



Algeria: Easing the Lockdown for the Hirak?

Middle East and North Africa Report N°217 | 27 July 2020

Translation from French

Headquarters

International Crisis Group

Avenue Louise 235 • 1050 Brussels, Belgium

Tel: +32 2 502 90 38 • Fax: +32 2 502 50 38

brussels@crisisgroup.org

Preventing War. Shaping Peace.

Table of Contents

Executive Summary.....	i
I. Introduction	1
II. The Dilemma Posed by the Hirak	2
A. A Largely Peaceful Citizens' Movement.....	2
B. A Power Structure That Must Maintain Its Equilibrium	3
C. The Authorities and the Hirak: National Unity in the Face of COVID-19	5
D. Power Shifts in the Face of the Uprising	8
1. A period of détente	8
2. Tougher security measures	9
3. A sceptical Hirak	11
III. The Socio-economic Fallout of COVID-19	12
A. Emergency Measures.....	12
B. Pessimistic Macro-economic Projections.....	13
C. From Austerity to Social and Corporatist Tensions	15
IV. Addressing the Challenges	18
A. Could the Hirak Go on the Offensive?	18
B. Could the Hirak Wear Itself Out?	19
C. Taking Advantage of National Unity in the COVID-19 Era.....	20
D. Overcoming Obstacles to Exit from the Rentier Economy	20
V. Conclusion	23
APPENDICES	
A. Map of Algeria	24
B. About the International Crisis Group	25
C. Crisis Group Reports and Briefings on the Middle East and North Africa since 2017....	26
D. Crisis Group Board of Trustees	29

Principal Findings

What's new? Algeria is now facing more challenges due to the social and economic fallout from the COVID-19 crisis and the country's official lockdown measures.

Why does it matter? The Algerian government could react to this situation by taking on external debt and increasing austerity in its budget. However, such an approach could stir up social tensions and intensify the conflict between the Hirak movement and the state.

What should be done? The authorities should capitalise on this moment of national solidarity created by the pandemic by responding to popular protests with a lighter touch. The government and Hirak should sit together to discuss the country's economic conditions and propose specific ways of reducing its exposure to fluctuating oil and gas prices.

Executive Summary

The economic and social fallout caused by the COVID-19 crisis and the Algerian authorities' lockdown measures risk radicalising the Hirak protest movement. To avoid such a scenario, Algerian state authorities should take advantage of the national solidarity created by the pandemic to use a lighter touch in their dealings with the Hirak and support some of its citizen-led initiatives. If political dialogue is unrealistic in the short term, the government and members of the Hirak should at least engage in a national economic dialogue to find a way to implement the structural changes needed to ward off a severe economic crisis. International financial organisations and friendly nations should stand by to offer the country financial support specifically for economic reforms, but without imposing overly-strict conditions. If Algeria accepts them, such reforms could weaken the powerful clientelist networks that profit from the oil and gas industry, and in turn possibly trigger more violence, repeating what happened in the 1990s.

The Hirak is a largely non-violent and citizen-led movement set up in February 2019 when President Abdelaziz Bouteflika announced he was running for another term in office. Faced with the COVID-19 health emergency, the movement demonstrated civic responsibility by respecting the restrictions on movement put in place by the government in its attempt to curb the spread of the virus; it suspended its street protests and set up a solidarity network to reduce the lockdown's social impact.

Although the Algerian government has taken emergency measures on social and economic issues, politically it appears to have called an end to its *détente* with the Hirak, in effect since Abdelmadjid Tebboune's election on 12 December 2019. Thus, despite the promises of constitutional reform made in response to the Hirak's demands, there has been a noticeable security clampdown. Moreover, Algeria is facing a wide range of social and economic challenges due to the global economic slump and tumbling oil prices. The country's macro-economic outlook is grim given its dependence on oil and gas exports and the impact of lockdown.

In the short term, the Algerian government may need to resort to taking on external debt and tightening its austerity measures, and possibly face a resurgence of social tension as a result. When lockdown restrictions are lifted across the country, the Hirak may therefore resort to a more aggressive stance. Conflicts with the government could flare up since the conditions are right for a resumption of fortnightly protest marches, as well as for general strikes and outbreaks of civil disobedience. The standoff between the authorities and the Hirak since February 2019 could then become more entrenched. Or the Hirak could dissipate and, in the absence of measures that address the grievances expressed by the movement, leave a vacuum. This could lead to small groups taking an increasingly hardline approach and more radical actions in the not-too-distant future.

To prevent such unwelcome developments and broaden support for President Tebboune, the authorities should implement the new head of state's promises of greater political openness. Such a response could include, for example, releasing political detainees, ending media censorship, and putting an end to arbitrary arrests. The government could also give increasing support to – but not seek to co-opt – the citi-

zen networks set up by the Hirak's leaders to help fight the pandemic and reduce its social impact.

An immediate resolution to the conflict through political dialogue is improbable; however, a sustained and far-reaching national economic discussion could achieve this aim by bringing together leading political groups, unions and organisations, along with government representatives and the country's most influential businesspeople, even from the informal sector. The objective would be to identify the obstacles in the way of genuine economic reform and to propose realistic and broadly accepted solutions to overcome them.

Finally, if the Algerian government decides to make a request, international financial organisations and friendly nations should provide financial backing, in particular to support an eventual economic reform strategy. In that case, donors should provide financial assistance without imposing excessively strict conditions (all-out liberalisation and severe austerity). Lacking an alternative, the authorities would either turn them down or feel obliged to accept them. The latter scenario could destabilise important clientelist networks involved in controlling profits from the oil and gas industry, as happened in the 1990s when this was a contributing factor to the spiralling violence of the "black decade".

Tunis/Algiers/Brussels, 27 July 2020

Algeria: Easing the Lockdown for the Hirak?

I. Introduction

Since February 2019, the Algerian authorities have faced a popular uprising of unprecedented size and scale. Within two months, the movement, known as the Hirak, had grown so strong that it prompted the chief of staff and deputy minister of defence, Ahmed Gaïd Salah, to demand President Abdelaziz Bouteflika's resignation on 2 April. In the course of subsequent weeks, the uprising compelled the authorities to arrest more than 100 senior government officials, as well as businessmen who were close to them, and to postpone the presidential election twice, on 18 April and 4 July.¹ On 12 December 2019, the balloting finally proceeded, with Abdelmadjid Tebboune emerging as the winner.²

The Algerian regime is far from collapsing, but the Hirak persists, and the socio-economic fallout of the global COVID-19 crisis has added to the authorities' challenges.

This report assesses those challenges, as well as the government's response to the largest social movement in the country's modern history amid the coronavirus pandemic. It is based on interviews conducted between February 2019 and May 2020 with state representatives (mainly former administration officials), Algerian academics, local elected officials, leaders of political parties, citizens involved in the Hirak movement, and members of international organisations. It is also informed by regular, in-person observation of twice-weekly demonstrations, especially in Algiers.

¹ See "La liste des ex-hauts responsables et hommes d'affaires actuellement en prison", Algérie 360, 4 November 2019.

² Abdelmadjid Tebboune received 58 per cent of the vote with an official participation rate of 40 per cent (though, according to several Hirak activists, the real participation rate was no higher than 9 per cent). A member of the National Liberation Front (FLN), the main party in power, Tebboune is a former housing minister who was briefly prime minister in 2017. He was deposed after denouncing the corrupt practices of businessmen close to Bouteflika and his brother Saïd. Crisis Group interviews, Hirak demonstrators, Algiers, December 2019-February 2020. See also Crisis Group Middle East and North Africa Report N°192, *Breaking Algeria's Economic Paralysis*, 19 November 2018.

II. The Dilemma Posed by the Hirak

A. *A Largely Peaceful Citizens' Movement*

The Hirak movement emerged in February 2019 following the “humiliating” announcement of Abdelaziz Bouteflika’s candidacy for a fifth term. It presents itself as a peaceful citizen-led movement, though protesters have clashed with police a few times at the end of marches.³ According to its members, the Hirak expresses the collective desire to reclaim public space, a space that the regime has closed by banning demonstrations and stifling almost all forms of opposition.⁴ The movement advocates a vision of citizenship that seeks to transcend the political, social and regional divisions that have led to civil strife in the past.⁵

The hugeness of the crowds – millions of people assembled across the country in the first half of 2019, with hundreds of thousands continuing to gather every Tuesday and Friday thereafter – gave participants a sense of security.⁶ The demonstrations allowed them to regain the status of political actors, something they felt the authorities had denied them.⁷

As one protester noted, these ritualised twice-weekly gatherings in the country’s major cities allow people to behave as true citizens.⁸ From the movement’s first weeks, open debates flourished in universities and public spaces. Algerians who were not politically active before February 2019 organised themselves into local committees and set up neighbourhood initiatives. They raised awareness among their neighbours of the movement’s pro-democracy agenda and launched discussions of what it means to be a citizen (such as fighting petty corruption and trying to engage with young people).⁹ These peaceful expressions of citizenship allowed Algerians to shake off the stigma of violence and incivility with which many of them felt unjustly associated.¹⁰

³ Crisis Group interview, Hirak activist, Algiers, March 2019. Many Algerians called the announcement “humiliating” due to Bouteflika’s poor health (he has partial paralysis and difficulty speaking). They felt that the country deserved a younger, more dynamic executive, and that his candidacy showed that he was hostage to an unelected circle governing in his place. Crisis Group interviews, former state representatives, economists, journalists, Hirak activists, Algiers, Tunis, Marseille, Paris, March–October 2019. Crisis Group observations, Algiers, February 2019–March 2020.

⁴ Since the beginning of the uprising, traditional opposition parties have attempted to form a coalition, but they have found little support among the demonstrators. Crisis Group interviews, journalists, academics, Algiers, March 2019. Crisis Group observations, Algiers, February 2019–March 2020.

⁵ Islamism and assertions of Amazigh identity have caused particularly salient divisions in the past. See “Socialités et humanités. La citoyenneté en mouvement”, *Revue des sciences sociales*, n°7 (2019).

⁶ Ibid.

⁷ As one of the first leaders of the movement in Kheratta noted: “It was difficult to mobilise people on 16 February because so many have lost hope. Society has lost trust in all organisations. The people must build change themselves”. Crisis Group interview, Hirak demonstrators, Kheratta, February 2019. See “Socialités et humanités. La citoyenneté en mouvement”, op. cit.

⁸ Crisis Group interview, protester, Algiers, March 2019.

⁹ Crisis Group observations, Algiers, March–November 2019. Crisis Group interviews, Hirak demonstrators, Algiers, February–November 2019.

¹⁰ Crisis Group observations, Algiers, March–November 2019. Crisis Group interviews, Hirak activists, Algiers, Kheratta, March–December 2019.

Hirak activists say their movement is a durable opposition force – albeit with a durable internal divide.¹¹ While divergences based on Amazigh identity and religious conservatism regularly reappear within the movement, only to fade away, there is a permanent confrontation between two groups that rally small opposition parties and activist associations.¹² The first, the Pôle démocratique (Democratic Pole), favours negotiations with authorities and a search for consensus; its representatives notably supported the work of the National Dialogue Commission headed by diplomat Karim Younes, which fizzled.¹³ The second, the Forces du pacte de l'alternative démocratique (Forces of the Democratic Alternative Pact), refuses any discussion with the authorities and demands utter dissolution of “the system”, followed by a democratic transition including election of a constituent assembly.¹⁴

The Hirak has a horizontal structure, refusing all forms of hierarchy. It has no official spokespeople, although its members include opinion leaders and social activists, including former representatives of the Front des forces socialistes (Socialist Forces Front, or FFS, the traditional opposition party) such as Mustapha Bouchachi and Karim Tabbou. Also among its ranks are socially engaged artists whose work inspires the slogans chanted at demonstrations and broadcast on social media networks.¹⁵

B. A Power Structure that Must Maintain Its Equilibrium

The power structure, which many Algerians have called “the regime” or “the system” since its consolidation after independence in 1962, has experienced several serious crises. Thus far, it has overcome them all through a combination of economic and political reforms, in effect purchasing social peace, while both co-opting and repressing opponents.¹⁶ It has managed to maintain its equilibrium by surpassing internal divisions and conflicts between its three main institutions: the army, in particular

¹¹ Crisis Group interviews, Hirak activists, Algiers, Kheratta, March-December 2019. See also Amel Boubekeur, “Demonstration Effects: How the Hirak Protest Movement is Reshaping Algerian Politics”, European Council on Foreign Relations, 27 February 2020.

¹² See Mohan Tilmatine, “Interdiction des emblèmes berbères et occupation des espaces symboliques : amazighité versus algérianité ?”, *L'Année du Maghreb*, n°21 (2019). See also Ryad Hamadi, “Islamistes et hirak : Saïd Sadi met en garde contre les dangers de la ‘confusion’”, *Tout sur l'Algérie*, 29 February 2020.

¹³ See Fayçal Métaoui, “Le pôle démocratique plaide pour le dialogue et dénonce les atteintes aux libertés”, *Tout sur l'Algérie*, 26 June 2019.

¹⁴ See “Algérie : pacte politique pour une véritable alternative démocratique”, Blog Ensemble, 1 July 2019. See also “Réunies hier au siège du RCD : les Forces de l'alternative démocratique rejettent l'agenda de la présidentielle”, *El Watan*, 10 September 2019.

¹⁵ Crisis Group interviews, Hirak activists, Algiers, Kheratta, March 2019-March 2020.

¹⁶ The system notably escaped a crisis in 1976, by which time the hope and confidence born of independence had withered away. The regime dissolved the Revolutionary Council created in 1965, organised a presidential election, established a national assembly and drew up a new national charter. It evaded crisis again in 1988, when, following the oil counter-shock and the October riots, army officers left the FLN's central committee and the regime authorised a multiparty system. A violent confrontation ensued between the military government and Islamist groups, with the government eventually prevailing. In 2011, amid the Arab uprisings, the regime authorised new opposition parties and managed to buy social peace until 2014. See Miriam R. Lowi, *Oil Wealth and the Poverty of Politics* (Cambridge, 2009). See also the Algerian chronicles of the *Annuaire de l'Afrique du Nord* (1962-2003) and *L'Année du Maghreb* (2004-2019).

the chief of staff, the military and civilian intelligence services, and the presidency of the Republic.¹⁷

But with the crisis sparked in February 2019 by the Hirak, and the economic slump following the COVID-19 outbreak, the system is weakening and maintaining this balance is becoming increasingly difficult.¹⁸ The conflicts between and within the regime's main institutions are more pronounced than usual, albeit far less violent than during the "black decade" of the 1990s.¹⁹ The authorities must manage this crisis while its two main sources of income are running out: the annuity conferred by the revolutionary legitimacy of the war of liberation, and the revenue derived from hydrocarbon production and export.²⁰

Faced with this two-fold crisis of legitimacy, the authorities must respond wisely to the Hirak's challenge. On one hand, given the scale, duration, popularity and peaceful nature of this movement – hundreds of thousands of Algerians taking to the streets every week for over a year – a forcible clampdown could prove very risky. It is notably to avoid exposing itself to such repression that the Hirak remains largely peaceful and does not venture off its set path (with, for instance, general strikes lasting days or weeks, civil disobedience and sabotage).²¹ On the other hand, the government is reluctant to give in to the Hirak's main demands: full rejuvenation of the political class; an army that safeguards republican institutions but absents itself from politics; genuine respect for freedom of association; creation of a "truly independent" electoral commission; establishment of an independent Constitutional Court; and elections for a constituent assembly.²² These demands in fact endanger the regime's survival.

Not all citizens support the Hirak, however, and the government can still count on part of the population. Some, including those who voted for President Tebboune, believe that Algeria's main democratic achievement is popular sovereignty and see the shadow of foreign influence hovering over the uprising. They fear that outside actors will encourage a transition that promotes sectional interests (regional, tribal and corporatist) to the detriment of the national interest.²³ The unity of the country would suffer, and so would the state, at a time when Algeria needs a strong state "in

¹⁷ See Hugh Roberts, *The Battlefield: Algeria, 1988-2002* (London, 2003).

¹⁸ See Section III of this report. See also the intervention by Louiza Dris Aït Hamadouche, "La lutte de clans, Tebboune-général de Gaïd Salah, réalité ou intox ?", Radio M, 22 April 2020.

¹⁹ Hamadouche, "La lutte de clans", op. cit. The expression "black decade" refers to the period of conflict (1991-2002) between the military government and armed Islamist groups, which claimed between 100,000 and 200,000 lives.

²⁰ See Nadji Safir, "Algérie 2019 : une crise majeure", *Diplo Web*, 3 April 2019.

²¹ See Section II.B of this report.

²² Crisis Group interviews, president and spokesperson for opposition parties, associative leaders, Hirak activists, Algiers, March 2019. See also "Is a Democratic Transition Possible in Algeria? Fourteen Experts Respond", POMED, December 2019; and "Algérie : pacte politique pour une véritable alternative démocratique", *Blog Ensemble*, 1 July 2019.

²³ Crisis Group interviews, executives, doctors, anti-Hirak voters in the 12 December 2019 presidential election, Algiers, October-December 2019. See the 2019 editorials of *El Djeich*, the monthly periodical of the National People's Army, and the weekly speeches by Gaïd Salah, particularly in April and September 2019. Also Crisis Group interview, public-sector executive, Algiers, December 2019.

a regional context plagued by violence” (such as in Libya, Mali and Niger).²⁴ Others, mainly public-sector executives, fear the effects of extensive economic liberalisation.²⁵ One academic notes that free trade on an international scale would mean that senior army officers, certain senior officials and politicians would lose “the monopoly over managing the oil and gas revenue, or would at least risk giving greater autonomy to the businessmen with whom they are affiliated, as occurred in the late 2000s. And those who uphold the system do not want this”.²⁶

C. *The Authorities and the Hirak: National Unity in the Face of COVID-19*

In terms of trying to protect public health, the Algerian government has been quite responsive. On 17 March 2020, when the country had 80 diagnosed COVID-19 cases and eight confirmed deaths, authorities imposed social distancing measures: a ban on all forms of assembly, closure of places of worship, schools, cafés, restaurants and retail stores except those stocking food and/or hygiene and pharmaceutical products. They closed the country’s land borders and suspended incoming flights and maritime vessels, aside from those bringing in food, medicine and essential raw materials or repatriating citizens.²⁷ An Algerian industrial group began manufacturing protective masks.²⁸

The government encouraged voluntary isolation, though it placed repatriated Algerians in compulsory quarantine. On 24 March, as the disease’s toll rose to 264 confirmed cases and nineteen deaths, it decreed lockdown measures that were partial or total depending on the local epidemiological situation.²⁹ In the *wilaya* (province) of Blida (south west of Algiers), for instance, there was a major cluster of cases. The High Security Council chaired by President Tebboune ordered a full lockdown accompanied by a curfew, prohibiting Blida’s residents from leaving their homes except in

²⁴ Crisis Group interview, public-sector manager, Algiers, December 2019. Crisis Group interviews, executives, doctors, anti-Hirak voters in the 12 December 2019 presidential election, Algiers, October-December 2019.

²⁵ Crisis Group interviews, management-level public-sector employees, Algiers, October-December 2019.

²⁶ Crisis Group interview, academic, Marseille, March 2019. See also Crisis Group Report, *Breaking Algeria’s Economic Paralysis*, op. cit.

²⁷ See Executive Decree N°20-69 of 26 Rajab 1441 (corresponding to 21 March 2020), relating to measures to prevent the spread of the coronavirus.

²⁸ See “Covid-19 : le groupe Getex lance la fabrication de masques de protection”, Algeria Press Service, 25 March 2020. See also “Soutien. La Chine à la rescousse d’une Algérie reconnaissante”, *Courrier International*, 31 March 2020. In mid-May, the authorities facilitated imports of medical products. See Executive Decree N°20-109 of 12 Ramadan 1441 (corresponding to 5 May 2020), relating to exceptional measures intended to supply the national market with pharmaceutical products, medical devices and detection equipment in response to the coronavirus pandemic.

²⁹ See Executive Decree N°20-69, op. cit.

cases of necessity or with police authorisation.³⁰ On 4 April, the authorities instituted a partial lockdown and curfew, from 3pm to 7am, in the rest of the country.³¹

On 24 April, shortly before the start of Ramadan, the toll stood at fewer than 2,700 diagnosed cases and 375 deaths. That day, after several reassuring messages from the head of state and the health minister declaring that the epidemic had peaked, the government shortened its curfew by two hours – so that it lasted from 5pm to 7am.³² On 20 May, the government decreed the compulsory wearing of protective masks in public.³³ On 28 May, the partial lockdown was extended until 13 June, except in the country's sparsely populated southern provinces (Saida, Tindouf, Illizi and Tamanrasset).³⁴ On 13 June, it was eased in 29 of the country's 48 *wilayas*, including Algiers – with the curfew remaining in place from 8pm to 5am – and lifted in the rest of the country, including in Tebessa, Tlemcen and Tizi Ouzou.³⁵

In early July, following an increase in the number of cases diagnosed (to nearly 300 per day), the government toughened its measures. It once again extended the partial lockdown and reinstated it in several regions where it had been lifted. It also allowed the *walis* (governors) to put additional measures in place to deal with public health developments in their provinces.³⁶ In Sétif and Ouergla, regional authorities took it upon themselves to suspend all commercial, economic and social activities as well as pedestrian and car traffic in most municipalities.³⁷ A new measure was instituted on 9 July when the government banned travel between the 29 most affected regions.³⁸

Hirak leaders largely approved of the authorities' response to COVID-19. Among protesters, the idea that the government was exploiting the coronavirus to "break the popular movement" was present but not widespread.³⁹ The Hirak's protagonists criticised its last demonstration in central Algiers, on 13 March, calling for a pause to fight the pandemic, including a full lockdown of the country.⁴⁰ Only a few protested budg-

³⁰ See Executive Decree N°20-70 of 29 Rajab 1441 (corresponding to 24 March 2020), setting out additional measures to prevent the spread of the coronavirus.

³¹ See Executive Decree N°20-92 of 11 Chaâbane 1441 (corresponding to 5 April 2020), amending and complementing Executive Decree N°20-72 of 3 Chaâbane 1441 (corresponding to 28 March 2020), extending partial lockdown in certain *wilayas*.

³² See Executive Decree N°20-102 of 29 Chaâbane 1441 (corresponding to 23 April 2020), extending the partial lockdown to prevent the spread of the coronavirus and reorganising its schedule.

³³ See Executive Decree N°20-127 of 27 Ramadan 1441 (corresponding to 20 May 2020), amending and complementing Executive Decree N°20-70.

³⁴ See Executive Decree N°20-131 of 5 Chaoual 1441 (corresponding to 28 May 2020), extending the partial lockdown, reorganising its schedule and renewing measures to prevent the spread of the coronavirus.

³⁵ See Executive Decree N°20-159 of 21 Chaoual 1441 (corresponding to 13 June 2020), on the reorganisation of measures to prevent the spread of the coronavirus.

³⁶ See the prime minister's press release of 1 July 2020. See also Nabila Amir, "Confinement partiel prolongé au 13 juillet : nouvelles charges pour les walis", *El Watan*, 1 July 2020.

³⁷ See the press releases from the interior ministry and local authorities, 7 and 9 July 2020.

³⁸ See "Coronavirus en Algérie, durcissement du confinement dans 29 wilayas", *Dzair Daily*, 10 July 2020.

³⁹ Crisis Group interviews, Hirak activists, Algiers, March-April 2020.

⁴⁰ Crisis Group interviews, Hirak activists, Algiers, March-April 2020. See Rosa Djaz, "L'Algérie se confine toute seule", *Politis*, 1 April 2020.

et cuts in the health sector or equated partial lockdown with socio-economic disaster.⁴¹ Comparisons with the “black decade”, a time when Algeria experienced much worse in terms of travel restrictions and economic paralysis, undoubtedly played a role. Hirak activists stressed that there is no shortage of essential goods like there was in the 1990s.⁴² It is also reassuring that the state budget is not burdened by an unsustainable external debt. One activist said there is “a lot of money in the coffers. The COVID-19 crisis will not ruin the country”.⁴³ The activists hope that when the “system” gives way to a new generation of democratically elected decision-makers, the economy will flourish.⁴⁴

As of March, the vast majority of protesters agreed to cease demonstrating in the streets. The “regulars” (those who took part in every march) simply started sharing their views and defending prisoners of conscience on social media networks.⁴⁵ One said it was necessary to “pause the Hirak to come back stronger”.⁴⁶

The government has nevertheless received plenty of criticism. Some think that the authorities are underestimating the number of COVID-19 deaths and have created websites to track the “real” number of cases.⁴⁷ Others denounce the lack of equipment in certain hospitals, such as in Biskra.⁴⁸ Still others advocate for social solidarity in the face of the pandemic without “expecting anything from the state”, as one activist explains. Activists have violated curfews to distribute free meals and personal protective equipment as well as run disinfection campaigns in Algiers and Blida.⁴⁹ In Kabylia, villagers have set up their own version of lockdown: a roadblock at the village’s entrance where residents disinfect the car before allowing it in.⁵⁰ Activists sometimes coordinate their actions with the central and provincial administrations, as in Algiers, where the latter has made warehouses available for storing medical equipment.⁵¹

⁴¹ Crisis Group interviews, Hirak activists, Algiers, March-May 2020.

⁴² Crisis Group interviews, Hirak activists, Algiers, April 2020.

⁴³ Crisis Group interviews, Hirak activist, Algiers, April 2020.

⁴⁴ Crisis Group interviews, Hirak activists, Algiers, April-May 2020.

⁴⁵ Ibid.

⁴⁶ Crisis Group interview, Hirak activist, Algiers, April-May 2020.

⁴⁷ See Vish Sakthivel, “Algeria’s Hirak: A Political Opportunity in COVID-19?”, Middle East Institute, 1 April 2020.

⁴⁸ See “Rassemblement à l’hôpital de Biskra : Le personnel de la santé exprime son ras-le-bol”, *Algérie 360*, 8 July 2020.

⁴⁹ As a trader from Algiers explains: “I started to prepare meals as soon as businesses closed. I saw that many people no longer had anything to eat. I was given access to the kitchen of a restaurant closed due to lockdown. I prepare and distribute up to 250 meals in the evening. The authorities told me that I need a permit, but no one can tell me how to get one. Since then, I have been preparing meals discreetly at home and distributing them before the curfew. I identified up to 1,000 people who did not have enough to eat in the centre of Algiers”. Crisis Group interview, Algiers, April 2020. See Faiza Kissi, “A Alger, les bénévoles s’organisent pour pallier les déficiences de l’Etat”, *Le Desk*, 26 March 2020. See also Sakthivel, “Algeria’s Hirak: A Political Opportunity in COVID-19?”, *op. cit.*

⁵⁰ Crisis Group telephone interviews, Kabylia villagers, Tunis, April 2020.

⁵¹ Hirak activists have set up a solidarity network that includes 600 volunteer doctors. Their network has distributed more than 10,000 masks in Algiers and Blida. As one of its organisers notes: “We anticipated the situation since the start of the epidemic in Wuhan in January 2020. We put in place an action plan to raise awareness and consolidate initiatives. The state has taken our plan into account”. Crisis Group interview, Algiers, April 2020.

D. Power Shifts in the Face of the Uprising

Following the presidential election at the end of 2019, authorities inaugurated a period of détente with the Hirak. They could have extended this period in view of the movement's civic-mindedness, as seen in its contribution to the national COVID-19 response.⁵² Yet the opposite occurred.

1. A period of détente

Following President Tebboune's election, the government increasingly began to display good-will toward the protesters. On the evening of 12 December 2019, the new head of state called the Hirak movement "blessed" and expressed his desire "for a serious dialogue".⁵³ Between late December and mid-January, he met with a series of former heads of government and political opponents, all Hirak supporters, including Abdelaziz Rahabi, Ahmed Benbitour, Taleb Ibrahim, and Soufiane Djilali.⁵⁴ On 2 January, the new president abolished the post of deputy minister of defence, the last civilian position occupied by a member of the military and created in September 2013 for the army chief of staff, Gaïd Salah.⁵⁵ On 18 January 2020, as if to symbolise a rejection of presidentialism, Tebboune gave the newly appointed Prime Minister Djerad the power to nominate senior officials in the administration.⁵⁶

Furthermore, on 1 January 2020, the public prosecutor released Issad Rebrab, one of the richest businessmen in Algeria and an early Hirak supporter, after he had spent eight months in prison for "false statements about the movement of capital to and from the country".⁵⁷ The next day, 67 of the 180 Hirak activists still in detention

⁵² The presidential election was finally held on 12 December 2019, after two postponements, despite opposition from the streets and a climate of tension unprecedented since the start of the movement.

⁵³ In addition, when taking the oath of office, Tebboune affirmed that he no longer wanted the words "his excellency" (the standard expression since independence) to precede his name, saying the phrase encourages a "cult of personality". See Zeinab Filali, "Algérie : le président Tebboune met fin à une expression aussi vieille que l'indépendance", *Financier Afrik*, 23 April 2020.

⁵⁴ Abdelaziz Rahabi is a former diplomat and minister of culture. In 2019, the authorities instructed him to lead a dialogue initiative with Hirak representatives. Ahmed Benbitour is another former minister who was briefly head of government in the late 1990s. He was also a candidate in the 2014 presidential election. Taleb Ibrahim was minister of foreign affairs from 1982 to 1988, then president of the small Wafa (Loyalty) party and a candidate in the 1999 presidential election. Mouloud Hamrouche was leader of the FLN's liberal wing in the 1980s, and then served as prime minister from September 1989 to June 1991. Soufiane Djilali is president of an opposition party involved in the Hirak, Jil Jadid (New Generation). See "Le président Tebboune reçoit l'ancien chef de gouvernement Ahmed Benbitour", Algeria Press Service, 29 December 2019; "Dialogue : rencontre Tebboune et Rahabi", *Express*, 10 January 2020; "Le président poursuit les consultations : Tebboune reçoit Hamrouche et se rend chez Taleb Ibrahim", *El Watan*, 14 January 2020; Abdelghani Aichoun, "Soufiane Djilali revient sur sa rencontre avec Tebboune : 'Les intentions semblent aller dans le bon sens'", *El Watan*, 18 January 2020.

⁵⁵ Salah died in December 2019, after having forced Bouteflika to resign and encouraged the purge of political, administrative and economic circles earlier in the year. See "Algérie : Tebboune supprime le poste de vice-ministre de la Défense", *Dzair Daily*, 2 January 2020.

⁵⁶ See "Transfert du pouvoir de nomination de certains cadres de l'Etat au Premier ministre", Algeria Press Service, 19 January 2020.

⁵⁷ Crisis Group interviews, social activists, Algiers, April 2020. See also "Algérie : plusieurs industriels arrêtés", Agence France Presse, 22 April 2019.

were released on parole, including Lakhdar Bouregaa, a veteran of the National Liberation Army who is very popular among protesters.⁵⁸

Other political actions reflect a desire for reform. On 8 January 2020, in accordance with his campaign promises, the new head of state set up a commission of experts tasked with formulating proposals for a new constitution that would guarantee greater public freedoms, judicial independence, and checks and balances.⁵⁹ One month later, on 6 February, the government published an action plan for the president's program. This document echoes the demands of the main opposition parties and associative groups participating in the Hirak.⁶⁰ It advocates for "the establishment of a new republic responding to the legitimate aspirations of the people, and whose foundations will be based on the entrenchment of democratic principles and the protection of rights and freedoms".⁶¹ Finally, in May 2020, the presidency presented six main axes for the constitutional revision project, including the right to free association and freedom of assembly.⁶²

2. Tougher security measures

This period of relative détente waned with the approach of the movement's first anniversary on 22 February 2020 and ended during the COVID-19 crisis. On 20 February, nearly 1,400 people from across the country – student groups, the Coordination of Hirak Activists, the Collective of United Journalists, the Coordination of Diaspora Groups and the Collective for Democratic Transition – gathered to call for a unitary conference (the 22 February Initiative) aimed at coordinating the movement's actions. The authorities banned it, though it had allowed similar meetings a few months earlier.⁶³

Tougher security measures have been especially evident since 17 March and the suspension of demonstrations due to COVID-19. In the eyes of many activists, the

⁵⁸ Some of these activists had been arrested following clashes with police at the end of rallies. Others had been detained for their political opinions. As is typical in Algeria, the courts accused them of contrived offences like "attacks on the integrity of the national territory", "recruitment of volunteers or mercenaries on behalf of a foreign power in Algerian territory", "attacks on national security" and "distribution of leaflets likely to harm the national interest". Crisis Group interviews, journalists, Algiers, April 2020. See also Nadir Idir, "Ils ont été interpellés à la fin de la marche populaire du vendredi 1er mars [...]", *El Watan*, 13 January 2020; "Près de cinquante détenus d'opinion dans les geôles algériennes", *Algeria-Watch*, 9 April 2020; and the Facebook page of the National Committee for the Liberation of Prisoners.

⁵⁹ See "Algérie : le président nomme une commission pour réviser la Constitution", Reuters, 8 January 2020.

⁶⁰ The document notably includes references to an "overhaul of the legislative system for electoral organisation", "the moralisation of public life", "the freedom of assembly and demonstration", "the independence of the justice system", and "the advancement and empowerment of women". See "Plan d'action du gouvernement pour la mise en œuvre du programme du président de la République", People's Democratic Republic of Algeria, 6 February 2020.

⁶¹ *Ibid.*

⁶² Crisis Group telephone interview, journalist, Tunis, May 2020. See also "Avant-projet de la Constitution 2020", 2020. See also "Révision de la Constitution : la mouture de l'avant-projet prête pour le débat", *Algeria Press Service*, 7 May 2020.

⁶³ Crisis Group observations, Algiers, 2019-2020. See also Tarek Hafid, "Le pouvoir algérien interdit une conférence du Hirak", *Sputnik*, 20 February 2020.

justice ministry is taking advantage of the lull in demonstrations to “turn things back”; some, rightly or wrongly, even compare the political situation to that which prevailed on 21 February 2019, the day before protests began.⁶⁴

Between March and July 2020, a number of people were arrested and released on parole: on 24 March, prosecutors secured a longer prison sentence for Karim Tabbou, the former FFS leader and a “credible and respected figure” in the Hirak, and then paroled him on 2 July.⁶⁵ On 27 March, Khaled Draréni, a Reporters Without Borders correspondent involved in the protests, was placed in pre-trial detention.⁶⁶ On 20 April, the Sidi Mhamed court in Algiers sentenced Abdelwahab Fersaoui to one year in prison (he was released on 17 May); Fersaoui is president of Rassemblement action jeunesse, an association working to unite the Hirak behind a “democratic transition” including election of a constituent assembly.⁶⁷ On 21 June, the Chéraga court in Algiers sentenced Amira Bouraoui, a Bouteflika opponent in the 2010s and Hirak activist, to one year in prison on charges including “insulting the president ... through an outrageous or defamatory expression”; the Tipaza court west of Algiers released her pending a new judgement at the end of September.⁶⁸ In Algiers, journalists have seen daily arrests that create a “climate of paranoia”.⁶⁹

Despite conciliatory gestures on the authorities’ part, such as the presidential pardon granted to six Hirak activists on 5 July (Independence Day), freedom of expression appears to have been undermined.⁷⁰ In mid-April, the courts blocked access to several online media, including Maghreb Emergent and Radio M, for their overly harsh criticism of President Tebboune’s record.⁷¹ According to journalists, the communication ministry is threatening the press with a ban on foreign funding in order to remind them to “moderate their criticism of the government”, lest the government file “cases against them”.⁷² Another sign of potential tension among authorities is the proposed penal code revision to “criminalise the dissemination and propagation of false information that threatens public order and security”.⁷³

⁶⁴ Crisis Group interviews, Hirak activists, member of an international organisation, Algiers, April 2020.

⁶⁵ Crisis Group interview, Hirak activist, Algiers, April 2019. See also “Algeria, Events of 2019”, Human Rights Watch, 2020.

⁶⁶ See the Facebook page of the National Committee for the Liberation of Prisoners.

⁶⁷ Crisis Group interviews, Rassemblement action jeunesse officials, Algiers, March 2019. See also “Abdelouahab Fersaoui condamné à un an de prison ferme”, *Algérie Eco*, 6 April 2020. His sentence was reduced on appeal. See “Algérie : libération d’Abdelouahab Fersaoui, figure du hirak, en prison depuis octobre 2019”, Agence France Presse, 18 May 2020.

⁶⁸ See Arezki Benali, “Tribunal de Chéraga : les accusations retenues contre Amira Bouraoui”, *Algérie Eco*, 21 June 2020. See also “Amira Bouraoui retrouve sa liberté”, *Algérie 360*, 2 July 2020.

⁶⁹ Crisis Group interview, journalist, Algiers, June 2020. Crisis Group interviews, journalists, Algiers, June 2020.

⁷⁰ See “Grâce présidentielle pour 6 détenus”, 24h Algérie, 1 July 2020.

⁷¹ See Nabila Amir, “Inaccessibilité des sites Maghreb Emergent et Radio M en Algérie : polémique entre l’éditeur et le ministre de la Communication”, *El Watan*, 16 April 2020.

⁷² Crisis Group interview, journalist, Algiers, May 2020. See also “Tous les dossiers de financements étrangers de la presse nationale seront ouverts”, Algeria Press Service, 16 April 2020.

⁷³ See “APN : présentation du projet de loi modifiant et complétant le Code pénal”, Radio Algérienne, 22 April 2020. See also “Criminaliser les actes qui menacent la sécurité et la stabilité du pays”, *El Djeich*, no. 82 (May 2020). One member of an international organisation in Algiers fears that the

3. A sceptical Hirak

Despite the promises of democratic openness, Hirak activists remain suspicious of the government's intentions. Several protesters believe that the facts contradict these promises and fear that the liberal provisions planned for the future constitution will never see the light of day.⁷⁴ One of them quipped: "The current constitution is already the most liberal in the world. A text is just a text. What's more, it is imposed from above by a committee of experts, which shows that it is not made to be discussed by the people, even if it were to be approved by referendum".⁷⁵

In addition, after approving of the authorities' initial COVID-19 response, many activists now fear that they are exploiting the pandemic to tighten their grip.⁷⁶ A former senior official also describes his impression that the government is, once again, imposing its roadmap as if the Hirak did not exist.⁷⁷ The president's recent declarations are cases in point. On 2 June, speaking at the defence ministry headquarters, Tebboune denounced the "lobbies" that seek to sap the army's morale, an implicit reference to Hirak activists who disdain the constitutional reform project.⁷⁸ At the heart of this project – rejected by several protest movement factions – is territorial reform, which aims to increase the number of municipalities and provinces.⁷⁹ The project also envisions a referendum at the end of 2020, which, according to the presidency's spokesperson, will allow Algerians to agree on a constitution that will prevent it from "falling into the trap of authoritarianism".⁸⁰ The municipal and legislative elections planned for 2021 or 2022 are also included in the project.⁸¹

authorities will use this reinforced legal arsenal to "intensify repression of associations and individuals highly involved in the Hirak". Crisis Group telephone interview, Algiers, April 2020. Furthermore, on 26 May, the broadcast of a documentary on Algerian youth and the Hirak on a French channel sparked outrage among Algerians, including within the Hirak, as well as a diplomatic crisis with France, heightening suspicion of the media, especially foreign outlets, among the authorities and many citizens alike. Crisis Group interviews, Hirak activists, Algiers residents, Algiers, May 2020. See Lyes B, "Les démons de l'Algérie ne lâcheront pas prise", *Algérie Eco*, 3 June 2020.

⁷⁴ Crisis Group interviews, Hirak activists, Algiers, May 2020. As one activist put it: "The population must take the government at its word because it has no say". Crisis Group interview, activist, Algiers, May 2020.

⁷⁵ Crisis Group telephone interview, Hirak activist, Tunis, May 2020.

⁷⁶ Crisis Group interview, Hirak activists, Algiers, April 2020. See Hamdouche, "La lutte de clans", op. cit. See also Sarah Haidar, "Coronavirus et Hirak algérien : des effets secondaires à haut risque !", *Middle East Eye*, 1 April 2020.

⁷⁷ Crisis Group telephone interview, Algiers, November 2019.

⁷⁸ See Akli Ouali, "Tebboune et Chengriha sur la même longueur d'onde", *L'Est Républicain*, 4 June 2020.

⁷⁹ See the draft law amending Act N°84-09 of 4 February 1984 relating to the country's territorial organisation. See also Luis Martinez, "L'armée algérienne à l'épreuve du hirak", *Le Point*, 20 February 2020.

⁸⁰ See Ali Boukhlef, "Belaïd Mohand Oussaïd : 'La présidence veut une Constitution consensuelle'", *Liberté Algérie*, 14 May 2020.

⁸¹ According to the presidency of the Republic, legislative and local assemblies can be dissolved in 2021 after the constitutional referendum at the end of 2020. Their legal mandate ends in 2022. See "Tebboune : le référendum sur la nouvelle constitution aura lieu avant la fin de l'année", *Algérie Eco*, 23 February 2020. See also Mouhand Ouamar, "Algérie : pas d'élections législatives et locales cette année", *Observ'Algérie*, 14 May 2020.

III. The Socio-economic Fallout of COVID-19

A. Emergency Measures

In order to limit the pandemic's socio-economic impact, in particular that of a partial lockdown, the government made a series of proactive decisions. On 17 March, the Tax Division postponed the payment of income taxes and value-added tax for two months; one month later, it exempted humanitarian and charitable associations from customs duties. The government also decreed the payment of a premium to health professionals.⁸² On 22 March, due to the closure of non-essential public services, half the public sector's management staff and employees were placed on exceptional paid leave for a renewable period of fourteen days.⁸³ Following the suspension of sea fishing, on 23 March the authorities of the *wilaya* of Algiers set up a crisis unit to coordinate assistance to fishermen.⁸⁴

Other support measures followed for businesses and the underprivileged. On 7 April, the Bank of Algeria required financial institutions to reschedule their clients' debt payments.⁸⁵ On 13 and 15 April, respectively, the government announced an allowance of 10,000 dinars (72 euros) for needy families and suspension of late payment penalties for works and services provided under public contracts.⁸⁶

From the end of March, the authorities guaranteed the country's food security and sought to reassure citizens. To avoid panic buying and the resulting shortages, the government boosted its wheat orders on international markets. The president announced that semolina production would be increased three-fold.⁸⁷ Many Algerians received text messages from the government and public companies reassuring them of the availability of essential goods.⁸⁸ The agriculture minister also declared that state support for basic food products would continue, while the trade minister made field visits to food storage facilities to show that the government was preventing speculation on food commodities.⁸⁹

Finally, authorities entered into a tacit agreement with several workers in the informal sector, from wholesalers to retail sellers, asking them to facilitate the delivery of foodstuffs and maintain price stability in exchange for the legalisation of their activity.⁹⁰

⁸² See Presidential Decree N°20-79 of 6 Chaâbane 1441 (corresponding to 31 March 2020), establishing an exceptional premium for health personnel.

⁸³ See Executive Decree N°20-69 of 26 Rajab 1441 (corresponding to 21 March 2020), *op. cit.*

⁸⁴ See "Installation d'une cellule de suivi des marins pêcheurs confrontés aux retombées de la crise sanitaire", Algeria Press Service, 6 April 2020.

⁸⁵ See Zahra Chenaoui, "Après le Hirak, le coronavirus : en Algérie les entreprises tirent la sonnette d'alarme", *Le Monde Afrique*, 17 April 2020.

⁸⁶ See "Une allocation de 10 000 DA aux familles impactées par la crise sanitaire", *Tout sur l'Algérie*, 13 April 2020.

⁸⁷ See "L'Algérie multiplie les achats de blé sur les marchés internationaux", *El Iqtisadiya*, 3 April 2020. See also Tarik Hafid, "Algérie : la semoule de la colère", *Sputnik*, 2 April 2020.

⁸⁸ Crisis Group observations, Algiers, March 2020.

⁸⁹ See "M. Rezig inspecte des espaces commerciaux à Alger et Tipasa : respecter les mesures de prévention", *El Moudjahid*, 3 May 2020.

⁹⁰ Crisis Group interviews, executive in a large company, Algiers resident, Algiers, March 2020.

B. *Pessimistic Macro-economic Projections*

Despite these emergency measures, most projections remain pessimistic about the ability of Algeria – which derives most of its tax revenues from hydrocarbon exports – to face macro-economic challenges that have become colossal in the wake of the global economic slowdown.⁹¹ The figures speak for themselves, and the medium-term scenarios are alarming.⁹²

The origins of the crisis go back several years. Since the fall in the price of Brent crude in 2014, which serves to index the price of long-term natural gas contracts that represent the majority of export revenues, public spending has increased relative to state income.⁹³ This ratio has become more imbalanced as the volumes of hydrocarbon production and exports steadily decrease.⁹⁴ To limit this budget deficit, which leads the state to borrow from national banks, Algiers implements two different approaches: at times, it adopts unpopular measures, such as reducing spending, increasing the tax burden and varying the exchange rate; at other times, it favours economic measures that are less painful for citizens in the short term, such as increasing the money supply and limiting imports.⁹⁵

The crisis accelerated sharply with the historic fall in the prices of Brent and Sahara Blend (the varieties of oil exported by the country), and then the effects of COVID-19, which caused oil prices to plunge to their lowest levels in 40 years in constant dollars. The resulting budget and trade deficits cannot be absorbed without external debt and austerity measures likely to fuel social tensions.⁹⁶ Even though the cost price of oil is very competitive, especially in the Hassi Messaoud oil fields where it sometimes falls to under \$3 per barrel, to balance its budget the country requires a minimum price per barrel that is one of the highest in the Middle East: over \$100.⁹⁷

⁹¹ In Algeria, hydrocarbons (oil and gas) account for 97 per cent of exports, two thirds of state revenues and one third of GDP.

⁹² See “Confronting the Covid-19 Pandemic in the Middle East and Central Asia”, International Monetary Fund, April 2020. See also Gita Gopinath, “The Great Lockdown: Worst Economic Downturn Since the Great Depression”, IMF Blogs, 14 April 2020.

⁹³ See Abderrahmane Mebtoul, “Les six impacts de la baisse du cours des hydrocarbures sur l’économie algérienne”, *La Nouvelle République*, 3 May 2020.

⁹⁴ In the early 2000s, the country exported 65 billion cubic metres, against only 51.4 billion in 2018. The gap can be explained by the increase in domestic energy consumption (gas is used to produce electricity) and international competition. In this competitive environment, Algeria is having difficulty maintaining its long-term contracts, many of which expire in 2024 and will be renegotiated at less advantageous conditions given the fall in the price of Brent. See Crisis Group Report, *Breaking Algeria’s Economic Paralysis*, op. cit. See also “En dépit du renouvellement de ses contrats : les exportations gazières de l’Algérie en baisse”, *El Watan*, 26 November 2019; Khelifa Litamine, “Gaz algérien : les clients européens réduisent de moitié leurs demandes”, *Algérie Eco*, 29 January 2020; Nadija Bouaricha, “Dr Mourad Preure : ‘s’engager dans un véritable patriotisme économique’”, *El Watan*, 4 April 2020.

⁹⁵ See Crisis Group Report, *Breaking Algeria’s Economic Paralysis*, op. cit.

⁹⁶ Brent and Sahara Blend fell respectively from \$70 and \$65 per barrel in January 2020 to \$19 and \$15 in April 2020. Their prices rose in June – reaching \$42 each – but remain very volatile and depend on the prolonged reduction in supply decided by the Organization of Petroleum Exporting Countries (OPEC). See “L’OPEP+ poursuit sa stratégie de baisse de l’offre pétrolière”, *Connaissance des énergies*, 8 June 2020.

⁹⁷ See Breakeven Oil Prices, IMF Data, 2019.

As a result, budgetary and trade deficits will continue to grow.⁹⁸ It is therefore probable that if the price per barrel of Brent and Sahara Blend remains low and volatile – between \$20 and \$45 over five years (2020–2025) for the first, and between \$10 and \$45 for the second – foreign exchange reserves will decline sharply.⁹⁹

For the time being, the absence of external debt shows that the state has some financial room for manoeuvre, which makes the Lebanese scenario of a payment default with a fall in the value of the national currency unlikely in the short term. But there is a risk that Algeria could soon be forced to allow its currency to depreciate and resort to external debt.¹⁰⁰ Despite President Tebboune's repeated statements dismissing this possibility, the country may need to seek support from the International Monetary Fund and World Bank in order to replenish its foreign exchange reserves.¹⁰¹ If these reserves run dry – a plausible scenario by 2023 – basic food and social security would no longer be guaranteed, a situation that the government will try to avoid.¹⁰²

Other factors are likely to harm the national economy. According to the Confederation of Algerian Industrialists and Producers, the purge of political, administrative and economic circles launched by authorities at the end of 2019 in response to the Hirak movement's demands led to liquidation of over 60 per cent of public-sector construction companies, some of the most important firms aside from hydrocarbon ventures.¹⁰³ And construction is not the only sector affected by such closures. Since the epidemic broke out in Algeria in March, nearly 65 per cent of companies operat-

⁹⁸ In 2019, the former was already above \$75 billion and the latter nearly \$4 billion. See "Les indices de valeurs unitaires du commerce extérieur de marchandises 2019", N°888, Office national des statistiques. See also Karim Zeidane, "Algérie, loi des finances 2020 : financer le déficit budgétaire, un vrai casse-tête", *Le 360*, 7 November 2019.

⁹⁹ Crisis Group interviews, former head of security for an oil company based in Algeria, former CEO of an oil company active in Tunisia, Tunis, April 2020. See the analyses and forecasts published on oilprice.com.

¹⁰⁰ See Crisis Group Middle East Report N°214, *Pulling Lebanon out of the Pit*, 8 June 2020.

¹⁰¹ The authorities seem keen to avoid this scenario, which recalls the economic collapse of the "black decade", "camouflaged", notes a former senior official, by "the violence of the army and Islamist groups". It is nevertheless mentioned in the 2020 finance law. Crisis Group telephone interview, former senior official, Tunis, April 2020. See also "Le président algérien exclut le recours au FMI malgré la chute des cours du pétrole", Agence France Presse, 2 May 2020; "L'entretien exclusif : le président algérien Tebboune croit à un apaisement de la situation avec la France", *France 24*, 4 July 2020. See article 108 of Act N°19-14 of 14 Rabie Ethani 1441 (corresponding to 11 December 2019) on the finance law for 2020.

¹⁰² Crisis Group interviews, analysts, Tunis, Algiers, January–March 2020. Foreign exchange reserves fell from \$179 billion in 2014 to \$62 billion at the end of 2019. On 3 May 2020, the government spokesperson announced that they would drop to \$44 billion, the equivalent of a single year of imports. See Ali Benouari, "Crise économique : rompre impérativement avec les méthodes de gestion du passé", *Le Soir d'Algérie*, 16 April 2020.

¹⁰³ See Crisis Group Middle East and North Africa Briefing N°68, *Post-Bouteflika Algeria: Growing Protests, Signs of Repression*, 26 April 2019. See also "Crise politique en Algérie : près de 60 pour cent des entreprises BTP ont déjà mis la clef sous le paillason", *Radio Algérienne*, 6 October 2019; and Chenaoui, "Après le Hirak, le coronavirus : en Algérie les entreprises tirent la sonnette d'alarme", *op. cit.*

ing in the country have frozen their activities.¹⁰⁴ On 7 July, the president of the National Association of Algerian Traders and Craftsmen declared that nearly 50,000 cafés and restaurants were threatened with bankruptcy due to lockdown measures.¹⁰⁵ The steep downturn in the formal economy risks drastically reducing tax revenues.¹⁰⁶

A further difficulty: some countries are slowing exports of agricultural raw materials, in particular wheat, which could generate a surge in their prices on international markets.¹⁰⁷ To use the expression of a finance minister from the mid-1970s, this eventuality would lead the country to “eat up” more oil and gas revenues, given its heavy food dependency (over 45 per cent).¹⁰⁸ Furthermore, a disruption in the supply of industrial and agricultural inputs (such as fertilisers, pesticides and spare parts) would lead to a significant drop in productivity and thus to an increase in prices.¹⁰⁹

Finally, over 10 million informal workers (roughly half the work force), notably in agriculture but also in construction, commerce, hospitality, manufacturing, transport, communications and the foreign exchange market, saw their income drop significantly during the partial lockdown.¹¹⁰ The number of unemployed people and families in need is therefore likely to grow considerably.

C. *From Austerity to Social and Corporatist Tensions*

Given the critical economic situation, the government seems to have no option but to drastically reduce public spending, which it will have to do gradually.¹¹¹ The authorities will have to decide which sector to tackle as a priority, something that will no doubt give rise to numerous social and corporatist tensions. At the end of March and in early May 2020, President Tebboune announced a reduction of the state’s operat-

¹⁰⁴ See “Abdelwahab Ziani, président de la CIPA : ‘60 pour cent des patrons sont inquiets sur l’avenir de leurs entreprises’”, Radio Algérienne, 30 April 2020.

¹⁰⁵ See “Plus de 50 000 restaurants et cafés au bord de la faillite”, *El Watan*, 7 July 2020.

¹⁰⁶ The International Monetary Fund predicts a 5.2 per cent recession in 2020. See “Confronting the COVID-19 Pandemic in the Middle East and Central Asia”, op. cit. See also Younes Saadi, “L’Algérie fait face à quatre grandes crises en 2020”, *Maghreb Emergent*, 8 April 2020; Mathilde Blayo, “Un dialogue national pour une sortie de crise en Algérie”, *La Croix*, 26 July 2019.

¹⁰⁷ See Ali Idir, “Blé et riz : les prix flambent sur les marchés internationaux”, *Tout sur l’Algérie*, 6 April 2020. See also “Policy Brief: The Impact of COVID-19 on Food Security and Nutrition”, UN, June 2020.

¹⁰⁸ See Hubert Michel, “Chronique politique Algérie”, *Annuaire de l’Afrique du Nord*, 1975. See also Akli Rezouali, “L’Algérie ne couvre ses besoins alimentaires qu’à 55 pour cent”, *El Watan*, 30 January 2019.

¹⁰⁹ Crisis Group telephone interviews, businessman, UN Food and Agriculture Organization official, Tunis, March 2020.

¹¹⁰ See “L’emploi informel en Algérie : tendances et caractéristiques (2001-2010)”, *Les Cahiers du MECAS*, no. 12 (June 2016). See also “Le secteur informel à Alger représente 45 pour cent du PNB”, *Algérie Eco*, 4 March 2017. These workers would have been even more affected by a total lockdown, as was the case in Tunisia. According to an official from an international organisation in Algiers, the authorities opted for a partial lockdown for this reason, “in order to avoid propelling this large segment of the population into extreme poverty”. Crisis Group telephone interview, Tunis, April 2020. Crisis Group observations, Tunis, April-May 2020.

¹¹¹ See Zeinab Filali, “Pétrole : l’Algérie, obligée de revoir sa loi de finance”, *Financial Afrik*, 17 March 2020.

ing budget by one third, then one half, before abandoning the idea.¹¹² The government also predicted that imports would be reduced by one third and that the budget of the state-owned oil and gas company, Sonatrach, would be halved, as confirmed by its CEO on 2 July 2020.¹¹³

The situation is complex. The Supplementary Finance Law for 2020 already cuts operating expenses by 6 per cent and capital expenditure by 10 per cent.¹¹⁴ Given the operating budget's distribution by ministerial department, it is highly likely that in coming years the government will have to reduce defence ministry funding (28 per cent of the total budget) if it wants to avoid disproportionate spending by the army. Such an imbalance would give rise to fierce controversy over the security sector's cost, notably among professional bodies aggrieved by unevenly distributed austerity. Finally, the government plans to eliminate certain social housing schemes and to reduce the loans granted by the National Agency for the Support of Youth Employment. It appears that few young people have repaid these loans, with which the regime bought partial social peace in the 2000s.¹¹⁵ The loans could be replaced by tax incentives, but these are unlikely to be sufficient to socially reintegrate unemployed youth.¹¹⁶

When lockdown measures, including the ban on public gatherings, are lifted across the country (a decision regularly postponed since June), the authorities' main concern will certainly be to prevent the uprising from becoming more militant and aggressive in its tactics.¹¹⁷ There are already some indications: according to the National Committee for the Liberation of Prisoners, 50 per cent of those in jail have been arrested since the lockdown began. They largely consist of young people from disadvantaged areas affected by the economic slowdown, who may be among the first to rise up after the lockdown ends.¹¹⁸

¹¹² See "Coronavirus : Alger taille dans son budget pour faire face à la chute des cours", Agence France Presse, 23 March 2020. See also "La baisse du budget de fonctionnement portée à 50 pour cent, hausse du SNMG", *Tout sur l'Algérie*, 3 May 2020; "PLFC 2020 : le gouvernement abandonne l'idée de réduire de 50 pour cent le budget de fonctionnement", *Algérie Eco*, 26 May 2020.

¹¹³ Operating expenses – which represent more than 60 per cent of total government spending – largely go toward wages. Crisis Group telephone interview, economist, May 2020. See "Coronavirus : Alger taille dans son budget pour faire face à la chute des cours", op. cit. See also Act N°19-14, op. cit. See also "Réduction de 50 pour cent des dépenses de Sonatrach sans impacter l'activité de production", *El Watan*, 2 July 2020.

¹¹⁴ Crisis Group telephone interview, Algerian economist, Algiers, May 2020. See Act N°19-14, op. cit. See also Act N°20-07 of 12 Chaoual 1441 (corresponding to 4 June 2020) on the complementary finance law for 2020.

¹¹⁵ Crisis Group interview, analysts, former senior Algerian official, Marseille, March 2020. Some economists believe that the Hirak resulted in part from the reduction in National Agency loans and the increase in legal proceedings for non-repayment following the decrease in public spending from 2014. See Yassine Baccouche, "Le gouvernement annonce l'abandon progressif du logement social et AADL", *Tout sur l'Algérie*, 10 May 2020. See also "Une nouvelle formule en faveur de l'ANSEJ 2000 milliards de dinars injectés dans un fonds spécial", *Le Maghreb*, 26 November 2019.

¹¹⁶ See Mohammed Fouzi and Sidi Mohammed Benachenhou, "La Contribution du dispositif Ansej au développement de l'entrepreneuriat", *Les Cahiers du MECAS*, vol. 4, no. 1 (2017).

¹¹⁷ Crisis Group interviews, Hirak activists, Algiers, March–November 2019.

¹¹⁸ Crisis Group interview, academic, Algiers, May 2020. See also the Facebook page of the National Committee for the Liberation of Prisoners.

Already there have been incidents that indicate the depth of youth discontent. On 15 June, clashes broke out among youths from Tinzaouatine, a town on the border between Algeria and Mali, following the installation of barbed wire that limits movement across the border, especially that of small-scale smugglers.¹¹⁹ On 19 June, several demonstrations took place in the regions where the lockdown had been lifted six days earlier. They brought out several hundred people.¹²⁰

¹¹⁹ See Arezki Benali, “Tinzaouatine : ce qui s’est passé”, *Algérie Eco*, 16 June 2020.

¹²⁰ See Khelifa Litamine, “70e vendredi : reprise tendue du Hirak dans plusieurs villes”, *Algérie Eco*, 19 June 2020.

IV. Addressing the Challenges

A. *Could the Hirak Go on the Offensive?*

The end of the partial lockdown could mark the start of a period of greater social unrest. The current *modus vivendi* between the authorities and Hirak could therefore dissolve, leading to a more heated struggle with unpredictable consequences. On one hand, the national unity brought about by the pandemic is unlikely to withstand macro-economic challenges. Several activists say the looming economic crisis could provide them with political opportunities. As one notes, “Many of us are waiting for the fall in oil prices and the bankruptcy of Sonatrach. This will hasten the end of a revenue which only benefits a small circle and not all the Algerian people”.¹²¹ Another adds: “This crisis could finally allow the economy to diversify and citizens to work freely. But to achieve this, the current political leaders, who hail from a bygone era, must give way to new national potential, especially that of young people”.¹²² On the other hand, the relatively stricter security measures being put in place are leading more and more activists to consider stepping up “to phase 2” of protest, with a general strike and civil disobedience complementing the twice-weekly marches.¹²³

This strategy is debated within the Hirak whenever tensions with the regime become palpable. Activists mulled it over in September 2019, after the announcement that the presidential election would take place two months later, and again after the shock that followed an election held despite popular resistance. For the time being, strikes and civil disobedience have remained marginal, but new demonstrators, hit hard by the economic impact of COVID-19 (especially young workers in the formal and informal trade sectors), could encourage the Hirak to resort to such tactics more often.¹²⁴ Many young people with unstable employment in the private sector claim to have had no income in three months, contributing to their mistrust of institutions and potentially pushing them down the path of delinquency and petty crime.¹²⁵

Thus far, job actions have not met with the success that their advocates, notably far-left activists, expected. From 10 to 15 March 2019, Hirak leaders in contact with autonomous trade unions called a general strike. Education and transport were virtually the only sectors to observe it. On 8 December 2019, a call for a general strike to protest the presidential election four days later attracted little support, except in Kabylia, and particularly in Bouira and Tizi Ouzou.¹²⁶

When lockdown measures are lifted across the country, the right socio-economic conditions could be in place to render such attempts successful. The movement’s

¹²¹ Crisis Group interview, Hirak activist, Algiers, April 2020.

¹²² Ibid.

¹²³ Crisis Group interviews, Hirak activists, Algiers, April 2020.

¹²⁴ Crisis Group interviews, young private-sector workers, Algiers, May-June 2020.

¹²⁵ Ibid. A young informal worker noted: “Lockdown is like prison. It’s not easy for everyone. Some are playing for time, but others are not. Some young people are getting up to no good because there’s no more money going around. I’m tempted, too. Even before this, there was no work, but now we can’t even make a bit of money on the side. People who never stole start stealing; others start fighting; others start selling drugs. I have quite a few friends who were robbed”. Crisis Group interview, Algiers, June 2020.

¹²⁶ Crisis Group observations, Algiers, March and October 2019.

leaders, now experienced in organising demonstrations, could seize the opportunity to push the Hirak's central demands: systemic change entailing removal of all political figures. The regime might be forced to engage in a defensive dialogue, or it might feel cornered and use more repressive force. The uprising might then turn violent itself, given the number of impoverished young workers joining its ranks.¹²⁷

B. *Could the Hirak Wear Itself Out?*

Another scenario with similar medium-term consequences is the Hirak's exhaustion. Neither the authorities nor the movement seem ready to suffer the consequences of an ill-prepared confrontation. The government has over 50 years of experience in managing dissent, and those who support a harsher response to the Hirak are reportedly losing ground. In 2019, those said to be "close to Gaïd Salah" – the former army chief of staff – tended to preach about national unity, advocating for a firm response "to enemies of the fatherland", including violent repression of demonstrators and large-scale imprisonment. This view, however, appears to be losing out to the opposing camp, made up of "former officials from the Department of Intelligence and Security", which favours a subtler approach to handling protests.¹²⁸

Several events suggest that this shift has occurred. In mid-April, the Central Division of Army Security raided the premises of the Central Division of Internal Security and arrested its head, General Wassini Bouazza, who was known to be close to Gaïd Salah. Army Security also arrested General Abdelkader Lachkham, head of communications at the defence ministry, who has a similar profile. In addition, General Ghernit Benouira, Salah's former private secretary, is said to have fled the country.¹²⁹

The ex-intelligence official camp calls for neutralising Hirak figures through various means: co-optation; blackmailing activists who have criminal records; imprisonment followed by conditional release; reclamation of democratic and populist tenets; infiltration of trade unions and other organisations; and instrumentalising their sources of funding.¹³⁰

¹²⁷ As a former central bank official noted: "The informal sector represents over 40 per cent of our economy. Since the lockdown began, most workers have lived off family solidarity, but many are hungry. Once the lockdown is lifted, things will change for sure. In what way? We don't know. But present conditions could give rise to all sorts of scenarios: a violent end to the Hirak or a return to the massive demonstrations of April 2019, which brought millions of Algerians into the streets". Crisis Group telephone interview, May 2020.

¹²⁸ Crisis Group telephone interview, former senior Algerian official, May 2020. Crisis Group interviews, former Algerian state representatives, journalists, Hirak activists, Algiers, Tunis, Paris, March-December 2019. See "Bengrina accuse les partisans de la transition d'être 'les alliés de la bande'", *Algérie Eco*, 21 November 2019.

¹²⁹ Crisis Group telephone interviews, journalists and analysts, April-May 2020. See Nicolas Beau, "Services algériens, les couteaux sont sortis et Bouazza écarté", *Mondafrique*, 14 April 2020. See also Ihsane El Kadi and Wassini Bouazza, "Quel sens cache la mise sous écrou de l'héritage de Gaïd Salah ?", *Blog Radio M*, 17 April 2020; Jean Pierre Sereni, "Algérie. Grand lessivage dans l'appareil militaro-sécuritaire", *Orient XXI*, 4 May 2020.

¹³⁰ Crisis Group interviews, former Algerian state representatives, journalists, Hirak activists, Algiers, Tunis, Paris, March-December 2019.

Several Hirak activists claim to be familiar with such methods, having personally experienced them in the 2000s.¹³¹ For precisely this reason, the Hirak has never designated any official representatives and it remains unlikely to do so. As one sociologist explains, “How can there be a negotiation, with whom and on the basis of what prerequisites, when any negotiator trusted by the movement risks being co-opted by the system?”¹³²

The lack of official leadership has led the movement’s most influential participants to refuse all political dialogue proposed by the authorities. As such, the Hirak could stay entrenched for a long time and wear itself out. In the ensuing vacuum, minority groups within the movement could both harden their discourse and become more militant in their tactics.

C. *Taking Advantage of National Unity in the COVID-19 Era*

In the immediate future, it is unlikely that the Hirak and government can initiate a sincere political dialogue to avoid a harsher conflict or prevent the emergence of a more violent uprising in the more distant future.

In the absence of such dialogue, the government should, at a minimum, take advantage of the sense of national unity generated by the COVID-19 epidemic. It should encourage the initiatives of Algerian citizens who previously were marching every Friday to demand the system’s downfall – but without reducing them to a tool in co-optation schemes.¹³³ The authorities could, for example, financially support the solidarity networks stemming from the Hirak, which fight the epidemic and the lockdown’s socio-economic consequences.¹³⁴ They could also help these projects gain the status of official institutions, even if some activists will be unwilling to collaborate with the authorities for fear of being co-opted. Such an initiative could take various forms: assistance with starting businesses or charities offering health care, internet services or home delivery of groceries and cooked meals.

At the same time, and even though social instability might increase, the regime could loosen its grip on the Hirak. It could release prisoners of conscience; lift censorship, especially on online media; end arbitrary arrests; authorise meetings of various activist groups; and involve protest organisations in the drafting of the new constitution. Any of these steps would lend substance to President Tebboune’s promises of democratic openness and broaden his support base.

D. *Overcoming Obstacles to Exit from the Rentier Economy*

In the short term, authorities should keep in place emergency socio-economic measures in line with those adopted between March and May 2020. Nevertheless, in the medium term, and assuming that there is no structural reform, Algeria may face a major economic shock.

¹³¹ Crisis Group interviews, former far-left and Amazigh activists active in the Hirak, Algiers, March 2019.

¹³² Crisis Group interview, sociologist, Algiers, April 2019.

¹³³ According to a senior official, the interior ministry and local authorities already favour this strategy. Crisis Group telephone interview, senior official and FLN supporter, May 2020.

¹³⁴ Crisis Group telephone interview, senior official and FLN supporter, May 2020.

The country is largely stuck in the rentier economy.¹³⁵ Its budget and trade deficits bear witness to the strains of dependence on hydrocarbon exports, low food self-sufficiency, and restrictions on entrepreneurship such as a lack of access to credit.¹³⁶ If international demand for fossil fuels does not bounce back to pre-coronavirus levels, in a few years the country could either be driven to bankruptcy or forced to set up an austerity policy with a deleterious social impact.

For decades, reform initiatives aimed at reducing vulnerability to oil and gas market fluctuations and stimulating competitive business have been little more than wishful thinking. The resistance from special interest groups that benefit from the status quo has simply been too great.¹³⁷ Such initiatives have included: diversifying the economy; reforming agriculture; restructuring the banking system (for instance, increasing private-sector loans and improving the governance of public banks); legalising part of the informal trade sector; and lifting bureaucratic obstacles to youth entrepreneurship and the Maghreb's economic integration.¹³⁸ As one economist said:

Whenever the regime is faced with a significant drop in oil revenues, it seems to have its back to the wall. It then embarks upon structural reforms to reduce its dependence on fossil fuels. Then, before these reforms can see the light of day or produce the expected effects, the price of oil and gas goes up and the country manages to conquer new export markets, which leads it to suspend the reforms.¹³⁹

In order for reforms to occur in the medium term, the authorities and the Hirak should begin an in-depth national economic dialogue, which should continue even in the (extremely unlikely) case that the prices of Brent and Sahara Blend cross the \$100 mark in 2021-2022. According to officials from the FLN and the National Democratic Rally (Rassemblement national démocratique, or RND), the two main ruling parties, the Hirak is focusing too much on political issues to the detriment of economic and social ones.¹⁴⁰ They also note that the movement seemingly refuses to select representatives who could enter into dialogue with authorities. They claim to be prepared to hold consultations, including with the autonomous unions in the Hirak, which have thus far refused to participate in any such discussions.¹⁴¹

Although the Hirak is driven by a political agenda, it could accept a dialogue focused on socio-economic issues, provided that the authorities present it as an initiative to save the nation while also relaxing their pressure on protesters.¹⁴²

¹³⁵ See Lowi, *Oil Wealth and the Poverty of Politics*, op. cit.

¹³⁶ See Crisis Group Report, *Breaking Algeria's Economic Paralysis*, op. cit. See also Tin Hinane El Kadi, "Développement ou gain de temps ? ", Friedrich Ebert Foundation, April 2020.

¹³⁷ Crisis Group interviews, economists, state representatives, Algiers, Paris, Marseille, Tunis, March-October 2019.

¹³⁸ Crisis Group interviews, economists, state representatives, Algiers, Paris, Marseille, Tunis, March-October 2019. See also Rabah Arezki, "How to liberate Algeria's economy", Project Syndicate, 9 April 2019.

¹³⁹ Crisis Group interview, economist, Marseille, March 2019.

¹⁴⁰ Crisis Group telephone interviews, FLN activist and RND official, May 2020.

¹⁴¹ Ibid.

¹⁴² Crisis Group interviews, Hirak activists, Algiers, 2019-2020.

The goals would be to identify the obstacles to exit from the rentier economy and to propose realistic ways to overcome them and thus avoid a major economic shock. This dialogue would bring together: the main political, trade union and associative actors, in particular those involved in the Hirak; representatives of the government, the presidency and perhaps the military; and the country's most influential officials and businessmen, including from the informal trade sector. It would thus convene both the actors who champion these reforms as well as those who repeatedly sabotage them.

It is urgent to begin a national dialogue that can find a compromise path of economic development without posing too great a threat to the status quo. The need is all the greater since the government might have to resort to the temporary fix of external debt – despite the president's repeated denials – and face great difficulty in justifying it to Algerians. The government is sticking to a deeply pro-sovereign discourse, and does not hesitate to brandish it to silence dissent.¹⁴³

Finally, international financial institutions and partner countries will also have a role to play if Algerian authorities find themselves compelled to turn to them. They should provide long-term support to Algeria, in particular for an economic reform strategy. But they should avoid imposing overly rigid conditionalities, notably excessive liberalisation and budget austerity. Either Algeria will refuse them or it will have no choice but to accept them. In this second scenario, donors could, at worst, help destabilise the powerful clientelist networks that participate in managing revenue, with the effect of intensifying violence, as was the case in the 1990s.¹⁴⁴

¹⁴³ See editorials from *El Djeich* in 2019.

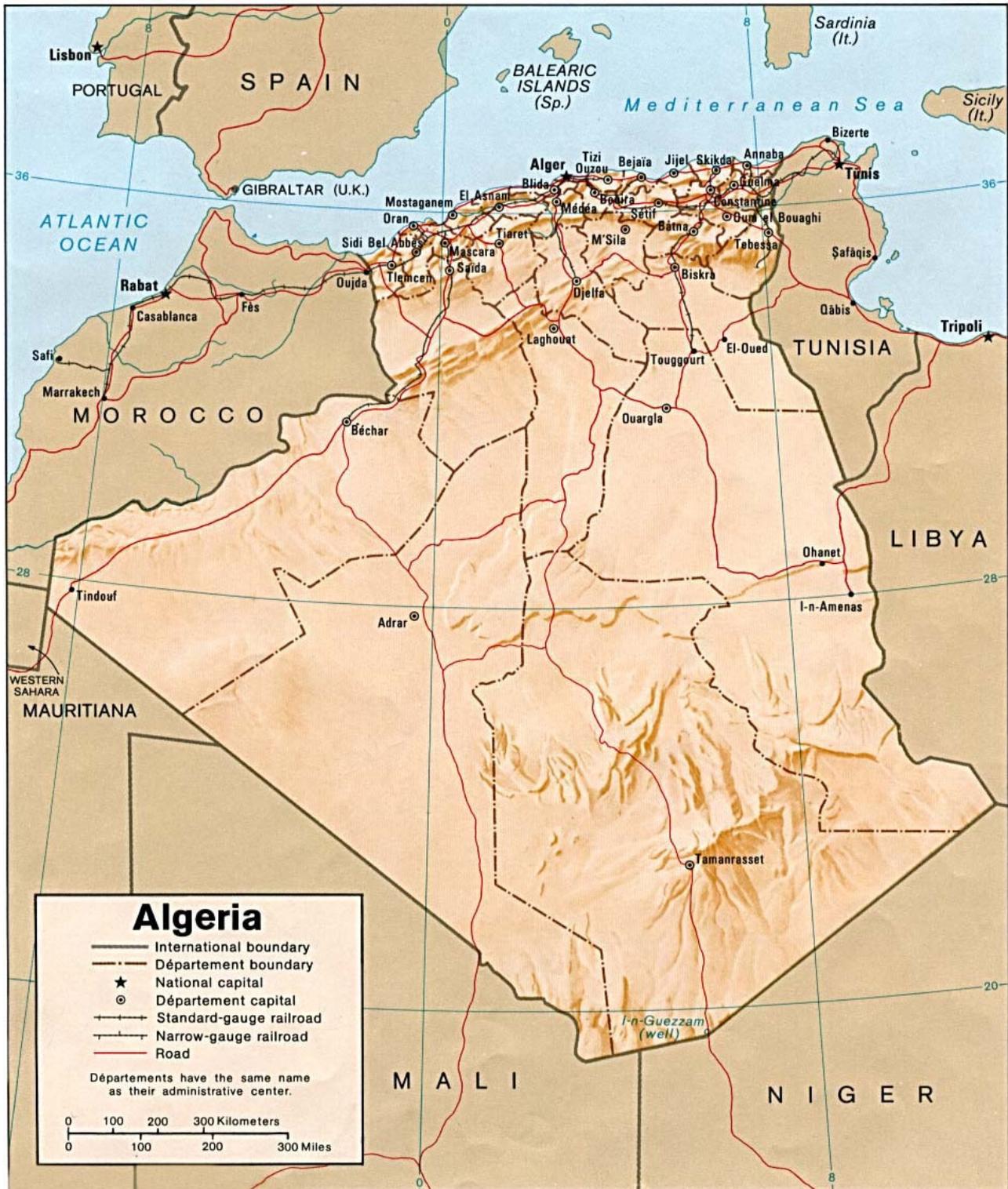
¹⁴⁴ See Roberts, *The Battlefield*, op. cit. See also Luis Martinez, *La guerre civile en Algérie, 1990-1998* (Paris, 1998).

V. Conclusion

A more contentious struggle between the authorities and the Hirak would be harmful to Algeria – but so would the protest movement’s frustration or exhaustion. In the absence of political dialogue that can help end mistrust, the authorities should take advantage of the national unity in the COVID-19 era to loosen their grip on the uprising. The regime and the Hirak should participate in a national economic dialogue to identify the obstacles to exit from the rentier economy and propose concrete courses of action for overcoming them. The challenges posed by the global coronavirus crisis make such an initiative increasingly necessary.

Tunis/Algiers/Brussels, 27 July 2020

Appendix A: Map of Algeria



Appendix B: About the International Crisis Group

The International Crisis Group (Crisis Group) is an independent, non-profit, non-governmental organisation, with some 120 staff members on five continents, working through field-based analysis and high-level advocacy to prevent and resolve deadly conflict.

Crisis Group's approach is grounded in field research. Teams of political analysts are located within or close by countries or regions at risk of outbreak, escalation or recurrence of violent conflict. Based on information and assessments from the field, it produces analytical reports containing practical recommendations targeted at key international, regional and national decision-takers. Crisis Group also publishes *CrisisWatch*, a monthly early-warning bulletin, providing a succinct regular update on the state of play in up to 80 situations of conflict or potential conflict around the world.

Crisis Group's reports are distributed widely by email and made available simultaneously on its website, www.crisisgroup.org. Crisis Group works closely with governments and those who influence them, including the media, to highlight its crisis analyses and to generate support for its policy prescriptions.

The Crisis Group Board of Trustees – which includes prominent figures from the fields of politics, diplomacy, business and the media – is directly involved in helping to bring the reports and recommendations to the attention of senior policymakers around the world. Crisis Group is co-chaired by President & CEO of the Fiore Group and Founder of the Radcliffe Foundation, Frank Giustra, as well as by former UN Deputy Secretary-General and Administrator of the United Nations Development Programme (UNDP), Lord (Mark) Malloch-Brown.

Crisis Group's President & CEO, Robert Malley, took up the post on 1 January 2018. Malley was formerly Crisis Group's Middle East and North Africa Program Director and most recently was a Special Assistant to former U.S. President Barack Obama as well as Senior Adviser to the President for the Counter-ISIL Campaign, and White House Coordinator for the Middle East, North Africa and the Gulf region. Previously, he served as President Bill Clinton's Special Assistant for Israeli-Palestinian Affairs.

Crisis Group's international headquarters is in Brussels, and the organisation has offices in seven other locations: Bogotá, Dakar, Istanbul, Nairobi, London, New York, and Washington, DC. It has presences in the following locations: Abuja, Addis Ababa, Bahrain, Baku, Bangkok, Beirut, Caracas, Gaza City, Guatemala City, Jerusalem, Johannesburg, Juba, Kabul, Kiev, Manila, Mexico City, Moscow, Seoul, Tbilisi, Toronto, Tripoli, Tunis, and Yangon.

Crisis Group receives financial support from a wide range of governments, foundations, and private sources. Currently Crisis Group holds relationships with the following governmental departments and agencies: Australian Department of Foreign Affairs and Trade, Austrian Development Agency, Danish Ministry of Foreign Affairs, Dutch Ministry of Foreign Affairs, European Union Emergency Trust Fund for Africa, European Union Instrument contributing to Stability and Peace, Finnish Ministry of Foreign Affairs, French Development Agency, French Ministry of Europe and Foreign Affairs, Global Affairs Canada, Iceland Ministry for Foreign Affairs, Irish Department of Foreign Affairs and Trade, the Principality of Liechtenstein Ministry of Foreign Affairs, Luxembourg Ministry of Foreign and European Affairs, Norwegian Ministry of Foreign Affairs, Qatar Ministry of Foreign Affairs, Swedish Ministry of Foreign Affairs, Swiss Federal Department of Foreign Affairs, UK Department for International Development, and the World Bank.

Crisis Group also holds relationships with the following foundations: Carnegie Corporation of New York, Global Challenges Foundation, Henry Luce Foundation, John D. and Catherine T. MacArthur Foundation, Open Society Foundations, Ploughshares Fund, Robert Bosch Stiftung, and Rockefeller Brothers Fund.

July 2020

Appendix C: Reports and Briefings on the Middle East and North Africa since 2017

Special Reports and Briefings

Counter-terrorism Pitfalls: What the U.S. Fight against ISIS and al-Qaeda Should Avoid, Special Report N°3, 22 March 2017.

Council of Despair? The Fragmentation of UN Diplomacy, Special Briefing N°1, 30 April 2019.

Seven Opportunities for the UN in 2019-2020, Special Briefing N°2, 12 September 2019.

Seven Priorities for the New EU High Representative, Special Briefing N°3, 12 December 2019.

COVID-19 and Conflict: Seven Trends to Watch, Special Briefing N°4, 24 March 2020 (also available in French and Spanish).

Israel/Palestine

Israel, Hizbollah and Iran: Preventing Another War in Syria, Middle East Report N°182, 8 February 2018 (also available in Arabic).

Averting War in Gaza, Middle East Briefing N°60, 20 July 2018 (also available in Arabic).

Rebuilding the Gaza Ceasefire, Middle East Report N°191, 16 November 2018 (also available in Arabic).

Defusing the Crisis at Jerusalem's Gate of Mercy, Middle East Briefing N°67, 3 April 2019 (also available in Arabic).

Reversing Israel's Deepening Annexation of Occupied East Jerusalem, Middle East Report N°202, 12 June 2019.

The Gaza Strip and COVID-19: Preparing for the Worst, Middle East Briefing N°75, 1 April 2020 (also available in Arabic).

Iraq/Syria/Lebanon

Hizbollah's Syria Conundrum, Middle East Report N°175, 14 March 2017 (also available in Arabic and Farsi).

Fighting ISIS: The Road to and beyond Raqqa, Middle East Briefing N°53, 28 April 2017 (also available in Arabic).

The PKK's Fateful Choice in Northern Syria, Middle East Report N°176, 4 May 2017 (also available in Arabic).

Oil and Borders: How to Fix Iraq's Kurdish Crisis, Middle East Briefing N°55, 17 October 2017 (also available in Arabic).

Averting Disaster in Syria's Idlib Province, Middle East Briefing N°56, 9 February 2018 (also available in Arabic).

Winning the Post-ISIS Battle for Iraq in Sinjar, Middle East Report N°183, 20 February 2018 (also available in Arabic).

Saudi Arabia: Back to Baghdad, Middle East Report N°186, 22 May 2018 (also available in Arabic).

Keeping the Calm in Southern Syria, Middle East Report N°187, 21 June 2018 (also available in Arabic).

Iraq's Paramilitary Groups: The Challenge of Rebuilding a Functioning State, Middle East Report N°188, 30 July 2018 (also available in Arabic).

How to Cope with Iraq's Summer Brushfire, Middle East Briefing N°61, 31 July 2018.

Saving Idlib from Destruction, Middle East Briefing N°63, 3 September 2018 (also available in Arabic).

Prospects for a Deal to Stabilise Syria's North East, Middle East Report N°190, 5 September 2018 (also available in Arabic).

Reviving UN Mediation on Iraq's Disputed Internal Boundaries, Middle East Report N°194, 14 December 2018 (also available in Arabic).

Avoiding a Free-for-all in Syria's North East, Middle East Briefing N°66, 21 December 2018 (also available in Arabic).

Lessons from the Syrian State's Return to the South, Middle East Report N°196, 25 February 2019.

The Best of Bad Options for Syria's Idlib, Middle East Report N°197, 14 March 2019 (also available in Arabic).

After Iraqi Kurdistan's Thwarted Independence Bid, Middle East Report N°199, 27 March 2019 (also available in Arabic and Kurdish).

Squaring the Circles in Syria's North East, Middle East Report N°204, 31 July 2019 (also available in Arabic).

Iraq: Evading the Gathering Storm, Middle East Briefing N°70, 29 August 2019 (also available in Arabic).

Averting an ISIS Resurgence in Iraq and Syria, Middle East Report N°207, 11 October 2019 (also available in Arabic).

Women and Children First: Repatriating the Westerners Affiliated with ISIS, Middle East Report N°208, 18 November 2019.

Ways out of Europe's Syria Reconstruction Conundrum, Middle East Report N°209, 25 November 2019 (also available in Arabic and Russian).

Steadying the New Status Quo in Syria's North East, Middle East Briefing N°72, 27 November 2019 (also available in Arabic).

Easing Syrian Refugees' Plight in Lebanon, Middle East Report N°211, 13 February 2020 (also available in Arabic).

Silencing the Guns in Syria's Idlib, Middle East Report N°213, 15 May 2020 (also available in Arabic).

Pulling Lebanon out of the Pit, Middle East Report N°214, 8 June 2020 (also available in Arabic).

Iraq: Fixing Security in Kirkuk, Middle East Report N°215, 15 June 2020 (also available in Arabic).

North Africa

Blocked Transition: Corruption and Regionalism in Tunisia, Middle East and North Africa Report N°177, 10 May 2017 (only available in French and Arabic).

How the Islamic State Rose, Fell and Could Rise Again in the Maghreb, Middle East and North Africa Report N°178, 24 July 2017 (also available in Arabic and French).

How Libya's Fezzan Became Europe's New Border, Middle East and North Africa Report N°179, 31 July 2017 (also available in Arabic).

Stemming Tunisia's Authoritarian Drift, Middle East and North Africa Report N°180, 11 January 2018 (also available in French and Arabic).

Libya's Unhealthy Focus on Personalities, Middle East and North Africa Briefing N°57, 8 May 2018.

Making the Best of France's Libya Summit, Middle East and North Africa Briefing N°58, 28 May 2018 (also available in French).

Restoring Public Confidence in Tunisia's Political System, Middle East and North Africa Briefing N°62, 2 August 2018 (also available in French and Arabic).

After the Showdown in Libya's Oil Crescent, Middle East and North Africa Report N°189, 9 August 2018 (also available in Arabic).

Breaking Algeria's Economic Paralysis, Middle East and North Africa Report N°192, 19 November 2018 (also available in Arabic and French).

Decentralisation in Tunisia: Consolidating Democracy without Weakening the State, Middle East and North Africa Report N°198, 26 March 2019 (only available in French).

Addressing the Rise of Libya's Madkhali-Salafis, Middle East and North Africa Report N°200, 25 April 2019 (also available in Arabic).

Post-Bouteflika Algeria: Growing Protests, Signs of Repression, Middle East and North Africa Briefing N°68, 26 April 2019 (also available in French and Arabic).

Of Tanks and Banks: Stopping a Dangerous Escalation in Libya, Middle East and North Africa Report N°201, 20 May 2019.

Stopping the War for Tripoli, Middle East and North Africa Briefing N°69, 23 May 2019 (also available in Arabic).

Avoiding a Populist Surge in Tunisia, Middle East and North Africa Briefing N°73, 4 March 2020 (also available in French).

Algeria: Bringing Hirak in from the Cold? Middle East and North Africa Report N°217, 27 July 2020 (also available in French).

Iran/Yemen/Gulf

Implementing the Iran Nuclear Deal: A Status Report, Middle East Report N°173, 16 January 2017 (also available in Farsi).

Yemen's al-Qaeda: Expanding the Base, Middle East Report N°174, 2 February 2017 (also available in Arabic).

Instruments of Pain (I): Conflict and Famine in Yemen, Middle East Briefing N°52, 13 April 2017 (also available in Arabic).

Discord in Yemen's North Could Be a Chance for Peace, Middle East Briefing N°54, 11 October 2017 (also available in Arabic).

The Iran Nuclear Deal at Two: A Status Report, Middle East Report N°181, 16 January 2018 (also available in Arabic and Farsi).

Iran's Priorities in a Turbulent Middle East, Middle East Report N°184, 13 April 2018 (also available in Arabic).

How Europe Can Save the Iran Nuclear Deal, Middle East Report N°185, 2 May 2018 (also available in Persian and Arabic).

Yemen: Averting a Destructive Battle for Hodeida, Middle East Briefing N°59, 11 June 2018.

The Illogic of the U.S. Sanctions Snapback on Iran, Middle East Briefing N°64, 2 November 2018 (also available in Arabic).

The United Arab Emirates in the Horn of Africa, Middle East Briefing N°65, 6 November 2018 (also available in Arabic).

How to Halt Yemen's Slide into Famine, Middle East Report N°193, 21 November 2018 (also available in Arabic).

On Thin Ice: The Iran Nuclear Deal at Three, Middle East Report N°195, 16 January 2019 (also available in Farsi and Arabic).

Saving the Stockholm Agreement and Averting a Regional Conflagration in Yemen, Middle East Report N°203, 18 July 2019 (also available in Arabic).

Averting the Middle East's 1914 Moment, Middle East Report N°205, 1 August 2019 (also available in Farsi and Arabic).

After Aden: Navigating Yemen's New Political Landscape, Middle East Briefing N°71, 30 August 2019 (also available in Arabic).

Intra-Gulf Competition in Africa's Horn: Lessening the Impact, Middle East Report N°206, 19 September 2019 (also available in Arabic).

The Iran Nuclear Deal at Four: A Requiem?, Middle East Report N°210, 16 January 2020 (also available in Arabic and Farsi).

Preventing a Deadly Showdown in Northern Yemen, Middle East Briefing N°74, 17 March 2020 (also available in Arabic).

Flattening the Curve of U.S.-Iran Tensions, Middle East Briefing N°76, 2 April 2020.

The Urgent Need for a U.S.-Iran Hotline, Middle East Briefing N°77, 23 April 2020 (also available in Farsi).

The Middle East between Collective Security and Collective Breakdown, Middle East Report N°212, 27 April 2020 (also available in Arabic).

Rethinking Peace in Yemen, Middle East Report N°216, 2 July 2020 (also available in Arabic).

Time for a Modest Deal: How to Get U.S.-North Korean Talks Moving Forward, United States Briefing N°1, 17 December 2018.

Ending the Yemen Quagmire: Lessons for Washington from Four Years of War, United States Report N°3, 15 April 2019.

Appendix D: International Crisis Group Board of Trustees

PRESIDENT & CEO**Robert Malley**

Former White House Coordinator for the Middle East, North Africa and the Gulf region

CO-CHAIRS**Lord (Mark) Malloch-Brown**

Former UN Deputy Secretary-General and Administrator of the United Nations Development Programme

Frank Giustra

President & CEO, Fiore Group; Founder, Radcliffe Foundation

OTHER TRUSTEES**Fola Adeola**

Founder and Chairman, FATE Foundation

Hushang Ansary

Chairman, Parman Capital Group LLC; Former Iranian Ambassador to the U.S. and Minister of Finance and Economic Affairs

G rard Araud

Former Ambassador of France to the U.S.

Carl Bildt

Former Prime Minister and Foreign Minister of Sweden

Emma Bonino

Former Foreign Minister of Italy and European Commissioner for Humanitarian Aid

Cheryl Carolus

Former South African High Commissioner to the UK and Secretary General of the African National Congress (ANC)

Maria Livanos Cattai

Former Secretary General of the International Chamber of Commerce

Ahmed Charai

Chairman and CEO of Global Media Holding and publisher of the Moroccan weekly *L'Observateur*

Nathalie Delapalme

Executive Director and Board Member at the Mo Ibrahim Foundation

Hailemariam Desalegn Boshe

Former Prime Minister of Ethiopia

Alexander Downer

Former Australian Foreign Minister and High Commissioner to the United Kingdom

Sigmar Gabriel

Former Minister of Foreign Affairs and Vice Chancellor of Germany

Hu Shuli

Editor-in-Chief of Caixin Media; Professor at Sun Yat-sen University

Mo Ibrahim

Founder and Chair, Mo Ibrahim Foundation; Founder, Celtel International

Wadah Khanfar

Co-Founder, Al Sharq Forum; former Director General, Al Jazeera Network

Nasser al-Kidwa

Chairman of the Yasser Arafat Foundation; Former UN Deputy Mediator on Syria

Bert Koenders

Former Dutch Minister of Foreign Affairs and Under-Secretary-General of the United Nations

Andrey Kortunov

Director General of the Russian International Affairs Council

Ivan Krastev

Chairman of the Centre for Liberal Strategies (Sofia); Founding Board Member of European Council on Foreign Relations

Tzipi Livni

Former Foreign Minister and Vice Prime Minister of Israel

Helge Lund

Former Chief Executive BG Group (UK) and Statoil (Norway)

Susana Malcorra

Former Foreign Minister of Argentina

William H. McRaven

Retired U.S. Navy Admiral who served as 9th Commander of the U.S. Special Operations Command

Shivshankar Menon

Former Foreign Secretary of India; former National Security Adviser

Naz Modirzadeh

Director of the Harvard Law School Program on International Law and Armed Conflict

Federica Mogherini

Former High Representative of the European Union for Foreign Affairs and Security Policy

Saad Mohseni

Chairman and CEO of MOBY Group

Marty Natalegawa

Former Minister of Foreign Affairs of Indonesia, Permanent Representative to the UN, and Ambassador to the UK

Ayo Obe

Chair of the Board of the Gor e Institute (Senegal); Legal Practitioner (Nigeria)

Meghan O'Sullivan

Former U.S. Deputy National Security Adviser on Iraq and Afghanistan

Thomas R. Pickering

Former U.S. Under-Secretary of State and Ambassador to the UN, Russia, India, Israel, Jordan, El Salvador and Nigeria

Ahmed Rashid

Author and Foreign Policy Journalist, Pakistan

Ghassan Salam 

Former UN Secretary-General's Special Representative and Head of the UN Support Mission in Libya; Former Minister of Culture of Lebanon; Founding Dean of the Paris School of International Affairs, Sciences Po University

Juan Manuel Santos Calder n

Former President of Colombia; Nobel Peace Prize Laureate 2016

Wendy Sherman

Former U.S. Under Secretary of State for Political Affairs and Lead Negotiator for the Iran Nuclear Deal

Ellen Johnson Sirleaf

Former President of Liberia

Alexander Soros

Deputy Chair of the Global Board, Open Society Foundations

George Soros

Founder, Open Society Foundations and Chair, Soros Fund Management

Jonas Gahr St re

Leader of the Labour Party and Labour Party Parliamentary Group; former Foreign Minister of Norway

Jake Sullivan

Former Director of Policy Planning at the U.S. Department of State, Deputy Assistant to President Obama, and National Security Advisor to Vice President Biden

Lawrence H. Summers

Former Director of the U.S. National Economic Council and Secretary of the U.S. Treasury; President Emeritus of Harvard University

Helle Thorning-Schmidt

CEO of Save the Children International; former Prime Minister of Denmark

Wang Jisi

Member, Foreign Policy Advisory Committee of the Chinese Foreign Ministry; President, Institute of International and Strategic Studies, Peking University

PRESIDENT'S COUNCIL

A distinguished group of individual and corporate donors providing essential support and expertise to Crisis Group.

CORPORATE	INDIVIDUAL	
BP	(2) Anonymous	Stephen Robert
Eni	David Brown & Erika Franke	Alexander Soros
Shearman & Sterling LLP	The Edelman Family Foundation	Ian R. Taylor
White & Case LLP		

INTERNATIONAL ADVISORY COUNCIL

Individual and corporate supporters who play a key role in Crisis Group's efforts to prevent deadly conflict.

CORPORATE	INDIVIDUAL	
(1) Anonymous	(3) Anonymous	David Jannetti
APCO Worldwide Inc.	Mark Bergman	Faisal Khan
Chevron	Stanley Bergman & Edward Bergman	Cleopatra Kitt
Edelman UK & Ireland	Herman De Bode	Samantha Lasry
Equinor	Ryan Dunfield	Lise Strickler & Mark Gallogly Charitable Fund
M&C Saatchi World Services	Tanaz Eshaghian	The Nommontu Foundation
Ninety One	Seth & Jane Ginns	Brian Paes-Braga
Shell	Ronald Glickman	Kerry Propper
Tullow Oil plc	Geoffrey R. Hoguet & Ana Luisa Ponti	Duco Sickinghe
Warburg Pincus	Geoffrey Hsu	Nina K. Solarz
		Raffi Vartanian

AMBASSADOR COUNCIL

Rising leaders from diverse fields who contribute their talents and expertise to support Crisis Group's mission.

Christina Bache	Arohi Jain	Betsy (Colleen) Popken
Alieu Bah	Tina Kaiser	Sofie Roehrig
Amy Benziger	Jennifer Kanyambwa	Perfecto Sanchez
James Blake	Gillian Lawie	Rahul Sen Sharma
Thomas Cunningham	David Litwak	Chloe Squires
Matthew Devlin	Christopher Louney	Leeanne Su
Sabrina Edelman	Madison Malloch-Brown	Sienna Tompkins
Sabina Frizell	Megan McGill	AJ Twombly
Andrei Goldis	Hamesh Mehta	Theodore Waddelow
Sarah Covill	Clara Morain Nabity	Zachary Watling
Lynda Hammes	Gillian Morris	Grant Webster
Joe Hill	Katera Mujadidi	Sherman Williams
Lauren Hurst	Duncan Pickard	Yasin Yaqubie
Reid Jacoby	Lorenzo Piras	

SENIOR ADVISERS

Former Board Members who maintain an association with Crisis Group, and whose advice and support are called on (to the extent consistent with any other office they may be holding at the time).

Martti Ahtisaari Chairman Emeritus	Christoph Bertram Lakhdar Brahimi	Aleksander Kwasniewski Ricardo Lagos
George Mitchell Chairman Emeritus	Kim Campbell Jorge Castañeda	Joanne Leedom-Ackerman Todung Mulya Lubis
Gareth Evans President Emeritus	Joaquim Alberto Chissano Victor Chu	Graça Machel Jessica T. Mathews
Kenneth Adelman Adnan Abu-Odeh	Mong Joon Chung Sheila Coronel	Miklós Németh Christine Ockrent
HRH Prince Turki al-Faisal	Pat Cox Gianfranco Dell'Alba	Timothy Ong Roza Otunbayeva
Celso Amorim Oscar Arias	Jacques Delors Alain Destexhe	Olara Otunnu Lord (Christopher) Patten
Richard Armitage Diego Arria	Mou-Shih Ding Uffe Ellemann-Jensen	Surin Pitsuwan Fidel V. Ramos
Zainab Bangura Nahum Barnea	Stanley Fischer Carla Hills	Olympia Snowe Javier Solana
Kim Beazley Shlomo Ben-Ami	Swanee Hunt Wolfgang Ischinger	Pär Stenbäck