



Algeria: Current Issues

Carol Migdalovitz
Specialist in Middle Eastern Affairs

January 21, 2010

Congressional Research Service

7-5700

www.crs.gov

RS21532

Summary

The overall situation in Algeria has not changed much in the past few years. President Abdelaziz Bouteflika was reelected for a third term in April 2009 and has no clear successor. The voice of the military, the most significant political force since independence, has been muted. Low voter turnout in the May 2007 parliamentary election may have indicated lack of public faith in the political system, and so authorities specifically boasted of a higher turnout in the 2009 presidential election. Terrorism persists at home; Algerian terrorists operate across the southern border into the Sahel; and Algerians continue to be linked to terrorism abroad. The U.S. State Department lists the two Algerian groups as Foreign Terrorist Organizations (FTOs). The more notorious and active is Al Qaeda in the Islamic Maghreb (AQIM), which pledged allegiance to Al Qaeda. Terrorism provides a rationale for Algeria's uneven human rights record. Hydrocarbons are overwhelmingly the predominant national export, and export revenues have been affected by the global recession. Public investment has yet to remedy the country's many socioeconomic ills. Bouteflika has energized foreign policy and broadened cooperation with the United States. U.S.-Algerian relations are generally good and highly focused on counterterrorism. See also CRS Report RS20962, *Western Sahara: Status of Settlement Efforts*, by Carol Migdalovitz.

Contents

Government and Politics	1
Terrorism	3
Counter Terrorism	4
Human Rights	5
Economy	6
Foreign Affairs	7
Relations with the United States	8

Figures

Figure 1. Map of Algeria and its Neighbors	2
--	---

Contacts

Author Contact Information	10
----------------------------------	----

Government and Politics

After a 1965 coup, the military became the most significant political force in Algeria. In 1992, it carried out another coup to prevent the Islamic Salvation Front (FIS) from coming to power, leading to a decade of war between security forces and Islamist terrorists. In 1999, former Foreign Minister Abdelaziz Bouteflika, a civilian with military backing, won the presidential election after all other candidates withdrew, charging fraud. In April 2004, he was reelected with 83.5% of the vote in a multiparty contest; the military was officially neutral. International observers hailed that election as progress toward democratization even though the bureaucracy and judiciary had manipulated the political process to favor Bouteflika in the pre-election period. Many saw Bouteflika's victory as an accurate reflection of the popular will and an endorsement of his effort to decrease violence and for continued political stability.¹ There have been persistent rumors about the 72-year-old president's health since 2005, but no apparent concern that he lacks a clear successor. The military probably will play a role in the choice of Bouteflika's replacement.

In November 2008, a joint session of parliament adopted constitutional amendments that, among other provisions, abolished presidential term limits and allowed Bouteflika to run for a third term. A huge salary increase for legislators may have spurred the amendments' passage by 500 out of 529 cast. Some critics had argued that the constitutional changes required a national referendum, but the Constitutional Court disagreed. Hence, on April 9, 2009, Bouteflika as expected won another term as president with more than 90.24% of the vote over five challengers, none of whom was seen as having a remote chance of ending his leadership. The Interior Ministry claimed a 74% voter turnout. Once again, the President's rivals alleged fraud and that the authorities had inflated turnout figures. Some attributed the military's acquiescence this time to their inability to find an alternative to Bouteflika.²

The President heads the Council of Ministers (cabinet) and the High Security Council, and appoints the prime minister. On June 23, 2008, Bouteflika named National Democratic Assemblage (RND) leader Ahmed Ouyahia, who had served as prime minister from 1995 to 1999 and from 2003 to 2006 and who is known to be close to the military, to the post again. After his re-election in 2009, Bouteflika reconfirmed Ouyahia as prime minister. Ouyahia is considered a possible successor to Bouteflika. Media reports suggest that Bouteflika's younger brother, Said, also may have presidential ambitions.

The bicameral, multiparty parliament is weak. The 380-seat National People's Assembly was last elected on May 17, 2007, with a voter turnout of 36.5% – the lowest ever, reflecting lack of popular faith in the political system. Parties in the governing coalition placed at the top: the FLN won 23% of the vote and 136 seats; the RND 10.3%, 61 seats; and the moderately Islamist Movement for a Peaceful Society (MSP) 9.6%, 51 seats; 18 other parties and 33 independents also won seats. The Council of Nations has 144 seats, one-third appointed by the president and two-thirds selected by indirect vote. FLN has 29 seats, RND 12, MSP 3; independents and presidential appointees also are represented.

¹ Marwane Ben Yahmed, "Les Raisons D'Un Plebiscite," *Jeune Afrique Intelligent*, No. 2258, 18-14 April 2004.

² *Africa Research Bulletin*, April 1-30, 2009, p. 19732, citing *Africa Confidential*.

Figure I. Map of Algeria and its Neighbors



Source: CRS Graphics

Terrorism³

Up to 200,000 lives were lost to terrorism and related violence between 1992 and 2000. Two Algerian groups are U.S. State Department-designated Foreign Terrorist Organizations (FTOs). The Armed Islamic Group (GIA) was most active from 1991 to 2001 and last attacked in 2006. The Salafist Group for Preaching and Combat (GSPC) split from GIA in 1998, declared its allegiance to Al Qaeda in 2003 and, after Abdelmalik Droukdel (aka Abu Musab Abdulwadood) became “emir” or leader, united with it officially on September 11, 2006, taking the name Al Qaeda in the Islamic Maghreb (AQIM or Al Qaeda in the Lands of the Islamic Maghreb (AQLIM)). AQIM seeks to replace the current Algerian regime with an Islamic state and calls for *jihād* against the United States, France, and Spain. The practical meaning of the union with Al Qaeda is uncertain and analysts suggest that links between AQIM and Al Qaeda leaders in Pakistan/Afghanistan are nominal, but mutually beneficial.⁴ Adopting the famous name may have enhanced AQIM’s legitimacy among extremists and facilitated recruitment, while enabling Al Qaeda to burnish its international credentials. Since “uniting” with Al Qaeda, AQIM’s rhetoric against the West and governments in the region, and its calls for *jihād* against the United States, France, and Spain have increased. AQIM’s cohesiveness has been questioned as it may operate in relatively autonomous cells and has experienced defections.

After Droukdel became leader, AQIM increased its attacks against the government, security forces, and foreigner workers. In 2007, it shifted tactics to more frequent, “Iraqi style,” suicide attacks, with simultaneous bombings of the Government Palace (the prime and interior ministries) and a suburban police station on April 11, 2007 and of the Constitutional Council and the U.N. headquarters on December 11, among other attacks. In addition, an AQIM suicide bomber unsuccessfully attempted to assassinate President Bouteflika on September 6, 2007. All of these attacks resulted in many civilian casualties. After a relative lull, AQIM again targeted security forces in the summer of 2008. In August, suicide bombers perpetrated a particularly bloody assault on a police academy, resulting in more than 40 deaths.

In 2009, AQIM operations mainly took place outside of the capital, perhaps because security forces have made it more difficult to operate in Algiers. It also continued to focus on the Berber region of the Kabylie, in northeastern Algeria, where the security presence was reduced after civil unrest in 2005, on Algeria’s vast Sahara desert provinces, and increasingly, in line with its regional pretensions, into the Sahelian countries of Mauritania, Niger, and Mali.⁵ Different AQIM commands may be operating in the Sahel. In June, gunmen killed 24 gendarmes (paramilitary police) in an ambush about 218 miles east of Algiers. In July, they ambushed a military convoy in Tipaza Province, 90 miles west of Algiers; at least 14 soldiers were killed.⁶ In May, AQIM

³ See also, Jean-Pierre Filiu, “Al-Qaeda in the Islamic Maghreb: Algerian Challenge or Global Threat?” *Carnegie Papers*, No. 104, October 2009, Carnegie Endowment for International Peace.

⁴ Yaroslav Trofimov, “Islamic Rebels Gain in the Sahara,” *Wall Street Journal*, August 18, 2009.

⁵ See also, U.S. Department of State, *Country Reports on Terrorism*, 2008, released April 30, 2009, available online at <http://www.state.gov>.

⁶ Some attributed the second ambush to the Protectors of Salafi Call, which reportedly had split from the GSPC and, therefore, is not considered part of AQIM. Others attributed the attack to a different regional command of AQIM or suggested that AQIM is encroaching on the Protectors’ territory. “Algerian Army Launches ‘Large Scale’ Operations an Al-Qaidah Maghreb,” El-Khabar website, August 2, 2009, BBC Monitoring Middle East, “Five Regions Reportedly Designated for ‘Terrorist Deployment’ in Algeria, El-Khabar website, August 5, 2009, BBC Monitoring Middle East, (continued...)

claimed responsibility for executing a British hostage in Mali; in June, it shot a U.S. aid worker while attempting to kidnap him in Nouakchott, Mauritania and, in August, it attacked the French Embassy in that city. In November, an AQIM cell kidnapped three Spanish relief workers in Mauritania and unsuccessfully attempted to kidnap U.S. embassy employees in Niger.

AQIM raises funds by kidnapping for ransoms and by trafficking in arms, drugs, vehicles, cigarettes, and persons. It also gets small-scale funding from cells in Europe.⁷ AQIM communicates via sophisticated internet videos.

Algeria is a major source of international terrorists and was the fourth largest supplier of anti-coalition fighters to Iraq.⁸ Some Algerians were captured in Afghanistan and, at one time, a total of 26 were held at the U.S. Naval Base at Guantanamo Bay, Cuba; most have been repatriated. The Bush and Obama Administrations sought assurances from Algiers that repatriated detainees would not pose a future danger and would be treated fairly. Several disappeared after their return amid fears that Algeria has secret detention facilities.

Algerians have been arrested on suspicion of belonging to or supporting AQIM in France, Spain, Italy, Germany, and Britain. In addition, several major international terrorist plots have involved Algerians. In December 1999, Ahmed Ressay, an Algerian trained in Afghanistan was arrested after attempting to enter the United States from Canada; he was convicted for the so-called Millennium Plot to carry out bomb attacks in Los Angeles. His associates and other Algerians in Canada were linked to the GIA and Al Qaeda. In January 2003, six Algerians were arrested in a London apartment with traces of ricin, a deadly poison with no known antidote. In October 2009, two French brothers of Algerian origin, one a worker at the European Organization for Nuclear Research (CERN) in Geneva, were arrested in France after intelligence agencies came to suspect them of “criminal activities related to a terror group,” i.e., AQIM.⁹

Counter Terrorism

After President Bouteflika took office, he sought to add peaceful means to the government’s resources to counter terrorism. In September 1999, a national referendum approved the “Civil Concord,” an amnesty for those who had fought the government. In September 2005, another referendum approved the Charter for Peace and National Reconciliation, including an amnesty for all except murderers, rapists, and bombers, exemption for security forces from prosecution for crimes of the 1990s, and compensation for families of victims of violence and the disappeared. Critics charge that it has resulted in the freeing of recidivist terrorists or that it failed to provide accountability for the disappeared and for truth-telling about the role of the security forces. A presidential commission determined that excesses of unsupervised security forces were responsible for the disappearances of 6,146 civilians from 1992 to 2000 and recommended compensation. Organizations representing victims’ families claim up to 20,000 disappeared. The

(...continued)

“Retreating of the Salafi Call Protectors,” Echourouk el Youmi website, August 17, 2009, BBC Monitoring Newsfile.

⁷ See also, Michael Jonson and Christian Nils Larson, “Illegal Tender: Funding Al-Qaeda in the Islamic Maghreb,” *Janes Intelligence Review*, October 2008.

⁸ Combating Terrorism Center at West Point, Harmony Project, “Al-Qaida’s Foreign Fighters in Iraq: A First Look at the Sinjar Records,” January 2008.

⁹ Emily Andrews, “Big Bang Scientist Admits Plotting Al Qaeda Atrocity,” *Daily Mail*, October 12, 2009.

government has extended the amnesty period indefinitely and has controversially extended it to some former GSPC leaders.

Some 18,000 troops have been deployed to the Saharan provinces and along Algeria's borders with Mali, Niger, and Mauritania to combat AQIM. Recognizing the immensity of the Sahara Desert-Sahel territory, Algeria believes that increased intra-regional cooperation is needed both to counter AQIM and prevent greater foreign, non-African involvement in the region. It fears that AQIM's propensity to kidnap Westerners for ransom might spur direct foreign intervention. Algiers also seeks to impede AQIM's ability to extract large ransoms from Western governments and, thereby, to build up a treasury to pay more recruits and acquire arms. Algeria is providing arms, equipment, fuel, and other assistance to Mali and attempting to mount joint operations with forces from Niger, Mali, and Mauritania. In July 2009, the leaders of Algeria, Libya, and Mali agreed to work in concert against AQIM. Later in the year, the military leaders of Algeria, Niger, Mali, and Mauritania also agreed to cooperate more.

Human Rights

A state of emergency declared in 1992 remains in effect. According to the U.S. State Department *Country Report on Human Rights Practices-2008*, human rights problems in Algeria include restrictions on freedom of association which significantly limit citizens' ability to change the government through elections, failure to account for persons who disappeared in detention in the 1990s, reports of torture and abuse, official impunity, abuse of pretrial detention, poor prison conditions, limited judicial independence, and restrictions on freedom of speech, press, and assembly. There also have been increased limitations on religious freedom and problems with security-based restrictions on movement, corruption and lack of government transparency, discrimination and violence against women, and restrictions on workers rights.¹⁰ Algerian officials fault the Report for failing to take into account what they believe have been improvements in human rights practices.

The State Department's *International Religious Freedoms Report-2009* noted that U.S. officials had raised concerns with Algerian interlocutors about religious discrimination, government orders to close some churches (which had been operating without official permits that have been required since 2006), and the treatment of Muslims who wish to convert to other religions.¹¹ Algerian law prohibits efforts to proselytize Muslims.

The Department's *Trafficking in Persons Report* places Algeria on the Tier 2 Watch List with regard to human trafficking because it "does not fully comply with the minimum standards for the elimination of trafficking; however, it is making significant efforts to do so. In January 2009, the government approved new legislation that criminalizes trafficking in persons for the purposes of labor and sexual exploitation. Despite these efforts, the government did not show overall progress in punishing trafficking crimes and protecting trafficking victims and continued to lack adequate measures to protect victims and prevent trafficking."¹²

¹⁰ U.S. Department of State, *Country Reports on Human Rights Practices - 2008, Algeria*, February 25, 2009, online at <http://www.state.gov>.

¹¹ U.S. State Department, *International Religious Freedom Report – 2009*, October 26, 2009, online at <http://www.state.gov>.

¹² U.S. State Department, *Trafficking in Persons Report*, June 16, 2009, online at <http://www.state.gov>.

A group with specific concerns are the Berbers, natives of North Africa from before the 7th century Arab Muslim invasions who seek language and cultural rights and an end to government discrimination and neglect. In April 2001 (“Black Spring”), the death of a Berber youth in custody sparked riots in which security forces killed 126 people. The government agreed to compensate the victims and recognize Tamazight, the Berber language, as a national but not an official language (as Berber activists want but President Bouteflika opposes). The government engaged in a dialogue with Berber representatives known as the *Arouch*. In January 2005, the government agreed to rehabilitate protesters and remove security forces from Berber areas, and established a joint committee to follow up.

Economy

Hydrocarbons are the engine of the economy, providing about 60% of the budget revenues, 30% of the gross domestic product (GDP), and 97% of export earnings.¹³ In the past decade, high oil prices boosted foreign monetary reserves and economic growth, fueled a construction boom, eased unemployment somewhat, and produced early repayment of foreign debt. In 2009, however, the global recession resulted in a significant decline in hydrocarbon exports and a concomitant drop in revenues. The country earned \$42 billion from hydrocarbon exports in 2009 compared to \$76 billion in 2008.¹⁴

A 2005-hydrocarbon law diminished the monopoly of SONATRACH, the state energy company, opening the sector for private and foreign investment. A 2006 law, however, required international companies to give SONATRACH a 51% stake in new oil, gas, and related transport projects. In 2008, Algeria’s Energy Minister Chakib Khelil held the rotating presidency of the Organization of Petroleum Exporting Countries (OPEC); at the time, he blamed the weak dollar, speculators, and geopolitical tensions for rising oil prices, not the market.¹⁵ Khelil seeks formation of a “gas OPEC” to protect exporters.

Algeria has several pipelines supplying gas to Europe and plans for more. In July 2009, Algeria, Niger, and Nigeria agreed to build an ambitious \$10 billion Trans-Saharan pipeline to ship natural gas to Europe. The aim of the project is to facilitate the economic development of the transit countries and provide Europe with another source of energy security. Other new projects include

Algeria Basic Facts

Population: 34.18 million (2009 est.)

GDP growth rate: 3.5% (2008 est.)

GDP per capita: \$6,900 (2008 est.)

Inflation rate: 4.4% (2008 est.)

Unemployment: 12.8%* 2008 est.)

Exports: petroleum, gas, petroleum products

Export Partners: United States, Italy, Spain, France, Netherlands (2008)

Imports: capital goods, food, consumer goods

Import Partners: France, Italy, China, Spain, Germany, United States (2008)

Source: CIA, World Factbook, December 29, 2008.

*The unemployment rate for young Algerians often is estimated at 25% to 50% or higher.

¹³ U.S. Department of State, Bureau of Near Eastern Affairs, *Background Note: Algeria*, March 2009, online at <http://www.state.gov>.

¹⁴ “Algeria Expects \$42b in Energy Income This Year,” Middle East and North Africa Financial Network, MENAFN.com, December 29, 2009.

¹⁵ Randah Taqiy-al-Din, “‘OPEC’ Decides to Maintain its Current Production,” *Al-Hayat*, March 6, 2008, BBC Monitoring Middle East.

the TransMed pipeline to transport Algerian gas via Tunisia to Italy and the Galsi pipeline to transport gas directly from Algeria to Italy. Algeria also is expanding its exploration and drilling for oil.

The government is directing some of its hydrocarbon revenues for development. A \$140 billion, five-year plan that ended in 2009 invested in infrastructure, highways, ports, airports, and water resources. Another five-year plan for the period 2009-2014 has followed. These public investment plans are intended to generate non-carbon growth and employment. Yet, despite the country's considerable oil and gas income and investments, there are chronic socioeconomic problems: high unemployment and underemployment; inadequate housing, health services, and education; decaying infrastructure; great inequality of income distribution; and government corruption.¹⁶ These conditions have sparked social protests in several areas of the country.

Algeria has applied to join the World Trade Organization, but has many problems to overcome first. Among them is central control of the economy that is only easing slowly, with a very selective privatization program. The government argues that its conditions for foreign investment need to encourage domestic companies as well.

In October 2008, Finance Minister Karim Djoudi asserted that the global financial crisis would not affect Algeria because it is not present in international banking, has sharply reduced its national debt, relies increasingly on domestic financing to fund development, and rejected total convertibility of the dinar (the national currency). Officials also boasted of \$135 billion in foreign reserves. As noted above, however, the financial crisis has resulted in a sharp drop in Algeria's export earnings. Moreover, critics continue to point to the absence of a modern financial market, an undeveloped stock exchange, an underdeveloped banking system, and a failure to integrate in the world economy as weaknesses.¹⁷ Others suggest that a continuing tide of illegal young Algerian immigrants to Europe is evidence of the failure of the economy to serve the people.

Foreign Affairs

After independence in 1962, Algeria was in the forefront of Third World politics, especially the Non-Aligned Movement, and very active in the Arab world and Africa. It was considerably less active in the 1990s, when it was preoccupied by domestic violence. Since Bouteflika became President, Algeria has reemerged as a regional actor, especially in Africa.

Algeria's relations with neighboring Morocco are strained because Algeria supports and hosts the Popular Front for the Liberation of Saqiat al-Hamra and Rio de Oro (POLISARIO), which seeks independence for the former Spanish Sahara, known as the Western Sahara. Thousands of Saharoui occupy several refugee camps in the Tindouf area of southwestern Algeria. The camps are under the purview of the United Nations High Commissioner for Refugees, but run by the POLISARIO. Morocco also claims and largely occupies the Western Sahara. Algeria considers the problem of the Western Sahara to be one of decolonization requiring resolution by the U.N. and maintains that it is not a party to the conflict. It views with favor the direct, unconditional talks between the POLISARIO and Morocco that began in June 2007 in response to a U.N.

¹⁶ Algeria is placed 111 out of 180 rankings of countries on Transparency International's 2009 *Corruption Perceptions Index*, online at <http://www.transparency.org>.

¹⁷ William Maclean, "Algerian Shielded from Financial Turmoil," Reuters, October 5, 2009.

Security Council call. However, no progress was reported from those talks and they have yet to resume.

Algeria says that it would like to improve bilateral relations with Morocco by excluding the Western Sahara issue from that equation. Yet, Algiers has not reopened its border with Morocco, which Algiers closed 14 years ago in retaliation for Moroccan accusations that Algerians were involved in terror attacks in Marrakesh. Algiers maintains that smuggling, drug-trafficking, and illegal immigration need to be dealt with before it opens the border and that opening would endanger Algeria's national security.¹⁸ It also believes that Morocco has more to gain in trade and tourism than Algeria if the border were reopened. Algerians note that Morocco continues to levy accusations against Algeria on the Western Sahara issue at the same time that it seeks benefits from Algeria.

Algeria and France, its former colonizer, have complex relations. France is Algeria's major trading partner. About four million Algerians and individuals of Algerian descent live in France, but France has decreased visas for Algerians out of fear of terrorism and absorption difficulties. With France's support, Algeria signed an association agreement with the European Union (EU) in 2001 and has participated in the Europe-Mediterranean Partnership (MEDA) since 1995. Under Bouteflika, French-Algerian relations have warmed considerably. However, a planned treaty of friendship fizzled when France rejected Algeria's demand for an apology for the crimes of colonization. President Nicolas Sarkozy refuses to apologize, but acknowledges that colonialism was "profoundly unjust." He seeks to deepen bilateral business and trade ties, advance civilian nuclear energy cooperation, and promote the EU Union for the Mediterranean (UfM), a community of states bordering the Sea. France's inclusion of Algerians on a list of persons subject to "meticulous inspection" for security purposes at French airports prompted Algiers to demand that Algerians be removed from the list and to cancel, or at least postpone, a January 2010 visit by French Foreign Minister Bernard Kouchner to Algeria.

In March 2009, Algeria enacted a law making it a crime to leave "the national territory in an illegal manner" in order to address European Union concerns about illegal immigration as well as to stop human trafficking. At the same time, Algeria wants Europe to assist with development in order to strike at the causes of emigration.

Relations with the United States

U.S.-Algerian ties date from a Treaty of Peace and Friendship in 1775. Algerians have fond memories of President Kennedy's support for their independence from France. Relations suffered later due to Cold War ideological differences; Algeria was a socialist republic with close ties to the Soviet Union. They were energized when Bouteflika met President Bush several times. Bouteflika attended the June 2004 G-8 summit of industrialized states and Russia in Sea Island, Georgia.

U.S. policy has tried to balance appreciation for Algeria's cooperation in counter-terrorism with encouragement of democratization. U.S. officials have urged Algiers to lift the state of emergency

¹⁸ "Zerhouni Responds to Call by Rabat, Algeria not in Hurry to Open Border," *El-Khabar*, March 23, 2008, BBC Monitoring Middle East, "Algerian President Advised by Military to Keep Border with Morocco Closed," Al-Quds al-Arabi website, August 1, 2009, BBC Monitoring Middle East, August 3, 2009.

and described the April 2004 presidential election as an important phase in a democratic process. Algeria receives limited U.S. aid. In 2009, it is receiving \$400,000 in Development Assistance (DA) and \$800,000 for International Military Education and Training (IMET). For FY2010, the Administration requested \$950,000 for IMET, \$900,000 in DA, and \$970,000 for International Narcotics Control and Law Enforcement (INCLE).

In 2005, the United States and Algeria launched a Joint Military Dialogue to foster exchanges, training and joint exercises. Algeria participates in the U.S. Trans-Sahara Counter Terrorism Partnership (TSCTP), but prefers bilateral activities with the United States that recognize its regional importance. As part of TSCTP, U.S. Special Forces train, equip, and aid national forces in fighting the AQIM in southern Algeria and the Sahel.¹⁹ U.S. intelligence also is shared.²⁰ Algerian authorities also have shared information regarding terrorists of Algerian origin with U.S. counterparts. Algeria participates in the NATO-Mediterranean dialogue and in NATO naval exercises. To support Algeria's efforts to combat terrorism, the U.S. Treasury Office of Foreign Assets Control (OFAC) has listed leaders of AQIM, including Droukdel, as Specially Designated Global Terrorists.

On September 29, 2009, a U.S. State Department spokesman said that "Al Qaeda in North Africa (sic) gave us an opportunity to boost our ties with Algeria" because "the presence of militant groups represents a common challenge for both of us." "After meeting President Bouteflika in November, General William E. Ward, head of the U.S. African Command (AFRICOM), told the Algerians that the United States is determined "to strengthen and improve bilateral relations and work closely with Algeria in several areas related to our mutual interests in security cooperation," including the fight against violent extremism. In an acknowledgement of Algeria's regional power and ambition, he stated, "we appreciate Algeria's leadership in dealing with regional questions related to security and the fight against terrorism." Ward said that "terrorist and criminal activities in the Maghreb and the Sahel region remain a threat to the entire region and beyond it.... If the countries of the region have decided to organize themselves, it means that they are aware of the proper measure of the threat. We share their assessment of the situation and we support their efforts to secure and stabilize the Sahel."²¹

During a December 2009 visit to Washington to "strengthen the Algerian-U.S. partnership," Foreign Minister Mourad Medelci met Secretary of State Hillary Rodham Clinton and other officials, and commended Algerian-U.S. cooperation, especially in the military sector, which he described as "very ambitious." He said that the cooperation included "exchanging information and training human resources."²²

The United States was first to invest in the hydrocarbon sector after the 2005 liberalization law opened it to foreigners. Economic ties have broadened beyond the energy sector, where most U.S. investment has been made, to financial services, pharmaceuticals, and other industries, although U.S. investors confront many bureaucratic and policy obstacles. Algeria receives duty-free treatment under the Generalized System of Preferences (GSP). In June 2007, Algeria and the

¹⁹ "Desert Shadows," *Africa Confidential*, Vol. 45, No. 4, February 10, 2004, p. 8.

²⁰ Brian Whitmore, "US Pushes Antiterror Alliance for North African Nations," *Boston Globe*, April 11, 2004.

²¹ "AFRICOM Commander Strengthens US-Algerian Cooperation in Algiers Visit," *Liberte*, November 26, 2009, BBC Monitoring Middle East, December 14, 2009, "Africom Commander says no US Bases to be Set Up in Algeria," *El Watan* website, November 26, 2009, BBC Monitoring Middle East.

²² "Algerian Foreign Minister Commends US Ties," Algerian Radio, December 9, 2009, BBC Monitoring Middle East.

United States signed an agreement to cooperate in the peaceful use of nuclear energy, but other countries have and will build reactors for Algeria.

Despite improving ties, Washington and Algiers strongly disagree about some U.S. Middle East policies. Bouteflika condemned the use of force against Iraq and called for the early withdrawal of foreign troops. He criticized U.S. charges against Syria, but Algeria only abstained from voting on a U.N. Security Council resolution calling on Syria to withdraw from Lebanon. Algeria supports the Arab Peace Initiative, which promises full normalization of relations with Israel after it withdraws from Arab lands. It roundly criticized Israel's military operation against Hamas in the Gaza Strip in December 2008-January 2009. Algeria considers the situation in the Darfur region of Sudan to be the result of ethnic conflict and poverty—not a genocide—and is concerned about its regional implications. In particular, Algeria objects to the International Criminal Court's warrant for the arrest of Sudanese President Omar al Bashir because it finds unacceptable a trial of a head of state by an international court and because the warrant impedes a political solution to the Darfur situation.

The Algerian government condemned the inclusion of Algeria on the list of countries from which air travelers to the United States have been subject to heightened screening in the aftermath of a Nigerian's failed attempt to bomb an airplane en route from Amsterdam to Detroit on Christmas Day 2009. Algeria's ambassador to the Washington complained, "This is a burden an discrimination against the citizens of Algeria who do not pose any particular risk to the people of the United States."²³ The Algerian Foreign Ministry presented an official protest on the issue to the U.S. Ambassador in Algiers.

Author Contact Information

Carol Migdalovitz
Specialist in Middle Eastern Affairs
cmigdalovitz@crs.loc.gov, 7-2667

²³ Eric Lipton, "Some Cry Foul as New Travel Rules Take Effect," *International Herald Tribune*, January 5, 2010.