the country's black enlisted soldiers bore the brunt when Mauritania was active in the fighting—a key factor leading to Nouakchott's decision to withdraw from the conflict. Some blacks, themselves Muslim, foresee an eventual confrontation with overly zealous Moorish Imams and local government officials over application of Islamic law, recently adopted in Mauritania as the law of the land. [redacted]

Foreign Policy—In Search of Aid

Because Moors predominate in politics, Mauritania's relations with black Africa take a back seat to ties with Arab countries. Another factor that pushes Mauritania in the Arabs' direction is the constant search for concessional and developmental assistance to keep the economy afloat. A large percentage of this aid comes from OPEC countries and Arab multilateral organizations. The status of a country's relations with Mauritania, however, can change quickly as Moorish pride often overrides pragmatism. [redacted]

Relations with Morocco have been all but nonexistent since Mauritania ended its role in Western Sahara in 1979 and especially after the alleged Moroccan-backed coup attempt in March 1981. Mauritania keeps in touch with Algeria and Libya, both seen as potential donors, primarily because of similar views on the Western Sahara issue and a desire to be included in any Maghreb unity efforts. Moderate Persian Gulf states maintain correct but cool relations with Nouakchott, and these might improve if there is a rapprochement between Morocco and Mauritania. [redacted]

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Islamic Republic of Mauritania, Leading Government Officers

President	Haidalla, Mohamed Khouna Ould, Lt. Col.
Prime Minister	Haidalla, Mohamed Khouna Ould, Lt. Col.
Minister Counselor to the President	Hossein, Ahmed Mahmoud Ould, Col.
Minister and Permanent Secretary to the Government	Minnih, Ahmed Ould, Lt. Col.
Minister of Culture, Youth, and Sports	Ba, Mahmoud
Minister of Defense	Haidalla, Mohamed Khouna Ould, Lt. Col.
Minister of Finance and Commerce	Ahmed Deya, Sidi Ould
Minister of Fishing and Maritime Economy	N'Diayane, Mohamed Le- mine Ould, Capt.
Minister of Foreign Affairs and Cooperation	Minnih, Ahmed Ould, Maj.
Minister of Health and Labor	Deh, Mohamed Mahmoud Ould, Capt.
Minister of Higher Education, Administrative Formation, and Public Functions	Athie, Hamath, Maj.
Minister of Information and Telecommunications	Zein, Mohamed Salem Ould, Dr.
Minister of Interior	Yall, Abdoulaye
Minister of Justice and Islamic Affairs	Boide, Cheikh Ould, Col.
Minister of Mines and Industry	Maroufa, Diabira
Minister of National Education	Didi, Hasni Ould
Minister of Planning and Territorial Management	Zein, Ahmed Ould
Minister of Rural Development	Wailda, Loumeidou Ould
Minister of Water and Energy	Dah, Mohamed Fadel Ould

China is building a new port in Nouakchott and has completed a sports complex there. The Soviet Union, primarily interested in fishing rights, maintains a large embassy but has provided little assistance. Mauritania is also a supporter of the Palestinian cause, and, during the Israeli invasion of Lebanon in 1982, Nouakchott was highly critical of Washington's Middle East policies and its perceived lack of control of Israel. [redacted]

Mauritania's major foreign policy concern is the Western Sahara war. Mauritania fought as an ally of Morocco until 1979 when it withdrew from the conflict, relinquished its portion of the Sahara, and

signed a treaty with the Polisario Front. Pressure from Mauritania's black community was a major factor leading to withdrawal along with the financial drain of the war. Haidalla, however, maintains close personal ties to Polisario leaders, especially the pro-Algerian faction. [redacted]

Although no longer a party to the Western Sahara dispute, Mauritania potentially has a major stake in the war's outcome. Some Moors reportedly favor a Western Saharan-Mauritanian confederation that would establish an autonomous entity designed to meet the Front's nationalist aspirations and provide Mauritania with a buffer against Morocco, which in the past has claimed Mauritania as part of its territory. Blacks, on the other hand, probably would not favor such a move because it would reinforce the political and demographic weight of the Moors. In any event, should Polisario elements—some of whom are of Mauritanian origin—decide to move into the northern part of the country, there is probably little Nouakchott could do to stop them. [redacted]

The Economy

Mauritania is one of the poorest, most sparsely populated countries in the world. Most of its inhabitants are employed in animal husbandry and agriculture, while iron ore provides the bulk of export revenues. The Saharan Desert covers 60 percent of the country. An increase in the occurrence of multiple-year droughts has necessitated large amounts of food aid annually and motivated a rural exodus to the towns. Although the fishing grounds off the coast are said to be among the richest in the world, Mauritania does not possess the necessary equipment or skill to exploit this potential. A massive dependence on foreign aid during the 1970s—provided principally by the conservative Arab countries to help underwrite Mauritania's efforts in the Saharan war—has left the country with large deficits in its domestic and external accounts, requiring stricter budgetary control. Furthermore, many of the development projects invested in during the 1970s were ill conceived and have proved uneconomic. [redacted]

Despite these setbacks Mauritania has an ambitious—and probably unrealistic—\$1.8 billion investment plan for 1981-85. Most of the investment is to be

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undertaken by public enterprises and the government and will be allocated primarily to capital-intensive projects in mining, agriculture, and industry. Many of the proposed projects are likely to run into serious difficulties such as administrative and financial constraints, construction bottlenecks, and shortage of skilled labor. Even upon completion, these projects will have difficulty achieving adequate economic rates of return. [redacted]

Attracting sufficient foreign financial assistance and investment to meet these lofty targets will be virtually impossible. Although OPEC and Arab multilateral organizations are continuing to provide some project-related assistance, bilateral assistance from traditional Arab donors has declined in recent years, probably as a result of growing dissatisfaction with Mauritania's management of past receipts and because of the donors' lower oil revenues. The most crucial factors for Mauritania's economic improvement are largely beyond its control, namely rain, world demand for iron, and ability to exploit its fishing areas. [redacted]

Given Mauritania's rich Atlantic coast fishing grounds, the fishing sector is the most important near-term potential source of foreign exchange and government revenue. In order to reap the benefits of this resource, the Mauritanian Government, during the last four years, reduced the number of fishing permits granted to foreign fleets, raised royalties, and tried to expand the Mauritanian fleet by forming joint ventures with foreign companies and is now requiring that all fish catches be disembarked in the port of Nouadhibou or transshipped in a cargo under the supervision of the customs office. Mauritania does not have the port facilities, marketing organization, experienced personnel, or surveillance capacity necessary to patrol its waters or to accommodate a significant share of the fishing catch from its waters. Upgrading will require considerable time and expenditure. In the meantime, persistent underdeclaration, special payments, and much covert fishing continue to be responsible for much of Mauritania's fishing revenue shortfalls. [redacted]

Since 1973—the year of the great Sahelian famine—livestock herding and agriculture, which employ 70 percent of the Mauritanian population, have fared poorly. Drought conditions have been particularly

severe during the past two years, making the traditional lifestyle increasingly difficult to maintain. Nomads and rural farmers are flocking to the cities, increasing the strain on the government to provide jobs, housing, and food handouts. [redacted]

Mauritania's food crops provide at best about 20 percent of domestic consumption needs. The low level of production is explained in part by frequent droughts during the last two decades, but also by a system of cultivation highly dependent on the vagaries of weather and the absence of an incentive system that might encourage agricultural producers to expand their cultivation and increase their productivity. Since local production is far from sufficient to satisfy domestic needs, Mauritania relies heavily on imports of cereals, which during 1978-82 amounted to 110,000 metric tons per year. Over half of this has been supplied by official foreign assistance. The Mauritanian Government is undertaking several projects to deal with the problems of prolonged drought. Some large agricultural projects are under way in the southern areas of the country which with financial assistance provided by a consortium of foreign donors should eventually open up 30,000 hectares of land for rice and other cereal cultivation through irrigation. [redacted]

Mining output, which contributes 10 percent of GDP and is almost the only foreign exchange earner, has remained stagnant since 1979, primarily due to continued oversupply in the seaborne iron ore market. Current stocks of iron ore are only slightly below the limit of Mauritania's storage capacity. Production will consequently remain very low until the market recovers. One-third of current investment is now being directed toward the development of the Guelbs iron ore mines, which will ensure the country of continued mining operations through the year 2000 but which will be more expensive because the iron content at Guelbs is only half that of the Kedia ore currently mined. The present market outlook and current processing costs make the economic merit of this project even more dubious. [redacted]

Geological studies suggest that Mauritania has promising areas for oil, copper, and uranium exploration.

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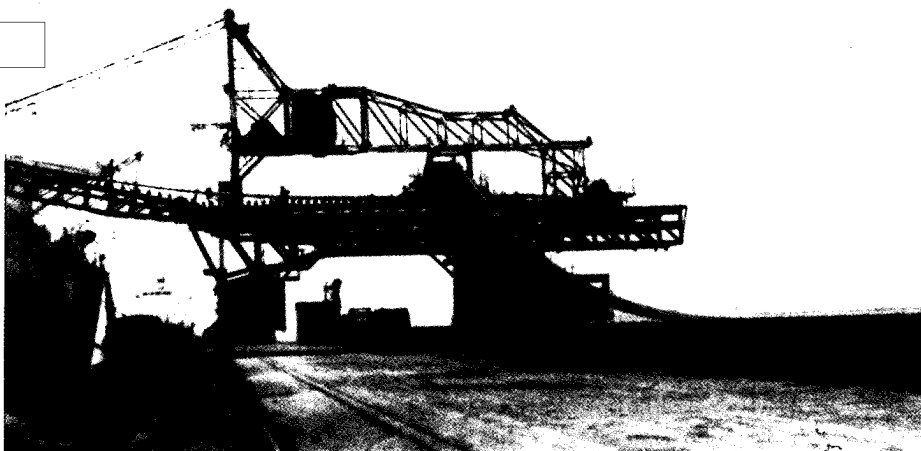
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Drought has taken a heavy toll on Mauritania's livestock.



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Iron ore loading dock and conveyor at Nouadhibou.



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Exploration programs by foreign firms are under way, but so far there have been no significant discoveries. Government officials are very interested in attracting oil companies and encouraging their search for what they believe might secure Mauritania's future.

Mauritania has in the last few years accrued a very high level of public debt in relation to export revenue. Often the largest investments have been in industrial projects that have turned out to be unprofitable. As a result, the burden of the external debt has risen sharply since the mid-1970s, while the capacity of the economy to service it has not. Prominent examples of such projects are the Nouadhibou oil refinery, which was completed in 1978 but has only begun sporadic operation in the last year; the Nouadhibou sugar refinery, which has remained idle since its completion six years ago; and the Akjoujt copper mines, which were closed in 1978 after incurring losses in six out of seven years of operation.

Outlook

Mauritania's economy will continue to have shortfalls in food and employment for the near future. If the drought continues, its effect on agriculture and rural migration will place increasing strains on the government to meet basic human needs. The most crucial factors for Mauritania's economy will be largely beyond its control for many years to come, and it will remain heavily dependent on outside help.

Mauritania's foreign policy is likely to continue to vacillate, within the bounds of Moorish pride, toward most likely donors. The nomadic search for pastures could spill across Mauritania's borders and may increase regional tensions that could in turn aggravate black-Moor relations. Although President Haidalla appears secure for the near term, Mauritania's poor economy, severe unemployment, and regional and racial antagonisms are sources of discontent that may threaten the stability of the regime.

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Statistical Appendix

This appendix contains the following tables and charts:

Table A-1	Maghreb: Social Indicators
Figure A-1	Maghreb: Employment by Sector, 1982
Figure A-2	Maghreb: Composition of Population and Labor Force, 1982
Figure A-3	Maghreb: Refining Capacity, 1982
Figure A-4	Maghreb: Composition of Budget Receipts, 1982
Figure A-5	Maghreb: Budget Expenditures, 1978 and 1982
Figure A-6	Maghreb: Trends in Foreign Reserves Less Gold as of Yearend, 1978-82
Figure A-7	Maghreb: Net Worker Remittances, 1982
Figure A-8	Maghreb: Disbursed Foreign Debt, 1982
Figure A-9	Maghreb: Average Annual Change in Real National Output, 1979-82
Figure A-10	Maghreb: Composition of GDP, 1982
Figure A-11	Maghreb: Average Annual Change in Domestic Prices, 1978-82
Figure A-12	Maghreb: Estimated Balance of Forces, 1983
Figure A-13	Maghreb: Defense Spending as Share of GDP, 1982
Figure A-14	Maghreb: Average Annual Growth of Defense Expenditures, 1978-82
Figure A-15	Maghreb: Inflows of Military Equipment, 1978-82
Figure A-16	Maghreb: Military and Economic Aid Flows, 1979-82
Figure A-17	Maghreb: Import Trends, f.o.b.
Figure A-18	Maghreb: Composition of Imports, 1982
Figure A-19	Maghreb: Food Imports as a Share of Total Food Consumption, 1982
Figure A-20	Maghreb: Source of Imports, 1982
Figure A-21	Maghreb: Export Trends, f.o.b.
Figure A-22	Maghreb: Composition of Exports, 1982
Figure A-23	Maghreb: Destination of Exports, 1982



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Table A-1
Maghreb: Social Indicators

	Algeria	Libya	Mauritania	Morocco	Tunisia
Adult literacy, (<i>percent</i>)	35.0	50.0	17.0	28.0	62.0
Primary school enrollment, (<i>percent of 6-11 age group</i>) ^a	95.0	123.0	33.0	76.0	103.0
Per capita income, (<i>US \$</i>)	2,100	7,720	450	640	1,125
Number of telephones per 100 persons, 1978	1.9	2.1	0.2	1.1	3.0
Population growth, annual change, 1971-81 (<i>percent</i>)	3.3	4.1	2.3	3.5	2.3
City population 1981, (<i>percent of total</i>)	44.0	54.0	24.0	41.0	53.0
Urbanization rate 1971-81, (<i>percent</i>)	5.6	8.1	8.1	4.6	4.0
Calories (<i>daily supply per capita</i>)	2,400	3,200	2,000	2,600	2,700
<i>Percent of requirements</i>	101	147	97	110	147
Life expectancy at birth (<i>number of years</i>)	54	53	44	53	61

^a Gross enrollment may exceed 100 percent since some pupils may be below or above the official primary school age.



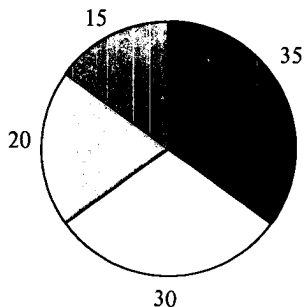
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Figure A-1
Maghreb: Employment by Sector, 1982

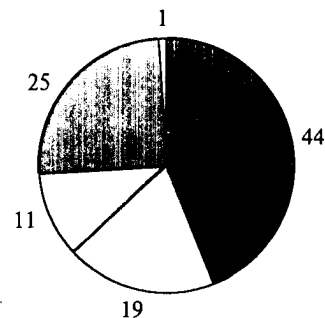
Percent

- Services
- Agriculture
- Industry
- Construction
- Mining

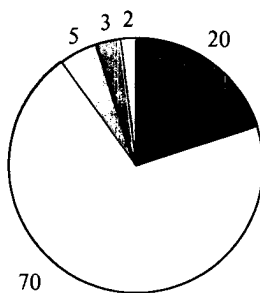
Algeria



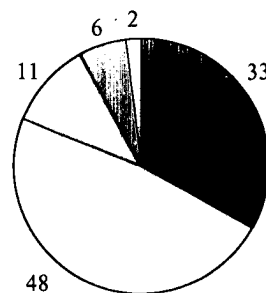
Libya



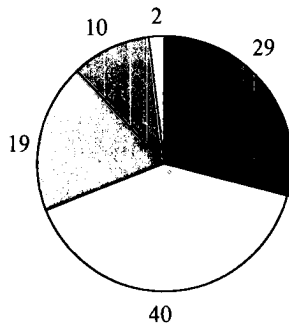
Mauritania



Morocco



Tunisia



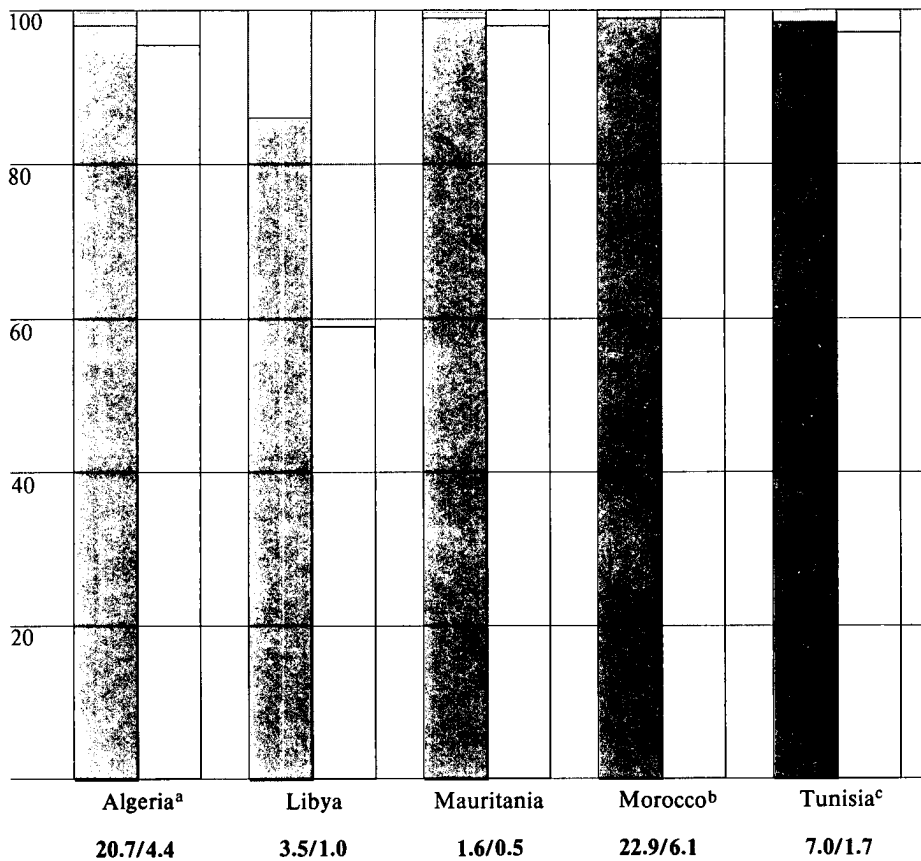
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Figure A-2
Maghreb: Composition of Population and Labor Force, 1982

Percent

- Foreign population
- Native population
- Foreign labor force
- Native labor force



^a About 900,000 Algerians are employed abroad—primarily in France.

^b About 700,000 Moroccans are employed abroad—primarily in France.

^c About 290,000 Tunisians are employed abroad—primarily in France and Libya.

Total population/labor force
 Million

20.7/4.4

3.5/1.0

1.6/0.5

22.9/6.1

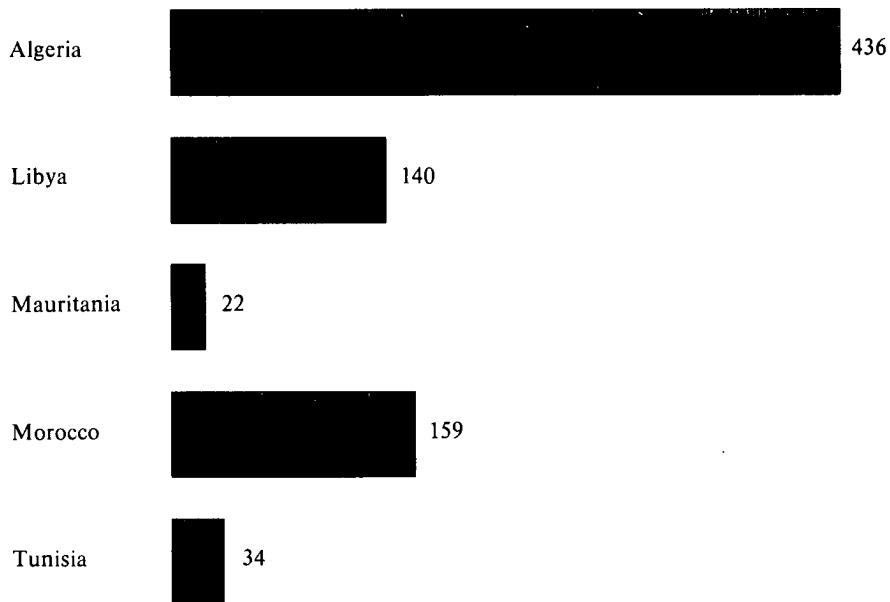
7.0/1.7

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Figure A-3
Maghreb: Refining Capacity, 1982



Thousand b/d

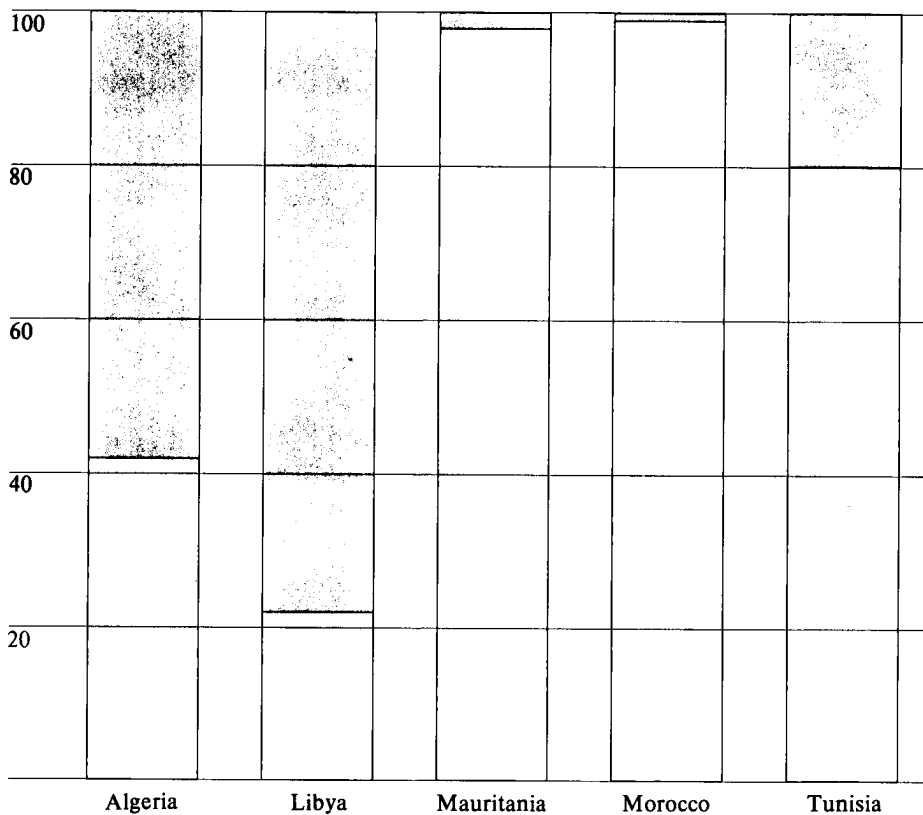


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Figure A-4
Maghreb: Composition of Budget Receipts, 1982

Percent
 Oil
 Nonoil



Total revenues
 Billion US \$

Algeria 22.1 Libya 15.6 Mauritania 0.1 Morocco 6.6 Tunisia 3.2

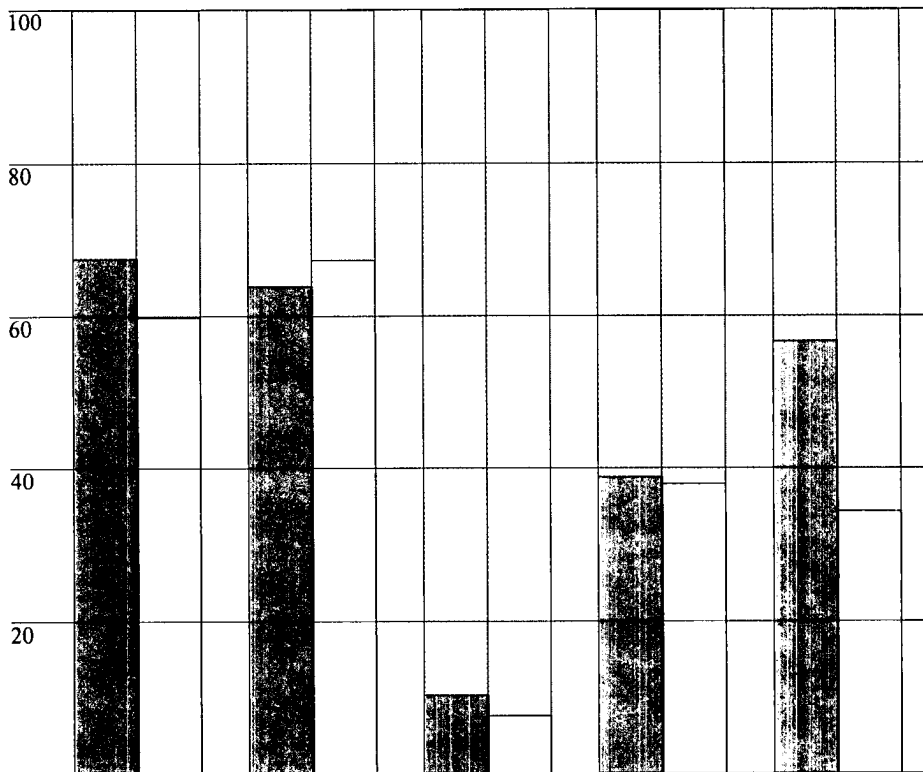
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Figure A-5
Maghreb: Budget Expenditures, 1978 and 1982

Percent

- 1978 current
- 1978 capital
- 1982 current^a
- 1982 capital^a



^a Budgeted.

Total 1978/1982
 Million US \$

Country	1978	1982
Algeria	13.6	22.2
Libya	7.2	13.0
Mauritania	0.2	0.2
Morocco	4.0	5.5
Tunisia	3.0	3.2

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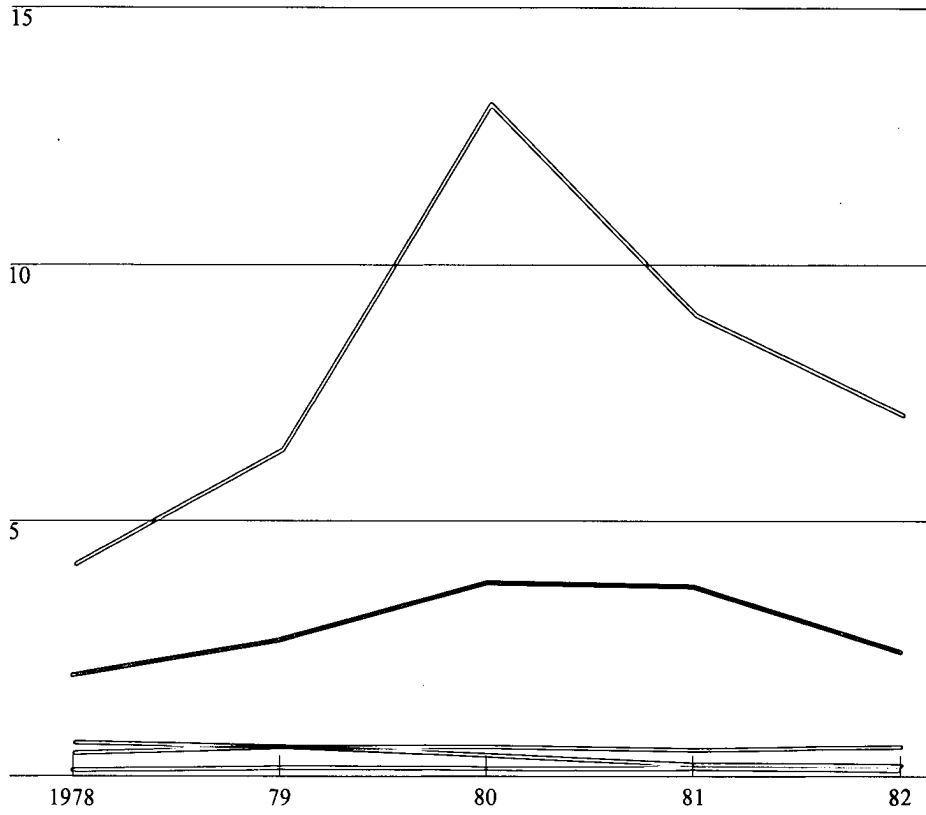
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Figure A-6
Maghreb: Trends in Foreign Reserves
Less Gold as of Yearend, 1978-82

Billion US \$

- Algeria
- Libya
- Mauritania
- Morocco
- Tunisia

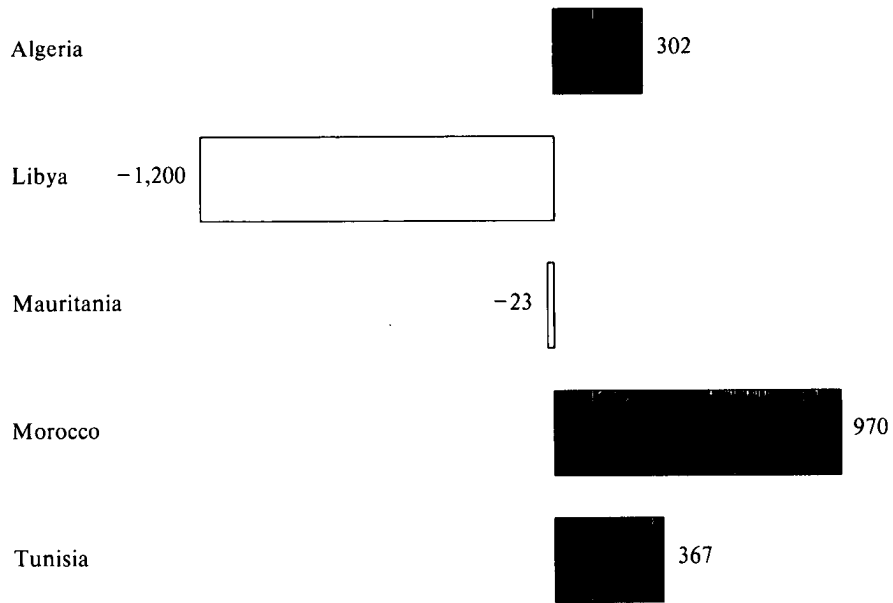


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Figure A-7
Maghreb: Net Worker Remittances, 1982

Million US \$



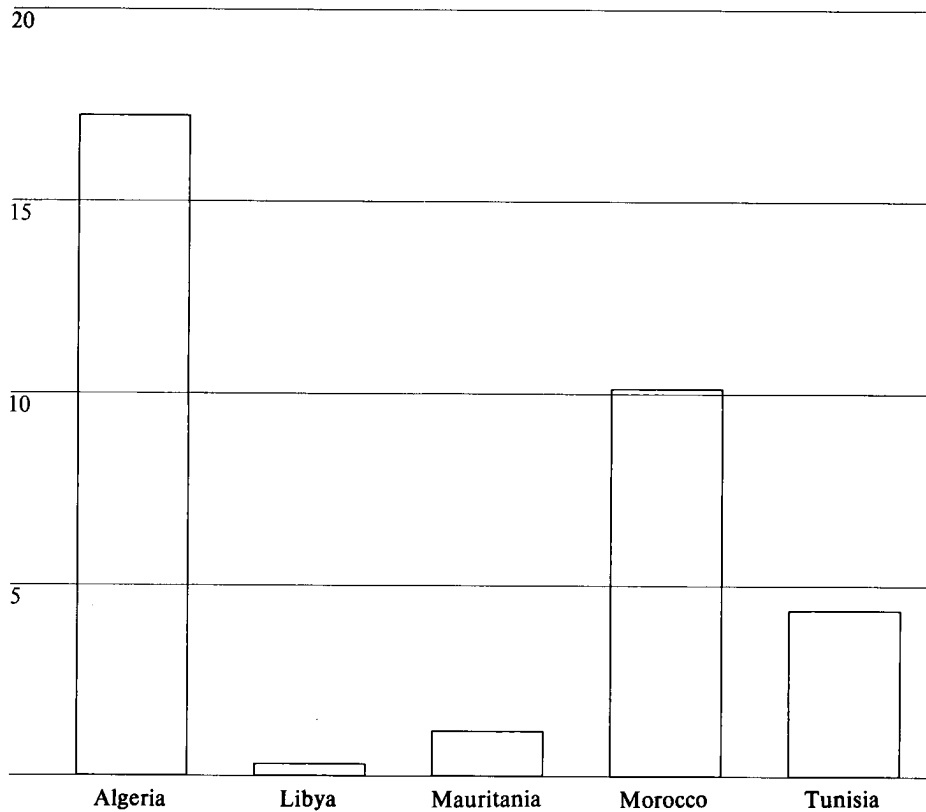
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Figure A-8
Maghreb: Disbursed Foreign Debt, 1982

Billion US \$



^a Debt service on public and publicly guaranteed external debt as a share of exports of goods, services, and worker remittances.

Debt service ratio ^a
Percent

Country	Debt service ratio ^a (Percent)
Algeria	29.4
Libya	Negl
Mauritania	16.7
Morocco	38.6
Tunisia	16.5

[Redacted]

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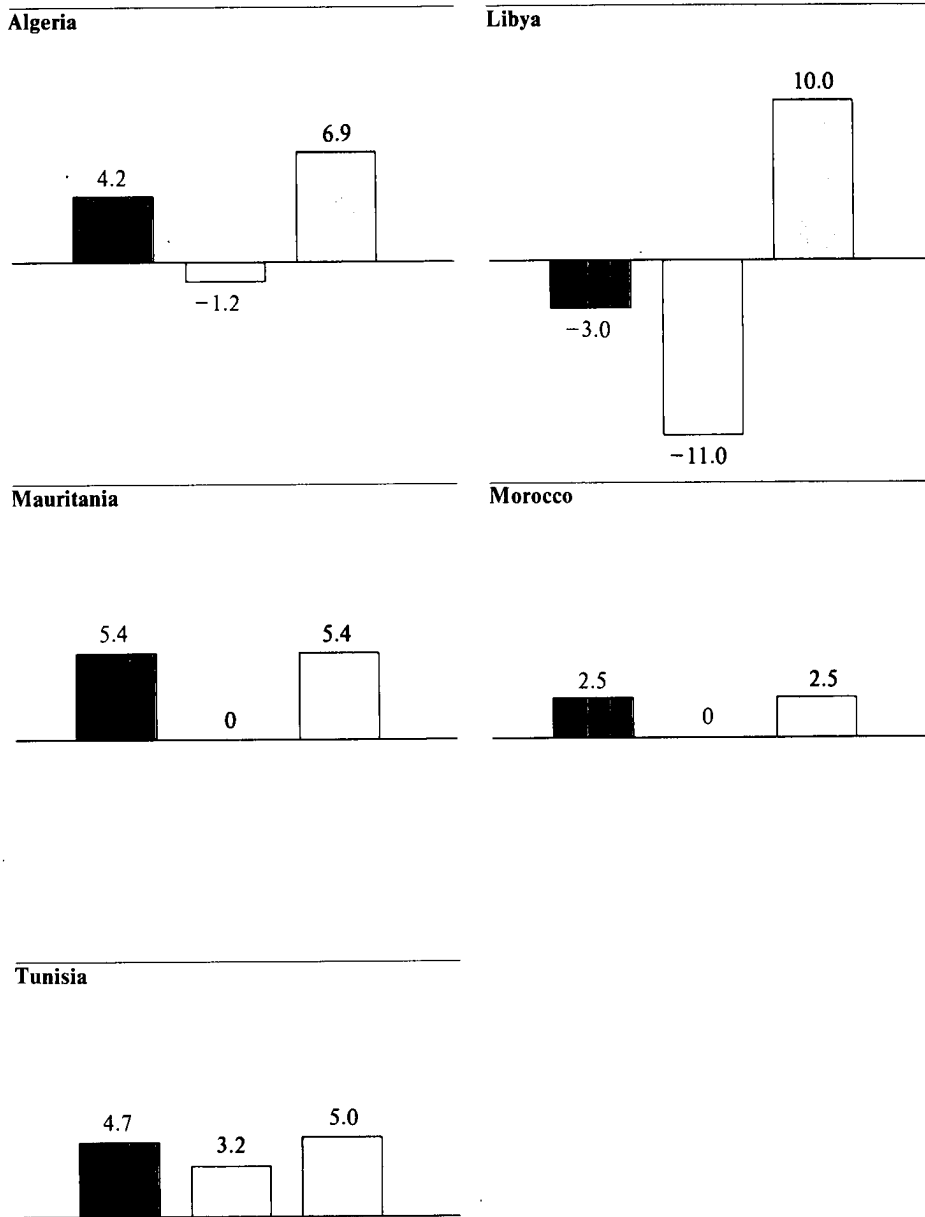
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Figure A-9
Maghreb: Average Annual Change in
Real National Output, 1979-82

Percent

- Gross domestic product
- Oil sector
- Nonoil sector



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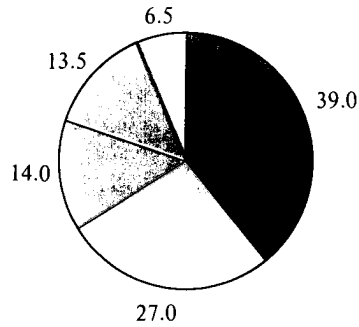
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Figure A-10
Maghreb: Composition of GDP, 1982

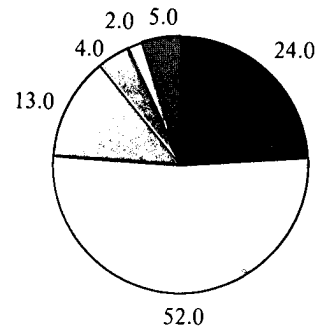
Percent

- Services
- Oil
- ▨ Construction
- ▩ Manufacturing and mining
- Agriculture
- ▨ Transportation and communication

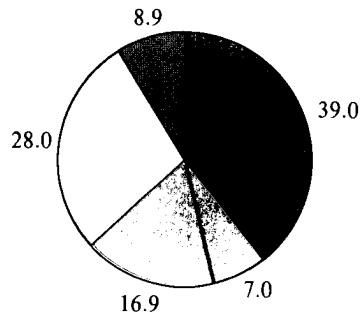
Algeria



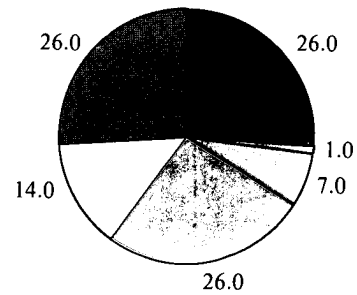
Libya



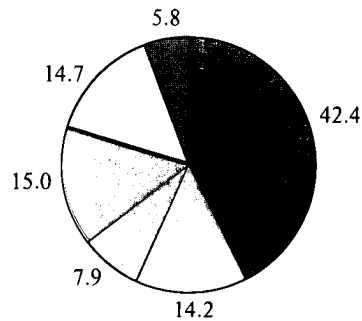
Mauritania



Morocco



Tunisia



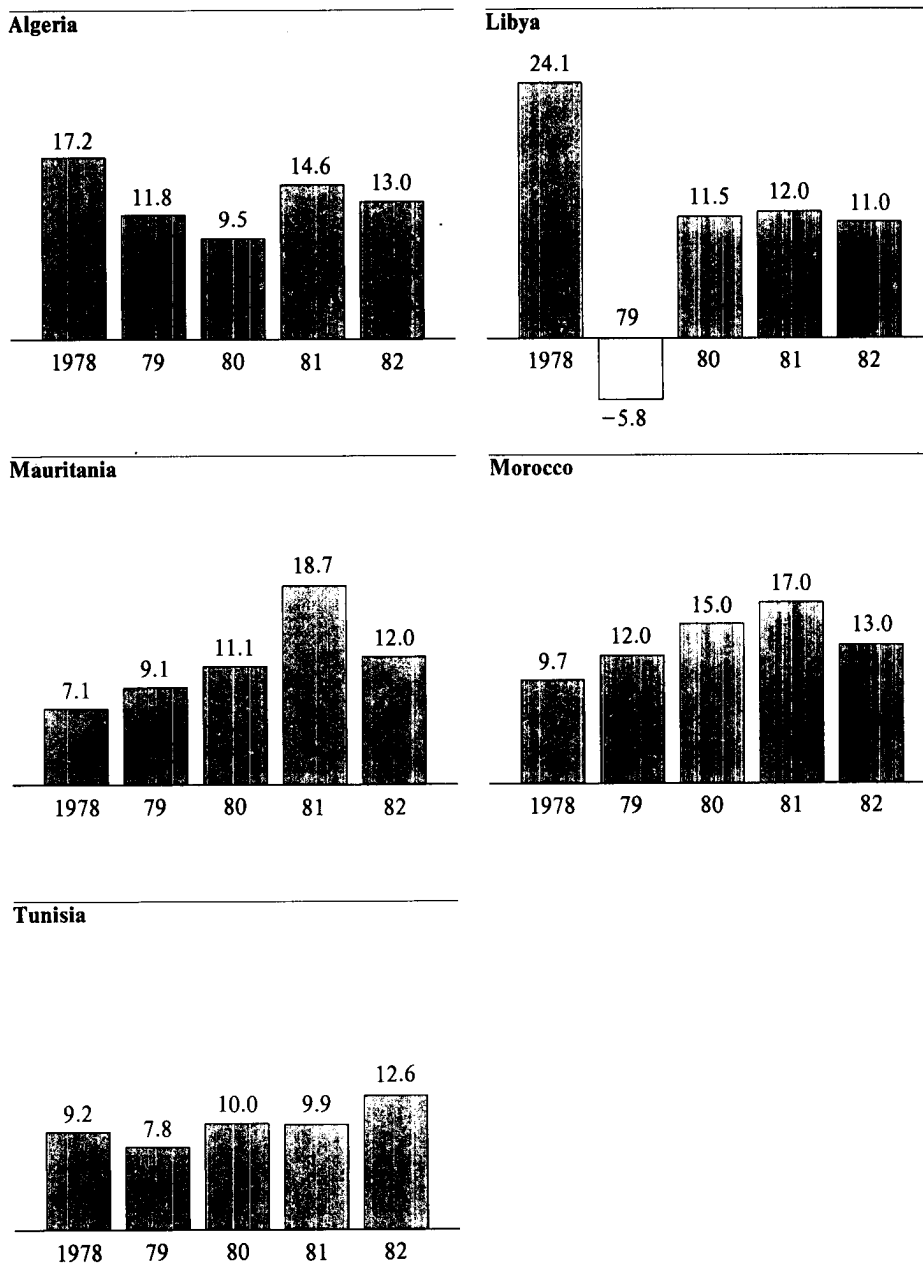
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Figure A-11
Maghreb: Average Annual Change in
Domestic Prices, 1978-82

Percent



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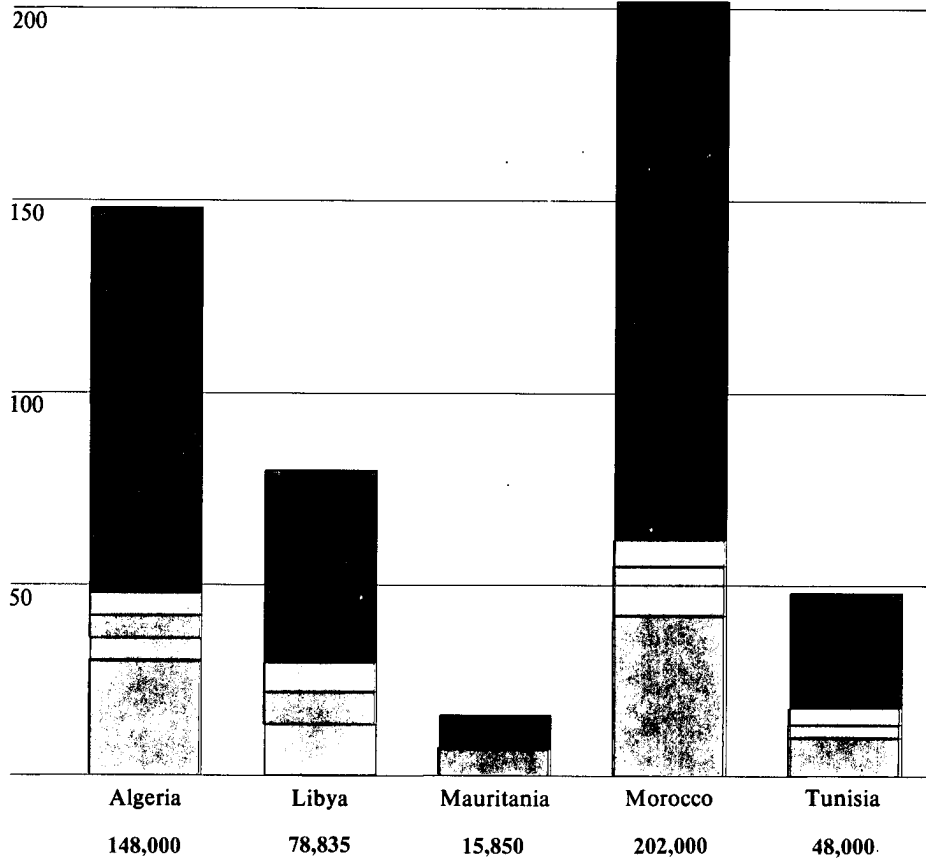
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Figure A-12
Maghreb: Estimated Balance of Forces, 1983

Thousand

- Army
- Navy
- Air Force
- Air Defense
- Paramilitary



Total forces

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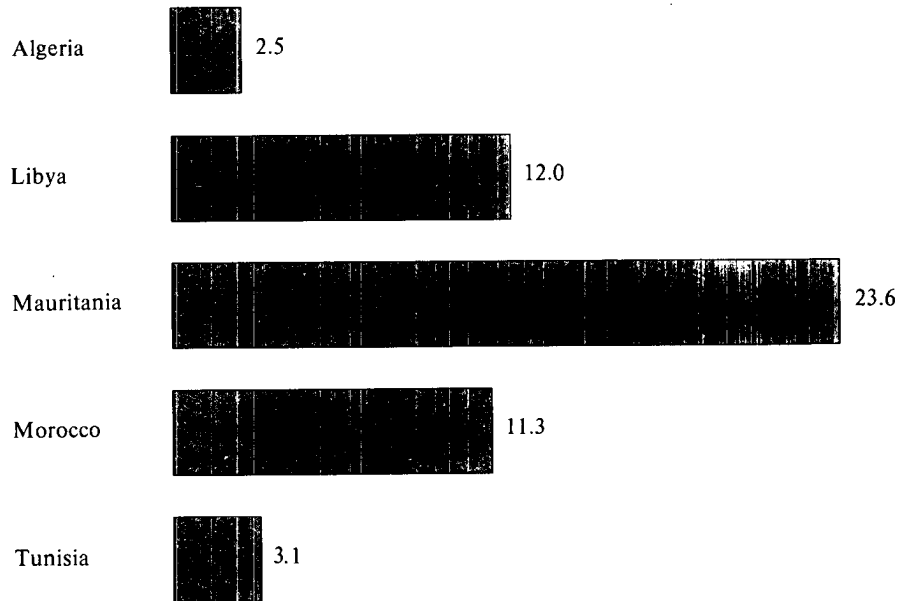
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Figure A-13
Maghreb: Defense Spending as a Share of GDP, 1982^a

Percent



^a Estimated.

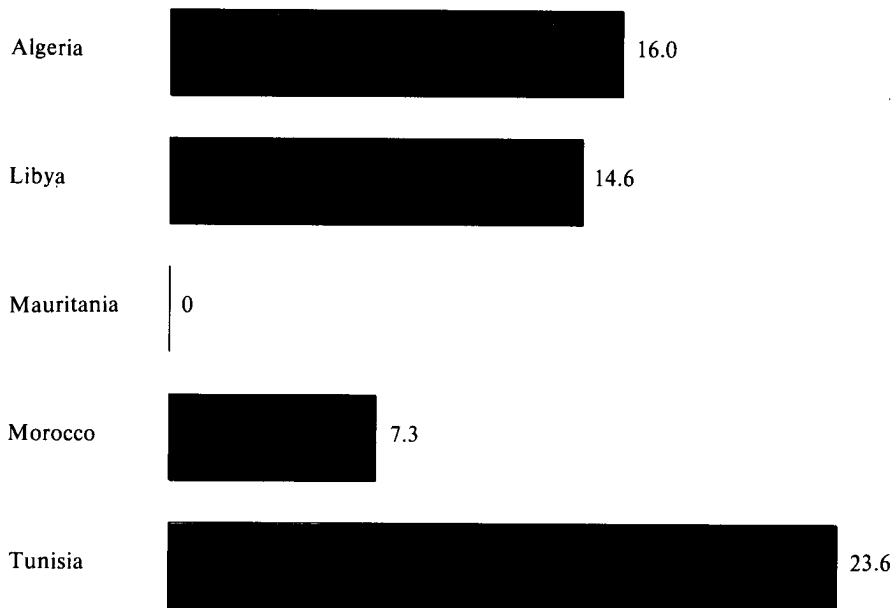
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Figure A-14
Maghreb: Average Annual Growth of
Defense Expenditures, 1978-82

Percent



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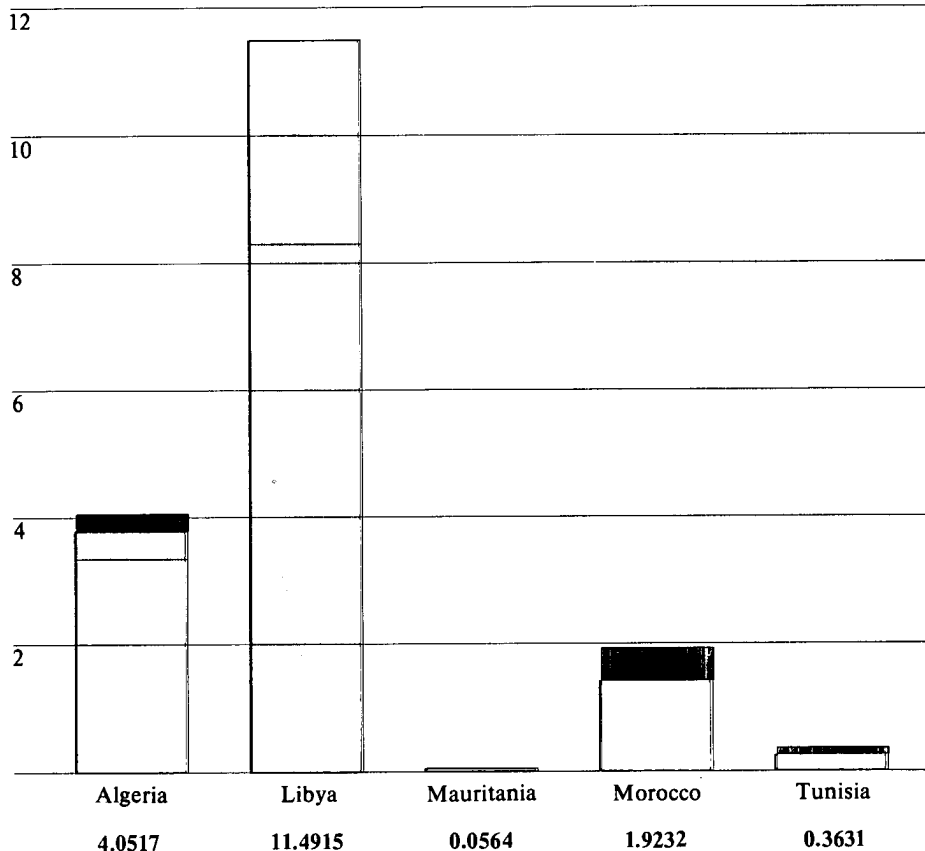
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Figure A-15
Maghreb: Inflows of Military Equipment, 1978-82

Billion US \$

- United States
- Other Non-Communist
- Communist



Total



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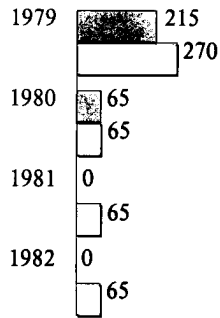
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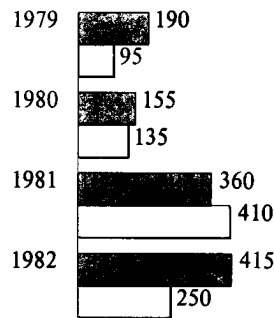
Figure A-16
Maghreb: Military and Economy Aid Flow, 1979-82

Million US \$
 Military
 Economic

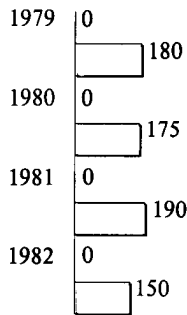
Algeria
Donor



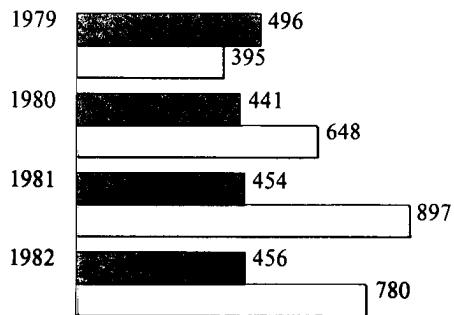
Libya
Donor



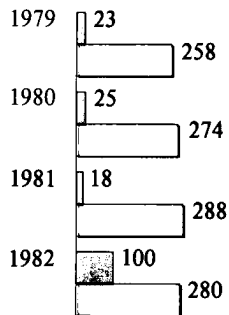
Mauritania
Recipient



Morocco
Recipient



Tunisia
Recipient



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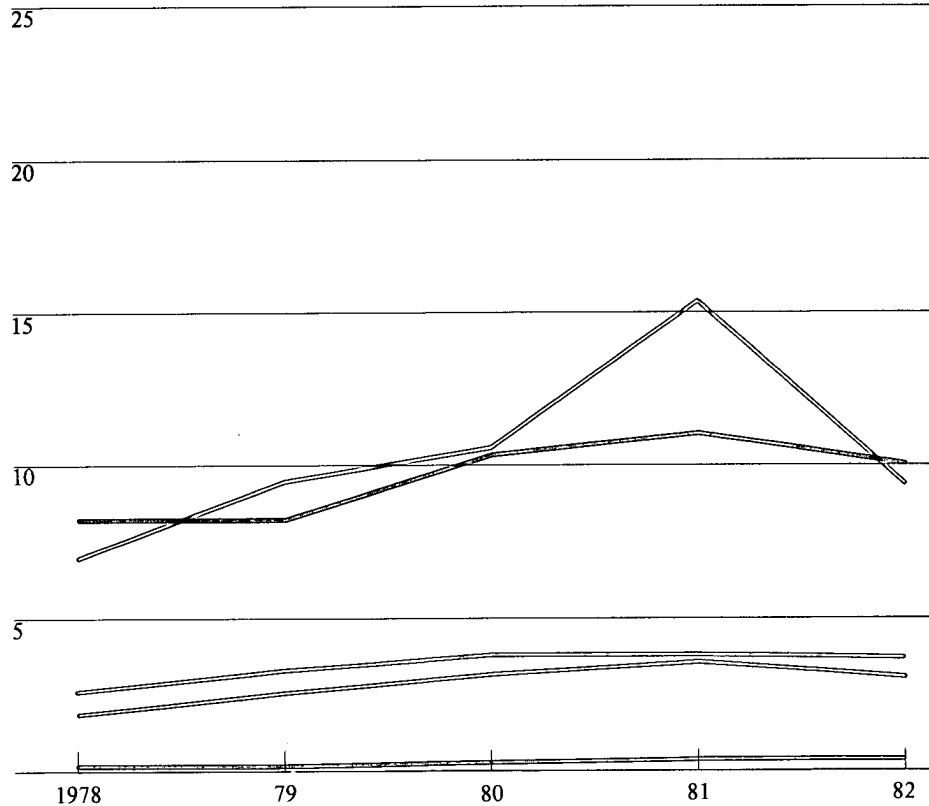
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Figure A-17
Maghreb: Import Trends, f.o.b., 1978-82

Billion US \$

- Algeria
- Libya
- Mauritania
- Morocco
- Tunisia



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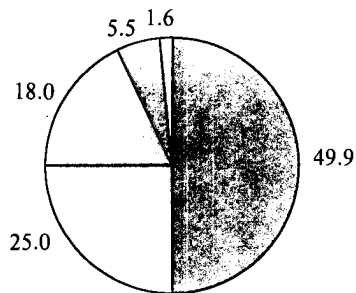
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Figure A-18
Maghreb: Composition of Imports, 1982

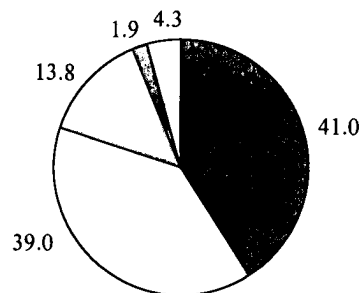
Percent

- Manufactured goods and chemicals
- Machinery and transportation
- Foodstuffs
- Raw materials
- Fuel

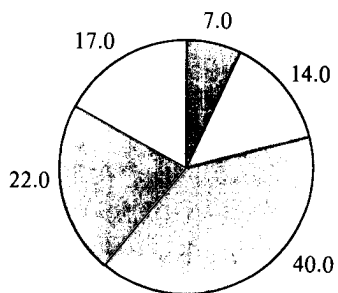
Algeria



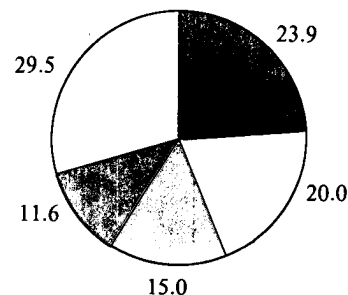
Libya



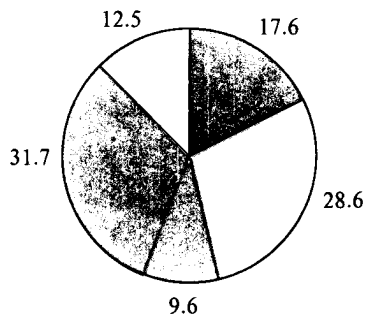
Mauritania



Morocco



Tunisia

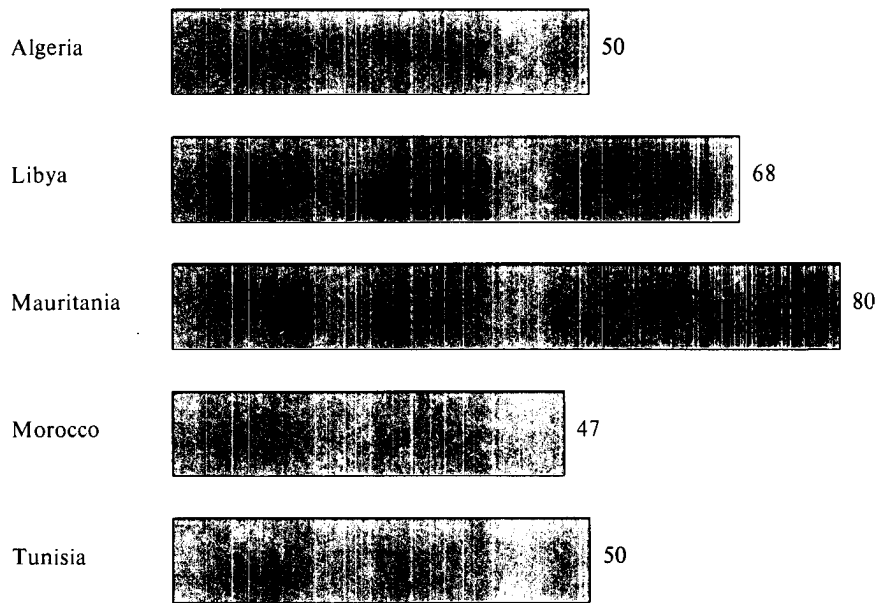


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Figure A-19
Maghreb: Food Imports as a Share of
Total Food Consumption, 1982

Percent



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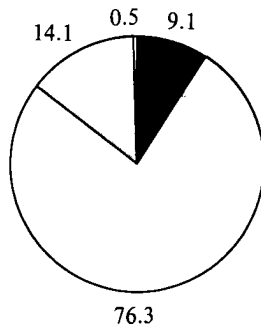
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Figure A-20
Maghreb: Source of Imports, 1982

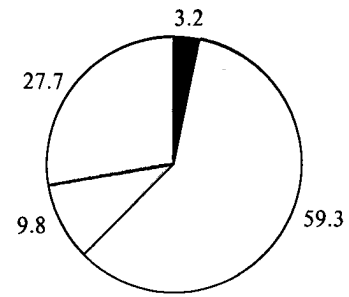
Percent

- United States
- Other Developed Countries
- Less Developed Countries
- Communist

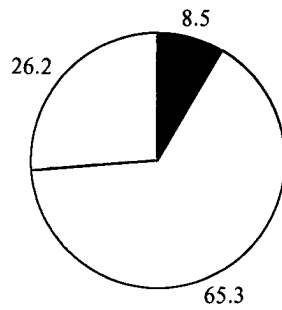
Algeria



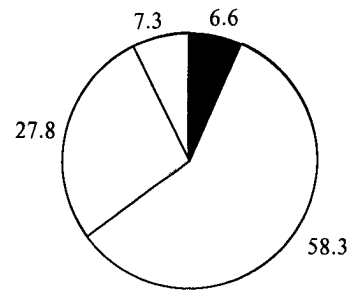
Libya



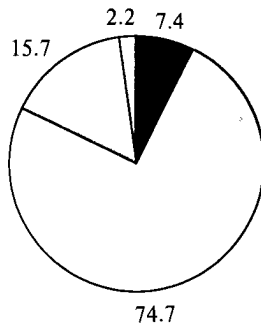
Mauritania



Morocco



Tunisia

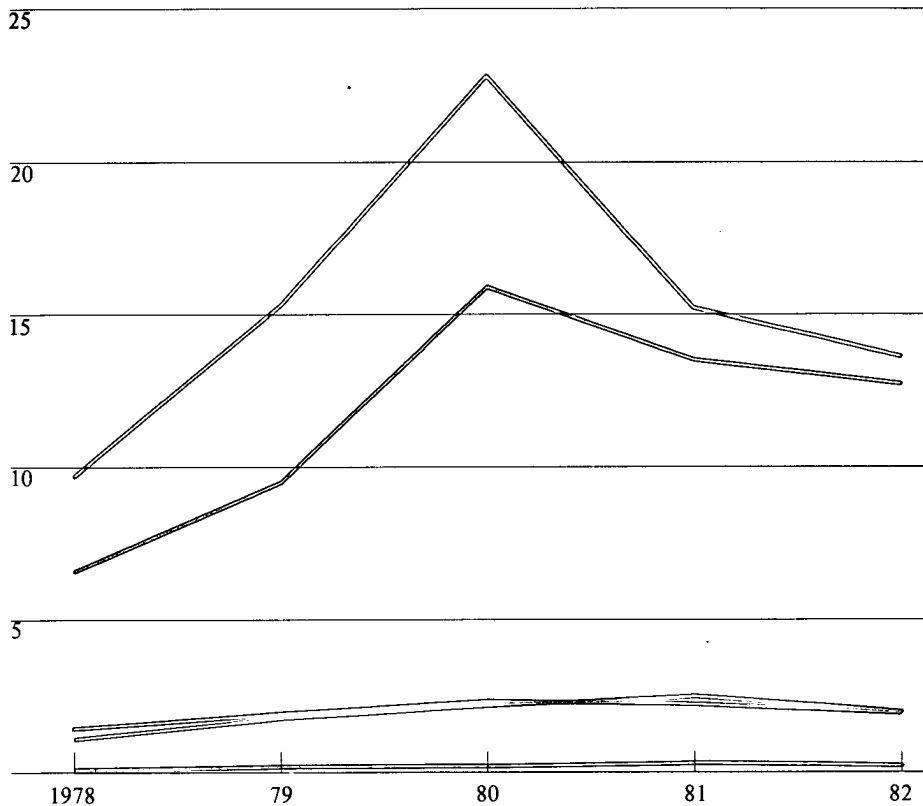


302003 3-84

Figure A-21
Maghreb: Export Trends, f.o.b., 1978-82

Billion US \$

- Algeria
- Libya
- Mauritania
- Morocco
- Tunisia



302004 3-84

25X1

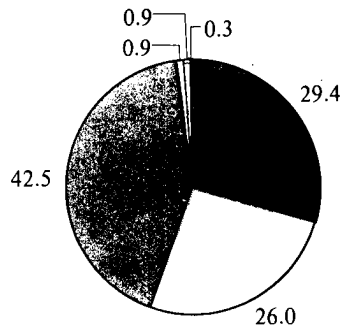
Secret

Figure A-22
Maghreb: Composition of Exports, 1982

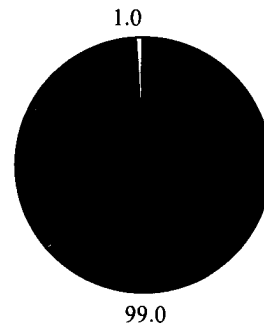
Percent

- Crude oil
- Petroleum products
- ▨ Other nonoil
- Foodstuffs
- Textiles and manufactured goods
- ▨ Metal ores, chemicals, and fertilizers
- Fish
- Phosphates

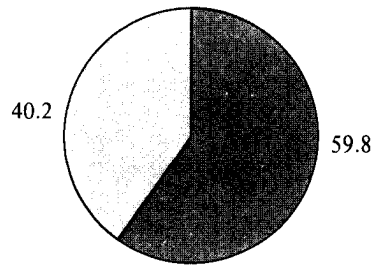
Algeria



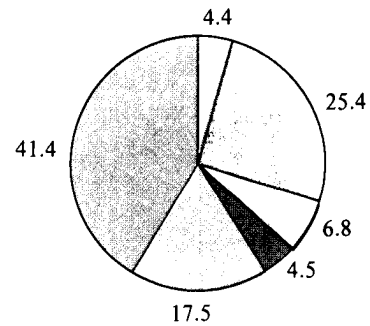
Libya



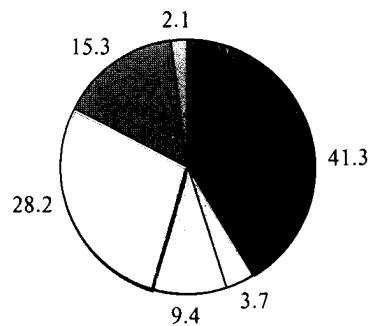
Mauritania



Morocco



Tunisia







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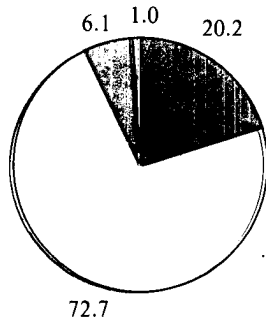
25X1

Figure A-23
Maghreb: Destination of Exports, 1982

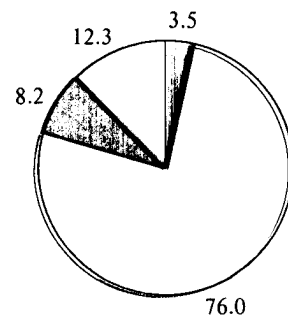
Percent

-  United States
-  Other Developed Countries
-  Less Developed Countries
-  Communist

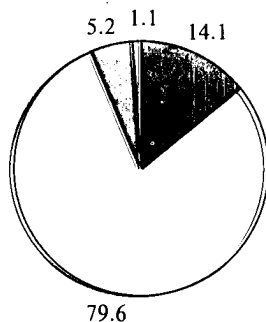
Algeria



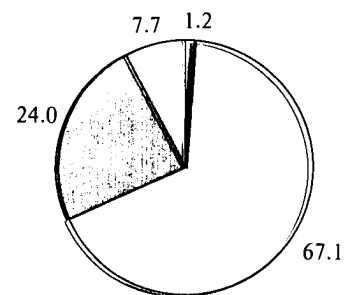
Libya



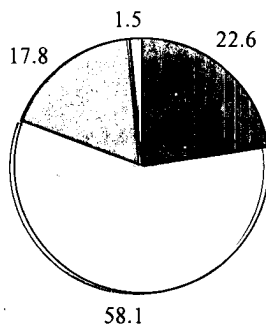
Mauritania



Morocco



Tunisia



30:006 3-84

25X1

Secret

Secret