

## Corona in the Casbah: The Pandemic's Destabilizing Impact on Algeria

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Given that the local economic repercussions of COVID-19 could be severe, Washington should prepare for the prospect of instability erupting in Africa's largest country.

Just as individuals' preexisting medical conditions may affect their ability to fight off the novel coronavirus that is currently traversing the world, countries' background conditions will likely affect their ability to manage the health and economic crisis. For Algeria and its 43 million inhabitants, a weak medical infrastructure, a year-long political crisis, and a stalled reorientation of an economy that has been overly dependent on hydrocarbons for decades have all made the North African country particularly vulnerable to repercussions from the virus.

### HEALTH CONCERNS

As of April 20, Algeria had announced 2,718 cases of COVID-19 and 384 deaths, the latter representing both the highest total number and the highest per capita ranking of reported fatalities among Arab countries. Mirroring the situation in states across the Middle East and North Africa, roughly 85 percent of Algeria's population is under age fifty-five, a demographic reality that could ultimately prevent more deaths. Still, the arrival of the novel coronavirus has exposed the poor state of Algeria's health system. The 2019 Global Health Security Index, which measures various health-sector capacities in countries around the world—including preparedness to manage pandemics—ranked Algeria 173rd out of 195 countries and 17th out of 21 Arab states (surpassing only Djibouti, Syria, Yemen, and Somalia).

In its response to the outbreak, the Algerian government has refrained from implementing a nationwide lockdown (in contrast to neighboring Morocco and Tunisia), opting for curfews and targeted confinements in hard-hit areas, such as Blida to the southwest of Algiers. Nine provinces, including that of the capital, have been placed under a curfew from 3:00 p.m. to 7:00 a.m. All other provinces are under a nighttime curfew from 7:00 p.m. to 7:00 a.m. On March 17, President Abdelmadjid Tebboune suspended public transportation, banned public gatherings, closed schools and mosques, and sealed the country's land and sea borders.

Algerian authorities have also sought and received assistance from China, which recently overtook France as the country's top import origin. Such support has included a delegation of twelve Chinese medical professionals who arrived in Algeria on March 27 with a reported \$450,000 in medical equipment, the planned construction of a small hospital for coronavirus patients, and shipments of 8.5 million masks and additional protective gear for medical workers, which arrived on April 5 and April 15.

Meanwhile, the government has acknowledged the need for deeper reforms in the health sector. On April 13, Tebboune announced plans to overhaul the medical system while noting that "the situation is under control." The minister of health similarly described the country's predicament as "stable," claiming that use of the antimalarial drug chloroquine had reduced coronavirus patient hospital stays from ten days to five. Chloroquine, whose efficacy in treating the novel coronavirus remains unproven, is produced locally in Algeria; Tebboune said the country has stockpiled enough of it to treat 230,000 people, with more slated to become available once additional raw materials are received from India.

### PANDEMIC POLITICS

Whether or not such statements reflect reality, they are unlikely to persuade many Algerians given the crisis of legitimacy confronting the country's political leaders since well before the pandemic's arrival. Tebboune's election on December 12, 2019, was widely seen as a rigged attempt to [mollify a ten-month protest movement](#) known as the Hirak, which had called for dismantling the opaque system of military, business, and political networks (what Algerians have long called *Le Pouvoir*) that has ruled the country for more than half a century. Tebboune was thought to be the chosen candidate of then-army chief of staff Ahmed Gaid Salah, who had become the country's de facto ruler following longtime president Abdelaziz Bouteflika's resignation in April 2019. But Gaid Salah unexpectedly passed away some ten days after Tebboune was sworn in, and in the ensuing political jockeying, a power struggle emerged between remnants of Gaid Salah's camp and his opponents in the security services. The recent dismissal of Gen. Wasini Bouazza, Gaid Salah's pick for intelligence chief, and last week's sacking of Col. Kamel-Eddine Remili, head of the external security directorate, likely reflect ongoing efforts to remove the last

vestiges of Gaid Salah's camp and convince a deeply skeptical electorate that Tebboune seeks to turn the page.

As such, these dismissals elicited cautious optimism from the Hirak, which marked its one-year anniversary in February but subsequently suspended biweekly demonstrations following the March 17 ban on large gatherings. The movement has since taken its mobilization efforts online, organizing campaigns to raise money for shipments of food and medical equipment to Algeria's virus hotspots, and condemning the state for its handling of the health crisis, which many saw as delayed and haphazard. Notwithstanding Tebboune's dismissal of unpopular intelligence officials, the state has continued to arrest and imprison activists and journalists, further galvanizing the Hirak and raising the prospect of a confrontation between the government and its primary opposition group.

## **ECONOMIC VULNERABILITIES**

The coronavirus is also starting to wreak havoc on Algeria's economy. With hydrocarbon sales accounting for 93 percent of export earnings and 40 percent of revenues, the oil and gas producer has been especially vulnerable to the global drop in demand spurred by the virus. Last month's [price war between Saudi Arabia and Russia](#), which sent the price of oil plummeting, forced Algerian lawmakers to slash the state budget by 30 percent. By the end of March, the country's foreign currency reserves had dipped below \$60 billion (less than a third of where they stood following the 2014 drop in oil prices). Though these reserves can conceivably last through the end of 2020, prospects for 2021 are far less certain. Because of its heavy reliance on imports, the country will likely be significantly affected by disruptions of international supply chains, and Algerians will almost certainly see local shortages of goods.

The April 12 OPEC agreement to cut production was, therefore, welcome news in Algiers, though the continuing dive in prices does not bode well. A hydrocarbons law passed in January reduced the tax burden for international oil companies, and Algeria's state-run oil company, Sonatrach, went on to sign memoranda of understanding with Chevron and Exxon Mobil, in addition to those with Russian and Turkish firms. But with world demand unlikely to rebound anytime soon, such agreements cannot be expected to yield much in the near term. Meanwhile, the coronavirus has fueled a rise in consumer prices, and could exacerbate unemployment in a country where more than a quarter of young adults are out of work. Algerian diaspora communities in Canada and France may be able to assist some struggling families, but such aid will hardly ameliorate the pandemic's consequences absent deeper political and governance reforms.

## **RECOMMENDATIONS FOR WASHINGTON**

Algeria's hypernationalist foreign policy, coupled with its reluctance to engage with Western powers, has traditionally limited the scope of bilateral ties with the United States. Still, the country's increasingly dire situation and the public's general souring toward the system that nurtured it may present Washington with opportunities to lay the groundwork for expanded engagement. Quietly offering to send medical aid would be a good first step. And to the extent that the recent Chevron and Exxon MOUs reflect a growing Algerian appetite for economic engagement, U.S. policymakers should consider ways to incentivize greater investment by American companies.

The crisis may hold another silver lining: with Algiers distracted by virus-related imperatives, it will be less likely to make any sudden, provocative moves in its longstanding conflict with Morocco over Western Sahara. At the same time, continued instability will undermine the counterterrorism cooperation on which Washington has relied in pursuing its regional interests. For all its disruptive power, the coronavirus is not likely to bring about a change of heart among jihadists in the Sahel, and Algeria's military has played a key role in containing terrorist groups and preventing their advance into Europe. Washington needs to plan for a scenario in which Algiers may no longer be able to help preserve such regional security interests, most of which will long outlast the coronavirus.

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