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# **The Maghreb: Population Problems and Political Stability**



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**An Intelligence Assessment**

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*NESA 86-10037  
September 1986*

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# **The Maghreb: Population Problems and Political Stability**



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**An Intelligence Assessment**

This paper was prepared by   
 Office of Near Eastern and South  
Asian Analysis. It was coordinated with the  
Directorate of Operations. 

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**The Maghreb:  
Population Problems  
and Political Stability** [Redacted]

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**Key Judgments**  
*Information available  
as of 11 September 1986  
was used in this report.*

The serious and deepening social and economic problems in North Africa—high unemployment, overcrowded cities, and a growing food deficit—are undermining the foundations of political stability in the region. Rapid population growth is a major factor in these problems, and the situation will worsen as the population in Morocco, Algeria, and Tunisia jumps from 53 million today to a projected 84 million in the year 2000. [Redacted]

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The rapid population growth is destabilizing because it is eroding the old land-based, family-oriented, traditional Islamic society of the Maghreb faster than governments in the area have been able to promote development of economically advanced, urban-based societies. The traditional rural economy cannot absorb the population increase, and, as a result, the cities are drowning in an excess of youthful jobseekers. Rapidly expanding public education systems try to inculcate the skills and habits of thought needed to adapt to modern society, but all too often they only broaden horizons and whet ambitions faster than the job market can grow to satisfy them. [Redacted]

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As these developments have gathered momentum, increasingly large numbers of people—especially the younger generation—have become alienated from their societies. Some of these socially and intellectually uprooted individuals have started to turn their backs on modernization and reject along with it the United States and other Western countries that they see as principal agents of change. This impulse has been the driving force behind the spread of the Islamic fundamentalist revival in the Maghreb. Other individuals are discontented that their governments are not doing more to promote change, and this group—substantially smaller than the fundamentalists—is the recruiting ground for radical leftists. [Redacted]


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Political protest is not yet a major force, but it almost certainly will become so as social and economic conditions deteriorate in the region. Political leaders who fail to accommodate either leftist or fundamentalist aspirations almost certainly will be forced to use more repressive measures to shore up their authority. Leaders who lean too far toward either fundamentalism or leftist radicalism, however, will probably stir up opposition from the other quarter. Moreover, fundamentalism and leftist radicalism imply different political blueprints, and the underlying conflict between them suggests that politics in the Maghreb will become increasingly turbulent. [Redacted]


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Maghreb leaders are aware of the dangers that rapid population growth poses to long-term political stability, and they have begun to deal constructively with some of the principal causes and consequences of the problem. In Morocco, family planning is slowly gaining acceptance, especially in the cities and among the better educated. Algeria recognizes the need for family planning, though a national program is still in the initial stages of implementation. Tunisia already has made limited gains in controlling population growth through government-sponsored family planning programs. In spite of these efforts, progress in population control is likely to remain limited in North Africa for some years to come. Inadequate education is a fundamental obstacle, and governments will proceed cautiously in order to avoid offending traditional values. 

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The strong possibility that rapid population growth will continue and could contribute to increased political instability and anti-US sentiment is of particular concern because of the region's strategic location. Political leaders in the region are well aware of the Maghreb's strategic importance. We anticipate that Morocco, Tunisia, and possibly Algeria will try to exploit that fact by pressing Washington for financial assistance as they struggle with the economic and political consequences of rapid urban growth. Maghreb governments almost certainly will view Washington's response to their requests for assistance as a measure of US commitment to their needs and—in the case of Morocco and Tunisia—as an indication of US reliability as an ally. 

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**Contents**

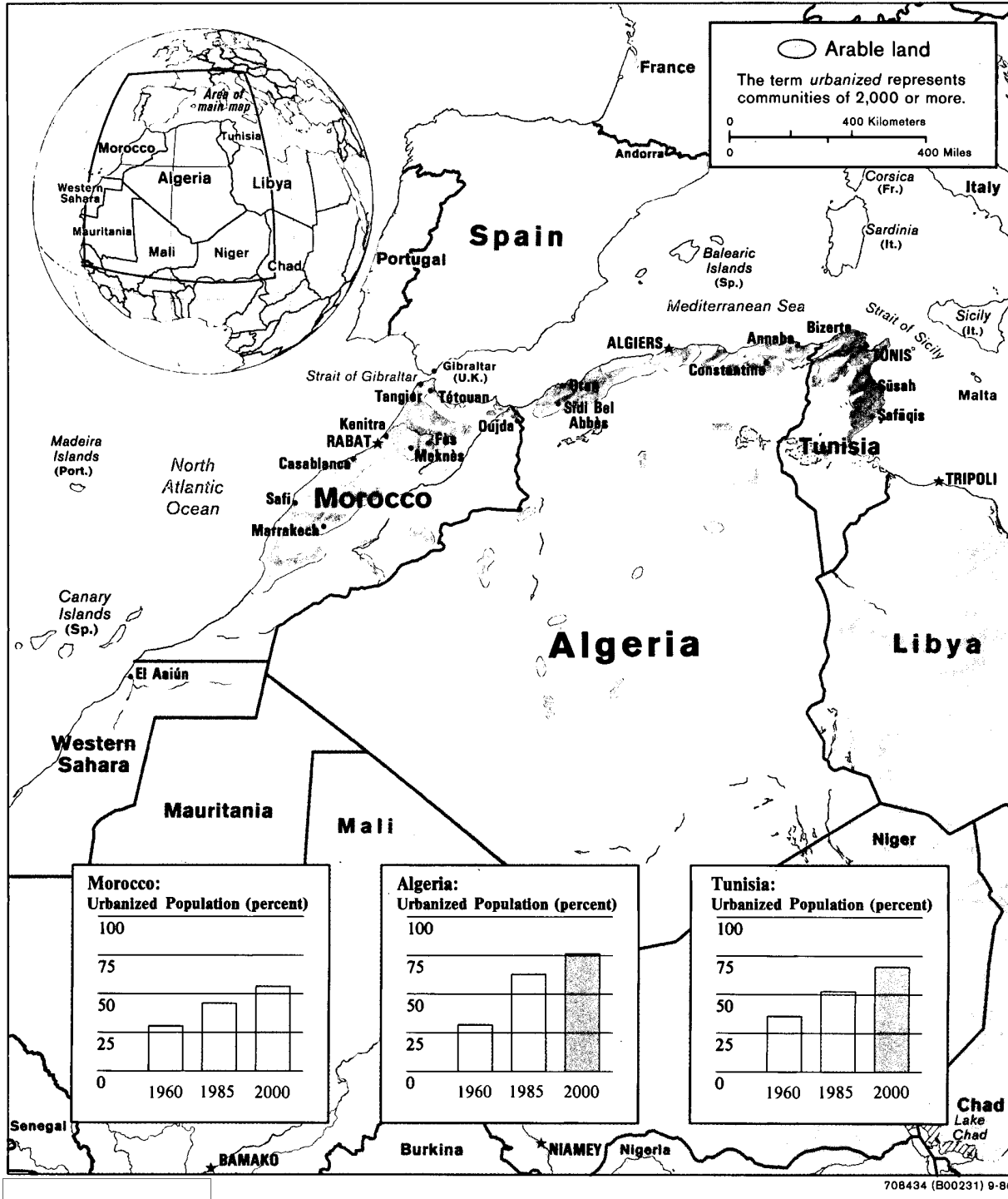
	<i>Page</i>
<b>Key Judgments</b>	iii
<b>The Demographic Millstone</b>	1
<b>Jobs and Unemployment</b>	2
<b>Rising Urbanization</b>	3
<b>Constraints on Water, Land, and Food Supplies</b>	5
<b>Downturn in Emigration</b>	7
<b>Political Strains in Maghreb Societies</b>	7
<b>Youth and Students</b>	7
<b>Islamic Fundamentalism</b>	8
<b>Efforts To Cope With the Demographic Crisis</b>	9
<b>Obstacles to Improvement</b>	9
<b>Outlook</b>	10
<b>Implications for the United States</b>	11

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**Figure 1**  
**The Maghreb: Urbanization of the Population**



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### The Maghreb: Population Problems and Political Stability

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Tension between a large, rapidly growing population and the meager financial resources available to meet basic human needs is producing serious social problems throughout the Maghreb.<sup>1</sup> These problems are as apparent in leftist Algeria as in moderate Morocco and Tunisia. In each country rapid population growth undermines governmental efforts to maintain social stability, equity, and living standards for the population and limits further social and economic development.<sup>2</sup> These problems almost certainly will lead to major political challenges in these countries over the next decade. Four major demographic problems plaguing the Maghreb today will be even more pronounced in the future:

- *Rapid population growth.* The Maghreb is already burdened by a large population—53 million—which the national economies can barely support. The population is projected to grow to 84 million by the year 2000. Family planning efforts have been limited by traditional values and Islamic beliefs.
- *Unemployment.* Already high unemployment and underemployment—approaching 25 percent—in both rural and urban areas will be compounded by the addition of over 9 million people, a 53-percent increase, to the labor pool by the turn of the century.

<sup>1</sup> This study defines the Maghreb—Arabic for west—as Morocco, Algeria, and Tunisia. These three countries have the same colonial heritage and similar demographic problems. The study does not include Libya because its small population and relative wealth make it atypical in the region.

<sup>2</sup> A demographer under contract to the CIA provided unclassified population data and projections that served as the basis for the judgments in this assessment. The contractor's estimates for population in 1985 are based on UN adjustments to the Moroccan census of 1982, the Algerian census of 1977, and the Tunisian census of 1984. The contractor also used fertility and mortality trends to make population projections for the years after 1985. Unless otherwise stated, all population data are from the contractor.

- *Urbanization.* About 53 percent of the population now lives in cities, and the annual rate of urban growth—4.6 percent—exceeds that of the population as a whole by almost 2 percentage points. Maghreb cities will face a steadily mounting need for housing, water, food, and education.
- *Scarce resources.* Arid conditions limit the quantity of cultivated land—less than 10 percent of the total land area—and water available to meet growing domestic demand for food. Imports will consume an increasing share of scarce foreign exchange.

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#### The Demographic Millstone

The region's explosive population growth of 2.8 percent annually will continue with only slight abatement well into the next century. High population growth over the last 30 years has been largely a result of a steady decline in mortality with no comparable change in the birthrate. As a result, just over 1.5 million people were added to the population in the past year alone. The United Nations projects only a slight decline in the annual growth rate, to 2.4 percent, in the year 2000, when the projected population will be about 84 million, almost triple the total during the independence period in the late 1950s. We estimate that even with population growth held to only 2 percent annually—an optimistic assumption—projected population in the region would reach 71 million by the end of the 1990s.

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Fertility control programs will not significantly alter these projections, since it would take two decades under the best of circumstances to stabilize lower birthrates. Moreover, that segment of the population that will exert the greatest demand for jobs and

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**Table 1**  
**Maghreb Demographic Statistics**

	1985			2000 <sup>a</sup>		
	Morocco	Algeria	Tunisia	Morocco	Algeria	Tunisia
Population ( <i>millions</i> )	23.64	22.28	7.29	37.26	36.21	10.38
Annual population growth rate	3.0	2.8	2.3	2.8	2.5	2.0
Urban population ( <i>millions</i> )	10.38	14.11	3.81	20.51	27.67	7.03
Annual urbanization rate	4.3	5.2	3.7	4.2	4.0	2.8
Percentage of urban population to total population	44	67	57	55	76	68
Life expectancy at birth ( <i>years</i> )	59	60	62	66	66	69
Percentage under 20 years old	56	57	51	50	55	47
Unemployment and underemployment ( <i>percent</i> )	25	25	22	NA	NA	NA
Demand for physicians <sup>b</sup>	2,130	3,986	1,518	3,365	6,478	2,162
Literacy ( <i>percent</i> )	28	35	62	58	65	79
GDP per capita (1985)	490	2,230	1,136	NA	NA	NA
GDP Growth (1981-85)	2.5	4.3	3.9	NA	NA	NA

<sup>a</sup> Projected.

<sup>b</sup> Holding the patient-to-physician ratio constant; 11,100 patients per physician in Morocco, 5,590 patients per physician in Algeria, and 4,800 patients per physician in Tunisia.

[Redacted]

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resources over the next 15 years is now in the 1- to 15-year-old age group. The governments of the Maghreb have all begun to recognize the need for population control, but only Tunisia has allocated more than 1 or 2 percent of its health budget to family planning programs. Indeed, a wide gap exists between the regimes' stated goals and their implementation of such programs. According to the respective US Embassies, Moroccan and Algerian officials have publicly stated that their national economies can accommodate twice the current population, but they privately admit that rapid population growth is one of their most urgent problems. [Redacted]

that family planning could be slowed by the spread of Islamic fundamentalism because of its condemnation of such practices as a "Western evil." [Redacted]

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**Jobs and Unemployment**

The rapid surge in population has contributed to increasing unemployment. Since 1980 poor economic performance has added to the problem. Regional GDP growth of 3.6 percent over the past five years was only marginally ahead of population growth and down by almost half from the previous five-year period. [Redacted]

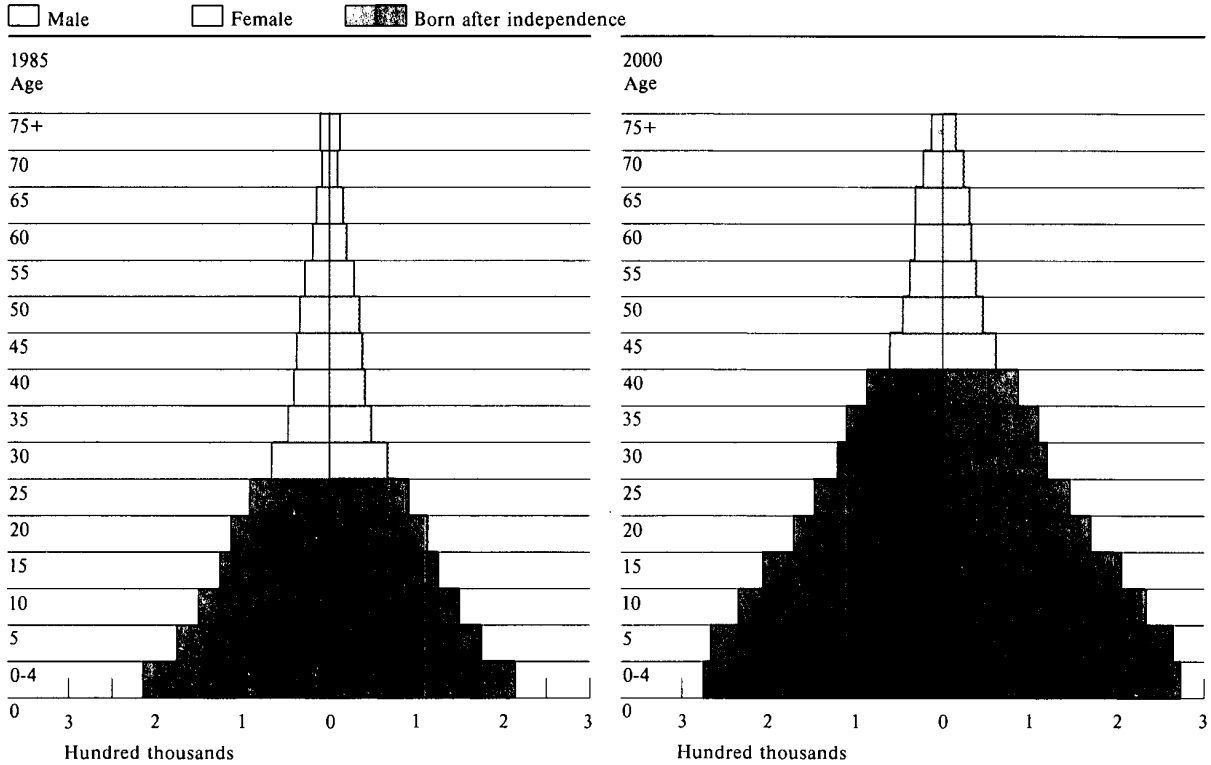
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[Redacted] As a result, unemployment and underemployment have risen steadily to an estimated 25 percent of the labor force. Even during the 1970s, a period of strong economic growth, the Maghreb states could never provide jobs for all new entrants to their labor pool. We estimate that, to accommodate the swelling

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Most social scientists believe that the strength of traditional views regarding women's role in society and the desire for sons are greater barriers to family planning than the teachings of Islam. Even though Islamic scholars acknowledge that no Islamic tenets directly prohibit the use of contraception, we believe

**Figure 2**  
**Morocco: Age Structure of Population,**  
**1985-2000**



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number of entrants into the job market, regional GDP would have to grow at an unrealistically high average rate of over 9 percent annually. Such a high level of growth would be needed because the increasingly capital-intensive economies of the future will create fewer jobs for a given increase in GDP:

- Morocco will need to provide 320,000 jobs per year for new entrants over the next 15 years.
- Algeria will have to provide 275,000 new jobs annually.
- Tunisia will need to find positions for as many as 80,000 new jobseekers each year.

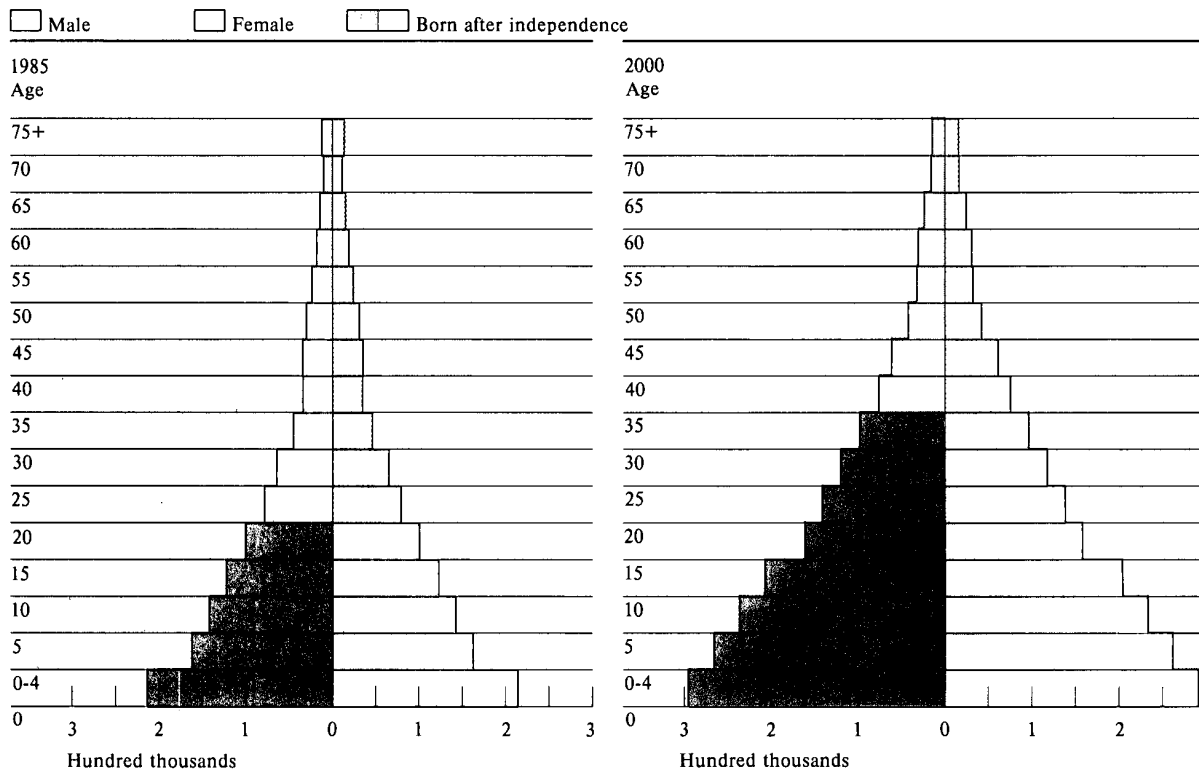
**Rising Urbanization**

The rapid increase in population and the limited job opportunities in rural areas, along with improved education and broadening horizons for youth, have fueled an enormous increase in urbanization. Over 53 percent of the Maghreb's population is already concentrated in urban areas. Casablanca, Algiers, and Tunis, which have experienced the most rapid growth since the beginning of the century, have the most

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**Figure 3**  
**Algeria: Age Structure of Population**  
**1985-2000**



[Redacted]

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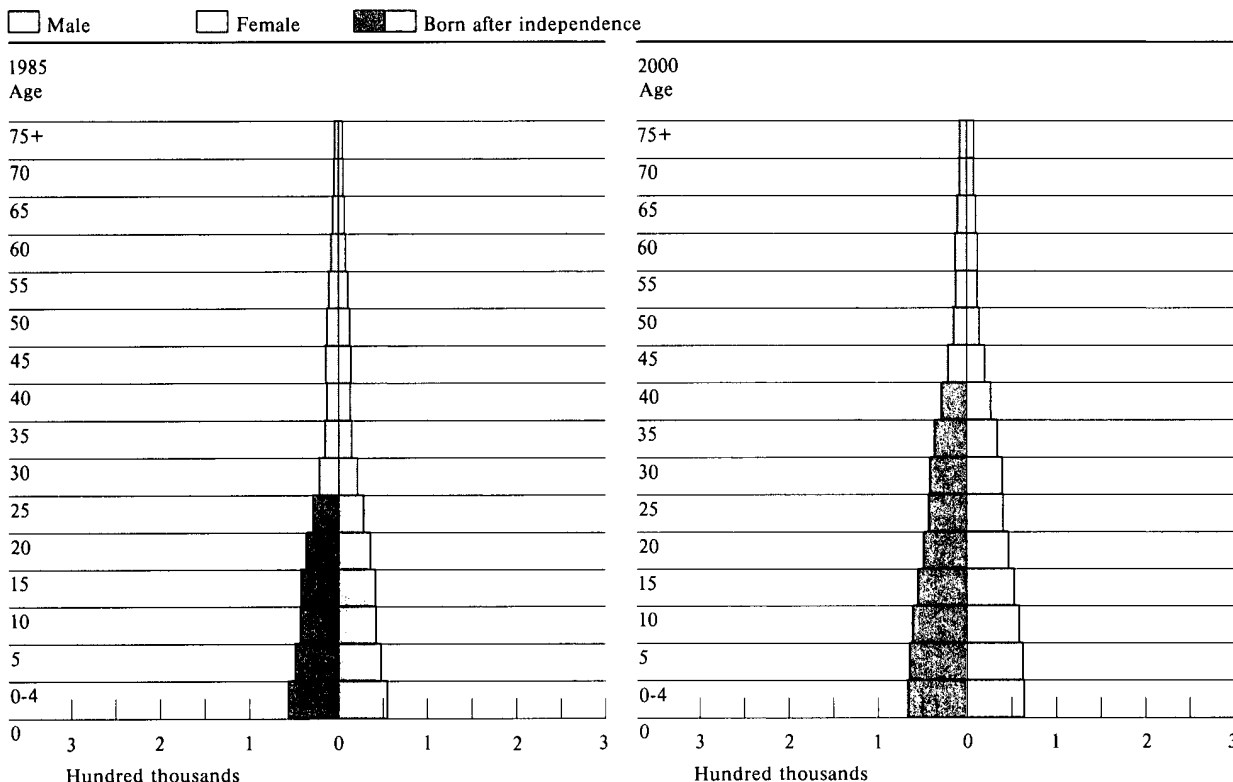
severe overcrowding. City residents are a key constituency for political leaders, who have consequently invested heavily in urban improvements. Investment in urban food subsidies, piped water, social services, and the protection of urban wages further encourages rural-to-urban migration and has led to a vicious cycle where each new increase in urban population produces pressure for further investments. [Redacted]

We believe that efforts by each of the Maghreb governments to limit the flow of rural migrants to the cities will continue to be inadequate. In many cases, measures to accommodate migrants only make them permanent urban residents, [Redacted] In our view, government efforts to raise rural

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**Figure 4**  
**Tunisia: Age Structure of Population**  
**1985-2000**



[Redacted]

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incomes and improve social services in the countryside in many instances have been little more than make-work projects and an added drain on national budgets.

**Constraints on Water, Land, and Food Supplies**

We believe that demand for water, land, and food—commensurate with population pressures—will become major political issues for the Maghreb before the end of the century. Demand for water, already in

short supply, will probably double by the year 2000, with limited options for expanding supplies, [Redacted]

[Redacted] We expect that urban areas especially will feel the pinch because delivery systems are already inadequate. In addition, the pressure for government policies that favor irrigated agriculture will intensify competition between rural and urban areas. [Redacted]

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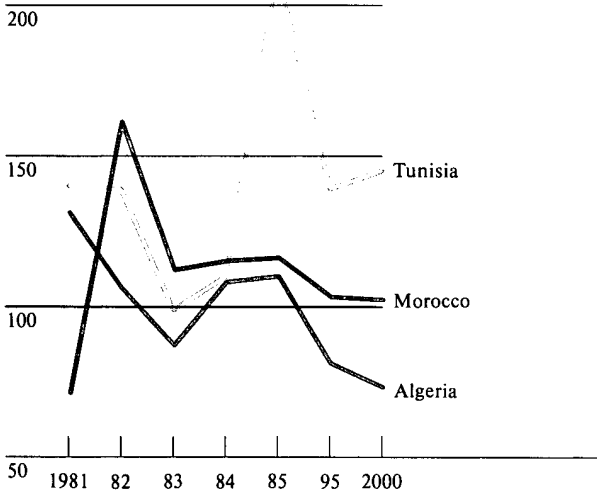
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**Figure 5**  
**Maghreb: Indexes of Per Capita**  
**Cereal Production, 1981-2000<sup>a</sup>**

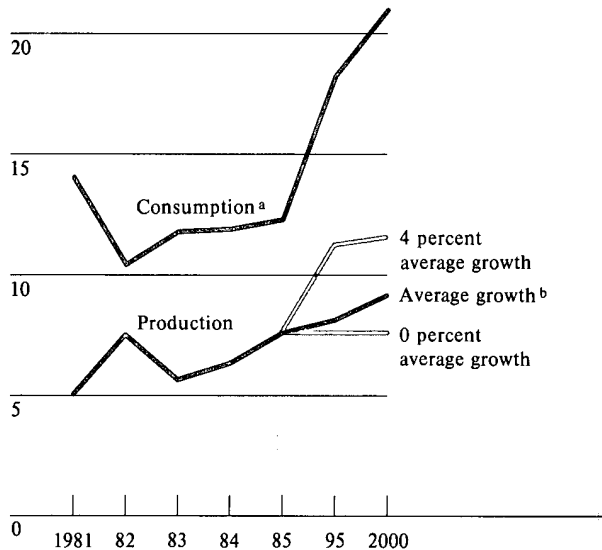
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<sup>a</sup> Assumes that the average increase in production over the 1981 to 1985 period is maintained over the next 15 years.

**Figure 6**  
**Maghreb: Cereal Production Gap,**  
**1981-2000**

Million metric tons  
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<sup>a</sup> Average consumption per capita is held constant over the next 15 years.  
<sup>b</sup> Future production is based on the average level of production over the 1981 to 1985 period for each Maghreb state.

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Land usage is a serious issue in the Maghreb because less than 10 percent is under cultivation. The problems in agricultural usage are numerous: erosion, primitive cultivation methods, and inadequate use of fertilizers. Although urban-oriented governments have paid lipservice to land reform and agricultural development, this sector has been neglected, according to US embassies in the region.

As a result, the Maghreb is experiencing a growing gulf between food production and demand, with limited prospects for closing the gap. Although the region was roughly self-sufficient in food at independence, it now imports over half of its food. According to Moroccan and Tunisian Government statistics, agricultural productivity has increased at barely half the rate of population growth

310428 9-86

for the last 20 years. Poor government management, low farm prices, and inadequate agricultural extension services share much of the blame. agricultural imports already account for 20 percent of total imports and are a significant drain on foreign exchange. We estimate that the cost of annual food imports will grow by at least 40 percent—\$1 billion—by the year 2000, if agricultural productivity is not improved.

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**Downturn in Emigration**

Labor emigration to Western Europe—particularly France—and to a lesser extent the oil-rich Gulf states has had substantial, but now declining, benefits for the Maghreb. The approximately 2.3 million Maghreb workers abroad represent about 14 percent of the labor force. Europe and the Gulf states have absorbed as many as 100,000 North African workers annually over the past 20 years, according to the US embassies in the Maghreb. The flow of remittances from expatriates, rising from \$950 million in 1975 to more than \$1.6 billion in 1985, [redacted] is one of the largest single sources of foreign exchange. [redacted]

Labor emigration is rapidly waning as a safety valve for the growing number of unemployed. According to the US Embassy in Rabat, Paris is planning to initiate tighter controls and visa requirements for Maghreb workers entering France. Moreover, a decreased need for unskilled workers in French industry threatens to force the return of workers to the Maghreb. Political leaders in each Maghreb country are concerned about the influence radical Islamic elements may exert on North African workers in Europe and the ideas they might bring home. Although returning workers have been successfully reintegrated into North African society thus far, their relative affluence may well sow discontent among their less well-off countrymen in a time of growing economic austerity. [redacted]

**Political Strains in Maghreb Societies**

Rapid population growth has eroded the old land-based, family-oriented, traditional Islamic society of the Maghreb faster than governments in the area have been able to promote development of economically advanced and urban-based societies. The popular unrest fueled by this circumstance has been aggravated by the economic slump of the past several years. Since 1980 public disturbances occasionally have occurred in Morocco, Algeria, and Tunisia as a result of discontent with austerity, and significant restiveness exists among students, the unemployed, and some religious fundamentalists. Islamic fundamentalism and leftist philosophies probably will have increasing appeal under conditions of growing social

adversity. We believe that managing these challenges will tax already strained budgets and the will of each country's political elite. [redacted]

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The Maghreb's economic situation is aggravated by a widening gap between the wealthy few and the impoverished many:

- The US Embassy in Rabat estimates that 5 percent of the Moroccan population is in the upper class, 15 percent in the middle class, and 80 percent in the lower class—at, or below, the poverty line. World Bank statistics for Morocco indicate that 10 percent of the population controls 50 percent of the country's wealth, a gulf that is growing.

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- In Tunisia, economic power is increasingly in the hands of a narrowing spectrum of the population. This shift is visible in World Bank statistics that show that the poorest 20 percent of the population accounted for 6 percent of total consumption in 1966 and only 5 percent in 1980. In contrast, the share of the richest 5 percent rose from 18 percent in 1966 to 22 percent in 1980.

- Limited available evidence suggests that wealth distribution in socialist Algeria has become more even since independence. Nevertheless, the sharp restrictions on private consumption probably have kept real gains to a minimum. [redacted]

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**Youth and Students**

In all three countries, unmet rising expectations among the burgeoning better educated youthful population are becoming a major source of discontent, according to US Embassy reporting. Social scientists of the region say that young people are increasingly blaming their governments for mismanagement of the economy and are refusing to make sacrifices. The US Embassy in Rabat says that crime in urban slums is rising at an alarming rate as a result of the growing number of unemployed youths. [redacted]

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[redacted] Morocco's educational system is not geared to providing the skills needed for technical and industrial jobs and

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contributes instead to urban unemployment, a condition we believe also prevails in Algeria and Tunisia. Student strikes protesting shortages in educational services have led to violence, especially in Morocco and Tunisia. Such protests have increased over the past several years, despite the governments' stationing of police on campuses. The US Embassies in Rabat and Tunis report that this police presence has increased unrest among most students. [redacted]

improve their bleak prospects. To date, class and education differences have kept the two groups from cooperating. [redacted]

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Some socially and intellectually uprooted young people are starting to turn their backs on modernization and, as a corollary, to reject the United States and other Western countries that they see as principal agents of change. This impulse has been the driving force behind the recent spread of Islamic fundamentalism in the region, according to regional scholars. On the other hand, others—we believe a smaller number—are discontented that their governments are not doing more to promote change, and this group is the recruiting ground for radical leftists. [redacted]

Although fundamentalism and leftist agitation have been fed by rapid population growth, they have not reached dangerous proportions. There are clear signs, however, that these movements pose a potential threat:

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**Islamic Fundamentalism**

Rapid population growth and related social change are contributing to the appeal of militant fundamentalism, which calls for a return to Islamic principles. The movement extends well beyond the youth and consists of two principal currents. [redacted]

- *Morocco* experienced violent outbursts in Casablanca in 1981 and nationwide rioting in 1984 over reduced food subsidies. This violence resulted in several hundred deaths after the military was called in to restore order. During the riots in 1984 Islamic fundamentalists helped foment unrest by distributing tracts attacking King Hassan's economic mismanagement. Last fall the US Embassy in Rabat reported that the decision to enlarge the royal palace by demolishing adjacent neighborhoods in Casablanca set off new demonstrations. In our view, harsher austerity likely to be mandated under Morocco's next IMF and debt rescheduling programs will increase discontent. With limited economic options, we believe the King will be forced to be more repressive, calling on his security and military forces more frequently and quickly to quell dissent.

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The first—"fundamentalists of conviction"—is composed of fairly well-off intellectuals. The intellectuals are generally dissatisfied with what they consider to be social and economic injustices, and they see that ruling cliques are running the North African countries on the basis of favoritism and corruption. This group agrees that the path of reform lies in strict adherence to the Koran, and some share the widespread fundamentalist belief that the West must be rejected because of its association with Israel. [redacted]

- *Algeria's* inability to meet the demand for basic social services—primarily housing—in urban areas caused riots in the Casbah in the summer of 1985. Violence also erupted in several rural communities in 1985 as farmers clashed with local authorities over land and water reforms, according to the US Embassy in Algiers. [redacted]

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The second group—"fundamentalists from frustration"—is made up of unemployed or underemployed urban residents who are denied access to wealth or positions in society. A group of Moroccan scholars has recently argued that rapid population growth has aggravated this problem. Frustrated individuals of this sort frequently do not have an intellectual appreciation of Islam but hope that fundamentalism will

[redacted]

We estimate that the sharp drop in oil prices threatens to halve foreign exchange earnings this year and to undermine President Bendjedid's program of economic liberalization. Despite its pervasive security apparatus, the regime will have to move cautiously to avoid further unrest and criticism by remaining hardliners opposed to Bendjedid's reforms, in our view.

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- *Tunisia* also was rocked in 1984 by riots that were brought on by a sharp hike in the price of bread. Islamic fundamentalist agitators helped to fan the protests of disadvantaged workers in poorer rural areas that spread to urban centers, according to the US Embassy in Tunis. In our view, falling prices for Tunisia's chief exports—oil, phosphates, and agricultural products—and a rising debt service burden will continue to limit the government's ability to deal with unemployment and the needs of a rapidly urbanizing society. We believe President Bourguiba and his successor will become even more repressive as economic options diminish. [redacted]

#### Efforts To Cope With the Demographic Crisis

North Africa's population crunch will not ease significantly for decades to come even if population growth slows—as may have begun to occur in Tunisia. In the meantime, Maghreb governments will have little choice but to focus their attention and resources on politically pressing symptoms of the population crisis—unemployment, shortages in education, and inadequate food supplies. [redacted]

Since 1980 governments in Morocco, Algeria, and Tunisia have begun to deal constructively with some of the principal causes and consequences of the population problem:

- *Morocco* has begun to adjust government-controlled farm prices in an effort to improve agricultural income and productivity. Priority is being given to vocational training programs to counteract the severe shortage of skilled technicians. Family planning is slowly gaining acceptance, especially in the cities and among the better educated.
- *Algeria* is making a significant effort to return farmland to private holders and to bolster stagnant agricultural productivity. Algeria also is experimenting with vocational education to absorb the growing number of unemployed youths. Family planning is recognized by the government as essential, but a national program is still in the preliminary stages of implementation.

- *Tunisia* has already made limited gains in controlling population growth through government-sponsored family planning programs. Increased use of fertilizer, liberalized prices for agricultural production, and better credit terms for farmers have led to improved yields. Education has long been a primary goal of the regime, which is attempting to reform curriculums to meet national needs. [redacted]

#### Obstacles to Improvement

Progress in population control is likely to remain limited in the Maghreb for some years to come. Inadequate education is a fundamental obstacle to implementation, and governments will proceed cautiously in order to avoid offending traditional religious values. [redacted]

We believe that Maghreb leaders will face growing difficulty mobilizing the financial resources needed to tackle the social and economic problems resulting from population growth. An inadequate fiscal base will make it especially hard to revitalize food production. Most farmers cannot afford needed investments in agricultural technology and expertise, and government budget deficits will continue to curtail subsidies for new equipment. We believe, moreover, that leaders will be reluctant to dismantle inefficient government organizations that control food production, prices, and distribution because they provide an important source of patronage and political control. Leaders also recognize that eliminating the current system of subsidizing urban consumers would produce unrest in the cities. Moreover, the governments' policies are not addressing the disparity between agricultural and industrial wages, which encourages the migration of the youth to urban areas. [redacted]

Water will remain a key constraint to infrastructure development. According to social scientists, many existing sources of water are already overused, leading to saltwater encroachment, pollution of aquifers, and reduced supplies. Improving the efficiency of current water resources—through methods such as emphasizing drip irrigation and water-efficient crops—will require a significant improvement in education and changes in traditional farming methods.

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**Table 2**  
**Maghreb Current Account**

Million US \$

	1981			1986 <sup>a</sup>		
	Morocco	Algeria	Tunisia	Morocco	Algeria	Tunisia
Trade balance	-1,557	2,500	-1,070	-800	730	-1,362
Exports (f.o.b.)	2,283	13,500	2,110	2,300	6,730	1,078
Petroleum and gas		13,349	1,310		6,380	198
Phosphates	405		367	950		270
Agricultural goods	587	151	240	450	50	100
Imports (f.o.b.)	3,840	11,000	3,180	3,100	6,000	2,440
Fuel	1,200		600	500		123
Food	892	2,200	430	450	1,300	600
Net services	-360	-4,100	560	640	-4,000	300
Worker remittances	963	497	360	950	310	200
Current account balance	-1,917	-1,600	-510	-160	-3,270	-1,062
Foreign exchange reserves	230	3,695	536	70	2,000	100

<sup>a</sup> Projected.

Development of new water resources will entail even greater expense and require significant foreign expertise to achieve. Limited financial resources probably will preclude the construction of a major new water supply infrastructure, including dams, desalination plants, pipelines, water wells, and pumping stations.

The Maghreb region's harsh environment is likely to increase the impact of these shortcomings. Much of the remaining uncultivated land is in semidesert zones that receive barely sufficient rainfall even in good years. If the population projection of 84 million in the Maghreb by the turn of the century is correct, regional agricultural productivity would have to increase by an average of 8.1 percent annually—6.3 percent in Morocco, 11.2 percent in Algeria, and 7.1 percent in Tunisia—to achieve a balance between cereal production and demand. Such increases have rarely been achieved even in the United States, where fertile land, water, and skills are plentiful.

**Outlook**

We believe that regardless of their different political complexions, the Maghreb governments are committed to reducing population growth, and we expect them to try to develop more successful family planning programs. At the same time, Moroccan and Algerian leaders, in particular, and even Tunisian leaders, to a lesser extent, will continue to worry that aggressively promoting population control could offend the traditional values of many of their citizens. The governments' concerns with minimizing that potential source of political unrest are likely to hinder their population control programs for some years to come.

These governments, moreover, have only limited resources at their disposal. Regional leaders are already well aware that demographic problems do not yield to quick fixes and that the payoff from expensive and

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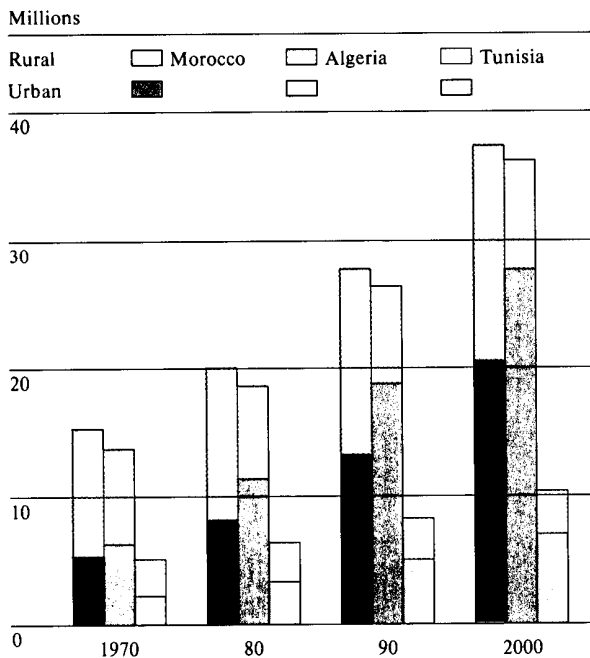
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**Figure 7**  
**Maghreb Urban-Rural Ratios,**  
**1970-2000**



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socially sensitive programs to lower population growth rates will not be apparent for a decade or more. They are also likely to continue to believe that their most immediate and overriding concern must be to ensure political stability and their continuance in power. That concern is likely to exert sustained pressure on leaders to divert attention and scarce resources from treatment of the root cause of their demographic crisis—rapid population growth—to treatment of its more politically pressing symptoms, such as unemployment and urban slums.

In the meantime, the demographic crisis and the increased social and economic problems flowing from it almost certainly will continue to grow and to fuel Islamic fundamentalist and leftist unrest. Political

leaders who fail to accommodate or co-opt either fundamentalist or leftist aspirations are likely to have increasing difficulty governing. Those leaders who lean too far toward either fundamentalism or leftist radicalism, however, will probably stir up opposition from the other quarter. We doubt that any Maghreb leader can arrive at a fully satisfactory resolution of these challenges. Fundamentalism and leftist radicalism point ultimately in very different political directions, and the underlying conflict between them means that politics in the Maghreb countries will become increasingly turbulent.

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#### Implications for the United States

Decreased stability in the region is of particular concern to the United States because the countries of the Maghreb possess strategic importance disproportionate to their population, size, and resources. Morocco and Tunisia, in particular, occupy strategic locations along the Strait of Gibraltar and the Strait of Sicily, respectively—potential choke points for Western merchant and military shipping. In the hands of a hostile power, any of the Maghreb states could offer ports, airfields, and other facilities potentially useful against US and NATO military operations.

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We believe Morocco, Tunisia, and possibly Algeria will try to exploit that fact by making increased demands for financial assistance from the United States over the next 15 years. As the Maghreb governments struggle with the economic and political consequences of rapid urban growth, they are likely to call on the United States to provide more financial aid for the cities and assistance in urban policy formation.

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Morocco, Tunisia, and even Algeria also may press the United States to influence Western donors and the IMF to be more responsive to Maghreb financial problems. Servicing the region's foreign debt, which exceeds \$39 billion, will be increasingly difficult as governments shift their scarce resources to meeting growing domestic demands. Over 11 percent of the

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region's foreign debt has been provided by US institutions, and an additional 48 percent has been provided by other Organization for Economic Cooperation and Development states, [redacted] Overall, US aid to the region in 1985 of about \$250 million paled in comparison with the \$955 million in debt owed to the United States and US banks last year. In our judgment, debt repayment almost certainly will become a point of contention between the Maghreb and Western capitals. [redacted]

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In addition, the United States may be asked to help governments improve agricultural yields and alleviate food crises. US assistance in establishing agricultural extension networks, introducing more productive crop and livestock varieties, and cooperating in the management of intermittent food shortages could reach a broad segment of society. Maghreb leaders would press for such aid on concessional terms. In general, although US aid could win some good will, highly visible US aid will increase the risk that Washington will be blamed either for failing to provide sufficient assistance to solve immense problems or for exerting too much influence over domestic policies. [redacted]

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Maghreb governments almost certainly will view Washington's response to requests for assistance as a measure of US commitment to their needs and—in the case of Morocco and Tunisia—as an indication of our reliability as an ally. We believe that the Soviet Union could benefit from a perceived shortfall in US assistance, especially if growing disgruntlement or unrest undermine vulnerable pro-Western regimes. The Soviet Union most likely will continue to play a lesser role than the United States in Morocco and Tunisia, however, since Moscow—because of its own economic problems—probably will be unwilling or unable to fill any gap left by the United States. [redacted]

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