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Central Intelligence Agency





Washington, D. C. 20505

### DIRECTORATE OF INTELLIGENCE

### 12 December 1985

Morocco-Algeria: Tensions Could Affect US Interests

### Summary

Moroccan-Algerian differences continue to fester and could intensify, catching Washington in Competition for regional preeminence, compounded by the stalemate in the Western Sahara dispute, has led the two sides to form new alliances--Morocco with Libya and Algeria with Tunisia. At the same time, Rabat and Algiers are disappointed with the US, especially over military Neither country wants to jeopardize its ties aid. with the US. Nevertheless, an escalation of the conflict could cause each to reassess its relationship with the US in an effort to force Washington to take sides. Both capitals believe they can bring pressure on the US--Morocco through its military access agreements with the US and Algeria regarding its willingness to continue to act as an intermediary between the US and radical elements in the Middle East. Their continued frustration also could lead them to threaten even closer relationships with Libya and the USSR.

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Morocco and Algeria have been at odds over the future of the Western Sahara since King Hassan unilaterally declared the area part of Morocco. Ten years of conflict have produced a stalemate. Morocco has improved its military position with the

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completion this year of the fifth defensive berm, which has enabled Rabat to consolidate its control over most of the Western Sahara. At the same time, Algeria—the principal backer of the Polisario guerrillas—continues to make gains in the diplomatic arena. India and Liberia decided this fall to recognize the Polisario's Saharan Democratic Arab Republic. Algeria's resolution calling for direct negotiations between the Polisario and Morocco and a popular referendum in the Western Sahara got strong support this year at the UN, and Morocco found itself isolated on the topic in Third World circles.

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Rabat's search for a way to bring the expensive fighting to an end prompted it to enter into the union with Libya. Algeria responded by strengthening its relations with Tunisia. Both moves threaten the stability of the Maghreb by sharpening the lines of competition and maneuvering.

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## The US Connection

Hostility between the two countries, primarily over the Western Sahara dispute, has led to problems in their relations with the US. Each-but particularly Morocco--is disappointed at the level of US military assistance

Both countries believe their interests are being

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Both countries believe their interests are being sacrificed to the other's. Algeria has turned to the US for the purchase and maintenance of C-130 transport aircraft, and is pursuing a host of other weapons--including F-16 aircraft--and military construction and maintenance projects. Morocco so far has purchased a wider range of its weapons inventory from the US, and relies heavily on US training

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Moroccan King Hassan wants to maintain close ties with Washington, and we believe that he miscalculated the US reaction to his union with Libya. He almost certainly anticipated that Washington would judge that the benefits of the union--splitting Libya from Algeria over support to the Polisario--would outweigh the political embarrassment of a key US friend cozying up to Qadhafi. In spite of the union, Hassan and senior Moroccan officials complain to US diplomats that US military and economic aid is not commensurate with the military and strategic advantages Washington enjoys from the relationship. Bilateral agreements allow US military forces transit rights in Morocco and the use of some Moroccan military facilities .- In return, Hassan expects preferential treatment for the purchase of sophisticated military weapons and materiel, concessional terms for economic aid, and instant access to the highest levels of the US government.

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Algerian President Bendjedid's expectations about his country's relationship with the US are more modest. Even so, he has been eager to expand both military and commercial ties, and almost certainly anticipated that the bureaucratic machinary would speed up after his visit to Washington last April. The

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Algerians, like the Moroccans, want advanced fighter aircraft and US help in upgrading military facilities and maintaining or replacing Soviet equipment. In addition, Algiers wants to expand economic cooperation, including a US political decision to renew purchases of Algerian liquid natural gas.

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Algiers already has given signs of dissatisfaction with the pace of US responsiveness.

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# Dealing with Washington

We do not believe that Morocco or Algeria wants to or believes it can force the US to make a choice between either country. Even so, the financial and political costs of the Western Saharan conflict and domestic economic and social pressures over time could lead King Hassan or President Bendjedid to raise the stakes with his adversary. For example, Algeria could encourage the Polisario to begin a campaign of urban terrorism in Morocco or to increase the frequency of Polisario assaults on the berms. Morocco, for its part, could contruct additional defensive berms or enter Mauritanian or Algerian territory while engaging in hot pursuit of Polisario guerrillas. Such additions, in our judgment, would impel Rabat or Algiers to encourage Washington to abandon its official neutrality toward the Western Saharan conflict. Alternatively, if either capital perceived that Washington was tilting toward the other, it would attempt to redress the balance.

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If Hassan decides to demonstrate overtly and forcefully his displeasure with the US, he has several alternatives. He could cancel joint military and economic commissions. He could also restrict operations of the new Voice of America station or back away from his publicly moderate stance on Middle East issues. If Washington sold advanced fighter aircraft or other sophisticated military equipment to Algeria without offering Morocco the same deal, economically hard-pressed Hassan would feel compelled to take drastic action. He might abrogate bilateral access and transit agreements and turn to Libya and the USSR for military assistance.

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US unwillingness to provide Algeria with arms or a significant increase in US military cooperation with Morocco, probably would prompt Algiers to reassess its developing relationship with Washington. At a minimum, Bendjedid could reduce contacts and turn to West European countries for military and economic support. Bendjedid's levers to influence the United States are more limited than those available to Hassan, however. He could refuse to continue acting as an intermediary between the US and radical Arab states and possibly abandon moderate positions on some issues in the region, even though such

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a role enhances Bendjedid's efforts to cast himself as an influential Arab statesman. More directly, he could cancel the newly-formed joint economic commission or curtail US commercial access to potentially lucrative Algerian markets. Under these circumstances, Bendjedid would be less willing to cooperate with the US on Libyan issues. He might also lift restrictions on Soviet access to Algerian ports and airfields.

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On balance, we believe the two countries realize that any of these moves carry a cost in terms of ties with Washington.

Morocco, in particular, would have the most to lose, because of its long-term relationship with the US and its traditional dependency on US military and economic support. Algeria has more room to maneuver with Washington, due to its greater economic resources and established political ties with the Soviet bloc. Nevertheless, Algiers wants to shift its foreign policy toward the West and establish market-oriented economic reforms, and it looks to the US to help achieve this goal.

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