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The Outlook for North Africa

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THE OUTLOOK FOR NORTH AFRICA

NOTE

This estimate examines trends and prospects for the next three or four years in the four North African states—Algeria, Morocco, Tunisia, and Libya—as well as in the area as a whole.

CONCLUSIONS

A. There are distinct limits on the likely extent of cooperation among the four North African countries. They do have some common interests—a regional perspective, involvement with the Islamic community, and much popular sympathy for the Arab cause against Israel—and some common problems—notably massive unemployment and rapidly increasing population. However, each government places first priority on its own internal political and economic problems. Long-standing territorial disputes among Morocco, Algeria, and Tunisia have recently been shelved, and their political relations have improved, but they are not likely to go beyond a moderate degree of economic cooperation and occasional foreign policy coordination. In the Arab-Israeli dispute, Algeria, Tunisia, and Morocco, at least, are likely to support the Palestinians rather than commit sizable resources to the regular Arab armies.

B. The North African governments are turning toward Western Europe—especially France—and away from the close association with either the US or the USSR that characterized their policies in the 1950s and 1960s. Attitudes toward the US are likely to depend to a very large degree on how North African governments interpret US policies concerning arms supply and international trade, but US influence in North Africa will remain severely limited while the US continues closely identified in Arab eyes with Israel and Israel remains in occupation

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of Arab territory. The USSR is unlikely substantially to improve its modest political and diplomatic position in North Africa, at least as long as current regimes stay in power.

C. *Algeria* has good prospects for political stability and economic growth over the next few years. It has adequate resources—principally oil and natural gas—to earn the foreign exchange required to finance its 1970-1973 development program, and the Boumediene regime is concentrating on internal problems in a fairly competent way. Evidence on the degree of political support for the government is scanty, but indications of opposition have been few, and most Algerians will probably remain desirous of political tranquility at least for the term of this estimate.

D. In *Morocco*, King Hassan has focused his efforts on concentrating political power in his own hands. This fact and the country's paucity of resources have resulted in extremely limited social and economic progress. In time, Moroccans are likely to become restive at the continuing deterioration of their situation in comparison to that of their neighbors. The loyalty of the armed forces to the monarchy also is likely slowly to decline. But Hassan's hold on power looks to be good for some years.

E. Under Bourguiba's rule, *Tunisia* has made notable economic and social advances, but these have been expensive, and the country faces major economic and financial problems in the years ahead. Bourguiba's departure from power, which appears likely before long, probably will lead to a period of political instability and eventually to a government more authoritarian in its methods, more actively involved in the Arab cause against Israel, and markedly less close to the US, than the present one.

F. It seems more likely than not that *Libya* will experience serious political turmoil in the next few years. The military junta continues to display insecurity about its control over the country and uncertainty about its policies. A successor government, however, probably would pursue domestic and Arab policies much like those of the present regime, except that it might be less susceptible to Egyptian influence.

DISCUSSION

I. BACKGROUND

1. The indigenous society and culture of the area now comprising Algeria, Morocco, Tunisia, and Libya have long been strongly influenced both from Europe and from the Eastern Mediterranean. Trade, warfare, and power politics have brought North Africa and Europe into constant contact and occasional conflict throughout recorded history. The Arab conquest of the eighth century made North Africa solidly Muslim and imposed Arabic as the area's written language. Ottoman power also prevailed for a time, although limited for the most part to ports and coastal areas. In the 19th and early 20th centuries, European states took over control of the entire area, even settling colonists in much of it.⁴

2. The colonial period had widespread and lasting effects. The Europeans introduced a modern economy, operated by them for their benefit, in and around the major coastal cities and in some inland areas of particular fertility. They built excellent roads, communications, power facilities, and other infrastructure items, largely in those areas. Marked dualism developed between modern and traditional economies, the latter supporting the vast majority of the indigenous population. In the French-controlled states, French language, culture, and education became widespread; the language in particular was the passport required for those local inhabitants who aspired to move into the European-dominated sectors of the economy and society. To a considerable extent this has continued to the present time, and European influence remains substantial. In Libya, however, where the Italians enforced a form of segregation, the cultural impact was superficial. In the aftermath of independence, Libya came under the cultural, social, and even political influence of the Arab states to the east—particularly Egypt—to a degree not seen in the other North African countries.

3. Neither Arab nor European conquest obliterated the special character of North Africa. The indigenous Berber tribes were not absorbed by foreigners over the centuries; rather they accommodated to their conquerors and often assimilated them, and Berber stock remains identifiable throughout much of the area. The Muslim religion practiced in North Africa is characterized both by pre-Islamic practices and by a tendency toward extremist sects and heresies. Most important, the people in all four countries share a sense of common identity which owes much to the interaction of European, Arab, and Berber influences.

4. As independent nations, however, the four North African states have moved along paths that emphasize their individuality rather than their similarity. In

⁴ France moved into Algeria in 1830, took over Tunisia in 1881, and joined with Spain to divide Morocco in 1912. Italy occupied Libya in 1911.

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large measure, this is because they had somewhat different colonial experiences, reached independence by different paths, chose disparate political systems and philosophies, and followed dissimilar methods of economic organization and management. They have common interests—a certain regional perspective, involvement with the Islamic community, and support for the Arab cause against Israel—and common problems—notably massive unemployment and about a three percent annual increase in population.² At present, however, each North African government places first priority on internal problems of political and economic control. Accordingly, it seems appropriate to consider first the domestic situation in the four countries and then relations among them and with foreign states.

II. ALGERIA

5. The Algerian struggle for independence was long, bloody, and extremely destructive; when it ended, half a million people were dead and some 20 to 25 percent of the indigenous population was displaced. The managerial and organizational structure of Algeria was almost totally disrupted by the departure of a million Europeans. Under the best of circumstances, the early years of independence would have been difficult; as events transpired, they were extremely painful. The loss of French managers and consumers and the disruption of daily life led to a sharp and continuing economic decline. Ben Bella's ambitious attempts to acquire international status diverted attention from domestic needs, and ideological squabbling among his intimates interfered with governmental decisions on a wide range of domestic and foreign matters.

6. Since taking power in 1965, Boumediene has concentrated Algerian efforts more on internal matters. He has not abandoned Algeria's strong interest in various national liberation movements, but he has not allowed support for such movements to interfere with important Algerian concerns. He has continued to object to the US role in Vietnam, but he has not let this deter him from seeking advice and expertise from US business firms. And he has taken diplomatic initiatives that have led his neighbors to shelve their claims on Algerian territory, so that potential border incidents are no longer likely to flare up and demand an Algerian reaction.

7. Executive and legislative power rests with Boumediene and a few close associates. The armed forces remain the basic constituency of the regime and ultimate arbiter of power, and senior military leaders are consulted on major policy questions, but overt military involvement in governmental affairs appears to have diminished. The 75,000-man military establishment that was built up after independence has not been significantly expanded in the past several years. Boumediene retains the post of Defense Minister and controls the military through a chosen lieutenant; although himself a product of the army, he now operates an essentially civilian government. The current regime has emphasized

² Current populations of the North African countries are estimated as follows: Algeria—13.6 million, Morocco—15.3 million, Tunisia—4.8 million, Libya—1.9 million.

results rather than ideology; organization and discipline of the bureaucracy have improved; and young, pragmatic technocrats are increasingly influential. These improvements notwithstanding, government efficiency still suffers from the after-effects of the independence struggle and the relative inexperience of the present administrators. Jockeying for power within the establishment persists, and overstaffing of government agencies is chronic. All things considered, however, the Boumediene regime has substantially improved administrative competence.

8. Since 1967, the Algerian economy has achieved a real annual growth rate of about six percent, owing partly to the government's actions. The new regime put Algeria's formerly chaotic finances in order. Rising foreign exchange receipts—oil revenues and remittances of 500,000 Algerian workers in France—combined with tight restrictions on consumer imports and a cautious approach to new investment, led to a steady accumulation of reserves, which exceeded \$600 million at the end of 1969. The Algerians are showing a new willingness to compete for export markets, and semiautonomous state-owned firms now manage nationalized businesses and are replacing the costly worker-management system that had sprung up after independence. During the past year or so, work on investment projects has greatly accelerated and it now seems likely that the bulk of future increases in foreign exchange earnings will be spent to promote economic development.

9. Algeria seems in a position to maintain its economic momentum, at least for the next several years. Projects already under way or completed will permit the production and export of sufficient petroleum and natural gas to finance the 1970-1973 development plan without resort to heavy foreign borrowing. Petroleum production, now at the rate of about 900,000 barrels per day, is likely to increase at an average rate of 5 to 10 percent annually. Output of exportable natural gas is scheduled to rise from 1.5 billion cubic meters (bcm) annually to 5 billion during the same period.² France has contracted to increase its annual gas purchases from 0.5 bcm to 4 bcm and a French market for at least half of total oil production seems assured. By 1973, Algeria's annual foreign exchange earnings will include about \$800-\$900 million from oil and about \$100 million from natural gas. Locally available fuel also provides a cheap energy source for Algerian industry. Thus a continued growth rate of about 6 percent (3 percent per capita) over the next several years appears attainable within Algerian financial resources.

10. The 1970-1973 development plan emphasizes capital intensive industry that will provide new employment opportunities and better living standards for relatively few people. During this period, the regime is depending on minor investments in the traditional agriculture sector, labor exportation, and outright dole as temporary expedients to retard migration to the cities and to cushion

² Under a tentative agreement between Algeria and the El Paso Natural Gas Co., export to the US of 10 bcm/year of Algerian natural gas for 25 years is scheduled to begin in November 1973. Financing of the facilities for this additional production has not yet been arranged.

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the effects of unemployment. Agriculture is slated to receive relatively little investment in the next few years; in the absence of strong governmental efforts, farming will continue to provide only a scant livelihood for the bulk of the population at least through this decade.

11. The outlook for the Algerian economy beyond the mid-1970s is uncertain. Beginning in 1973, the government intends to channel public investment into light industry and other sectors, with the object of achieving full employment within a decade. In these circumstances, substantial alleviation of the unemployment problem is years away. Realization of these governmental intentions, moreover, depends on continuing growth of foreign exchange earnings and hence on locating adequate new deposits of oil and the requisite markets for oil and natural gas.

12. Our evidence on the degree of political support for the government is scanty; certainly outward manifestations of opposition have been few in recent years. Boumediene apparently does not seek a charismatic image and certainly does not project one, but neither does his diffident manner inspire antagonism. He is gradually erecting a set of largely powerless representative institutions and is moving to bring the trade union, student organizations, and other special interest groups under closer government control. The adult population has passively accepted these initiatives; it will probably remain war weary and in no mood to support revolution or civil uprising that could lead to widespread bloodshed. Students and unemployed youth, although attracted by the regime's revolutionary slogans, dislike its authoritarian style. Their opposition will probably flare up periodically, although it does not pose the same threat as would factional strife within the army and regime. We cannot rule out either assassination or a coup—with unpredictable results—but we think the present regime has a good chance of continuing to govern Algeria for some years to come.

III. MOROCCO

13. In nine years of rule, King Hassan has successfully gathered all political power into his own hands and is intent on maintaining this position. He clearly seeks to protect himself from such modern movements as republicanism, socialism, and pan-Arab nationalism. Whereas for a time after independence in 1956 the political system was responsive to a wider range of interest groups, it has been greatly narrowed. Some political parties are permitted to exist, to hold meetings, and to publish newspapers (subject to frequent suspension). Otherwise, political activity has been suspended since June 1965, and the King has given no sign that he intends to end this "state of exception," at least until he is confident that he has arranged to control a future parliament. He relies on traditional palace advisers and increasingly on a group of key officials, many of rural Berber origins. Hassan has placed these individuals in positions of authority in the armed forces, security apparatus, local administration, and major economic sectors.

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14. The King is anxious to preserve the foundations of his political control. Hence he has chosen to refurbish traditionally loyalist institutions and to resist social and economic innovations. The overriding attention which the palace gives to political matters has been one factor leading to limited educational opportunities and health facilities in Morocco. Expenditures in these fields are the lowest in the area on a per capita basis; in literacy rate (about 15 percent) and in the proportion of children attending school, Morocco does roughly half as well as the other North African countries. Similarly the primacy of political goals, combined with limited resources and undependable weather, have resulted in a decade of economic stagnation in Morocco. Since independence, Morocco has received about \$1.5 billion in foreign aid, including some \$800 million from the US. Rapid population growth, however, has absorbed most economic gains, and per capita income has remained roughly what it was in 1960.

15. Future economic prospects are no brighter. The development plan for 1968-1972 envisages the highest investment level in Moroccan history but aims for a growth rate of only 4 percent; since population is growing at about 3.3 percent annually, fulfillment of the plan would raise per capita incomes by only about one-half of 1 percent per year. Even the modest objectives for the 4 year period will not necessarily be achieved. Goals are predicated on adequate rainfall throughout the plan period, whereas periodic droughts are to be expected in Morocco. Economic growth in the first year of the plan period was 12 to 13 percent, thanks to an excellent harvest after 2 years of drought, but total output declined in 1969. Moreover, Hassan has been extremely reluctant either to force domestic savings and investment or to borrow abroad on anything except concessional terms. Annual investment targets involving roughly \$150 million from foreign sources and \$250 million from domestic sources, therefore, may not be met.

16. There is little reason to expect that Hassan's grip on the levers of power will be broken in the near future. His roots and those of the dynasty are deep; his position as religious leader of the Moroccans supplements his temporal role and binds his people to him, especially in the countryside. The King's favored appointees are well rewarded and are not likely to mount a threat to the throne. Because Hassan's father became a leading symbol of the independence movement, anticolonialism did not become antimonarchial; this is an important element in the royal family's strength. Hassan is fully aware that the principal danger lies in the discontented elements in the cities and universities. Occasional outbursts of trouble are likely, but he has shown himself willing firmly to suppress demonstrations and disturbances before they can attract widespread support. Politicians who speak out against him or against existing conditions or policies are harassed, placed under house arrest, or jailed. With a deft combination of force and favor, he probably can suppress or buy off potential dissidents for at least several years to come.

17. Over the longer run, Hassan's ability to retain his throne is open to serious question. Moroccans will come to see that the comparison between Morocco

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and its neighbors, in social and economic areas at least, increasingly favors the latter. People have been streaming into overcrowded city slums since World War II, and there are no serious attempts at present to devise ways to hold them to the land or to provide housing or jobs in the cities. As the cities grow in size, discontent will probably increase and repression will become more necessary.

18. Moreover, the loyalty of the armed forces to the monarchy is likely to decline over time. Even today, a carefully hatched plot along Libyan lines cannot be ruled out. The urban elite have recognized the military as a promising career for their sons, and young men from educated, relatively progressive and sophisticated city families have entered the officer corps. If the King denies these young officers access to the top ranks and continues to favor the rural Berber element in the armed forces, he eventually will increase, rather than diminish, the threat to himself. If he died, or even if he were overthrown, the elements which now support his regime might be able to work together to maintain control. But whether this occurred, or whether presently suppressed radical elements succeeded in coming to power, would depend on the circumstances of Hassan's departure and the political situation at the time, including the attitudes and power of the military.

IV. TUNISIA

19. Since independence, Tunisia has been led by Habib Bourguiba, a product of the urban middle class who thinks and acts much like a French politician of the 1930s. Bourguiba's style has always been dramatic and abrupt; he has leapt forward with new ideas, then inched backward to a level of innovation that his countrymen would tolerate. Rather than use religious tradition to bolster his own position, he has openly advocated discarding the trappings of medieval Islam. He has been equally innovative in economic affairs—vineyards have been uprooted to make way for other crops, communal farming has been introduced, new industries have sprung up throughout the small country. Tunisia has embarked on a widespread birth control program and has poured money into education and health.

20. To date the results of this activist approach have been mixed. On the positive side, the economy has grown at an annual rate of almost 4.5 percent for the past decade, while the rate of population growth—though it has risen slowly—is about 2.8 percent. Industry now provides about 15 percent of the national product, compared to about 10 percent at independence. Over half of the eligible children are in school, and literacy is increasing rapidly. The Destourian Socialist Party began as a pre-independence popular movement and has functioned reasonably well. Elections have been held on schedule and, within the limits of a one party system, have provided a modicum of choice and a minimum of violence. Tunisia has stayed largely aloof from the Arab-Israeli conflict and has maintained peaceful, if not always amicable, relations with its neighbors; resources that might have been absorbed by a large military establishment have been put to civilian use.

21. Yet Tunisia's progress is no more a guarantee of a promising future than Morocco's relative stagnation is of imminent revolution. Success has been costly in both monetary and social terms. Maintaining and expanding the economy has absorbed over \$1 billion in foreign aid (including about \$600 million from the US) since independence, and the gap between foreign earnings and foreign expenditures has seldom fallen below \$100 million per annum. Tourism has begun to bring in foreign revenues, but it cannot hope to earn enough to replace aid for years. Economic problems are likely to present a major challenge to any Tunisian government in the next few years. An immediate concern is to repair extensive damage to roads, railways, and farms caused by disastrous floods in 1969. Most of the relatively easy opportunities for stimulating growth have already been seized; the country has been exhaustively explored for new mineral resources without much success. Foreign debt service charges have more than doubled in the past five years and will remain high at least for several years to come. Private foreign investment has been discouraged by a government which has nationalized or collectivized virtually the entire economy; only tourism has remained in private hands and attractive to foreign investors.

22. The Bourguiba regime has already begun to reverse the extreme policy of forced agricultural collectivization, started by former economic czar Ahmed Ben Salah, which had aroused strong opposition. The balance between collectively owned and individually owned agricultural land probably will shift back somewhat in favor of the independent farmer, and there are pressures which may over the long term bring some return to private ownership in such fields as retail trade. Even such minor corrections, however, will antagonize that element in Tunisian society (principally confined to the universities at present) which believes that Ben Salah's program would have been successful if pursued to its conclusion. In any event, socialism in some form is likely to remain the dominant economic philosophy. Moreover, inability to attract sufficient foreign aid and other capital to finance foreign exchange requirements is likely to force Tunisia to retrench economically; the need for enforcing austerity is likely, in turn, to lead to more authoritarian political methods.

23. If Habib Bourguiba were still in full vigor, Tunisia probably could get through several more years without severe political trouble. However, he has been seriously ill several times in the past two years; his age (67), general health, and apparent loss of political acumen make it extremely doubtful that he will be able effectively to direct Tunisian affairs much longer. None of his close associates appears to have the personality and political savvy necessary to make the system work when he is gone. Prime Minister Bahi Ladgham, whom Bourguiba has appointed as successor, has been running the day-to-day business of the government for some months but he has shown himself to be somewhat indecisive, compromising among various factions in a manner that satisfies no one.

24. While Ladgham probably will become the titular head of government when Bourguiba leaves the scene, we doubt that he will be able to maintain control for long. He will be challenged by younger elements within his party

who are impatient at the party's growing immobilism and eager for power. There will be challenges from without the party—e.g., by men expelled from it for failure to follow Bourguiba's command and by presently embryonic ideological movements among students. The military, which has exerted virtually no influence on government policy, might seek a political voice in a post-Bourguiba government. The likely course of such challenges is unclear; much will depend on the time and circumstances of Bourguiba's departure. We believe, however, that a post-Bourguiba government is likely to be more authoritarian in its methods and more in tune with Arab world trends than the present one.

V. LIBYA

25. After six months in power, Libya's Revolutionary Command Council (RCC) continues to display a sense of insecurity about its position and uncertainty about its domestic and foreign policies. There are indications of disagreement within the RCC and of discontent within the country, focusing most notably on relations between Libya and Egypt. RCC President Qaddafi's advocacy of extremely close relations with Nasser and his transfer of Libyan troops to Egypt have already caused one split within the leadership. In the face of persistent opposition from other members of the RCC, he has temporized. The Egyptian presence in Libya has remained for some time at the level of about 1,500 troops and about 500 advisers, mostly civilians. If Qaddafi is willing to play down his affinity for Egypt, he probably can remove the most serious immediate cause of domestic opposition.

26. The RCC's actions so far have underscored both the Libyan and the Arab character of the revolution but have shown no other consistent pattern. It is clearly determined to identify with the militant Arab line toward Israel and has increased its financial contributions to Egypt. It insisted on the early termination of the US and UK military presence. It completed the Libyanization of foreign-owned banks which had begun under the monarchy. It introduced partial prohibition, presumably out of deference to Islamic fundamentalism. It removed foreign-language signs and deleted English language courses from the school curriculum. It carried out widespread arrests of politicians, businessmen, and senior military personnel associated with the old regime. It also began negotiations—originally scheduled by the Idris government—for an upward revision of the price structure on which Libyan oil revenues are calculated. It turned almost immediately to France for military aircraft but continued to seek tanks from the UK; if the British refuse the Libyan bid, France is likely to be asked for tanks and other equipment as well.

27. We have little to go on in assessing likely political developments in Libya over the longer term. The RCC has now installed its own members in the key cabinet posts and has improved its ability to monitor the daily activities of the bureaucracy. It is apparently making an effort to avoid exacerbating tribal or regional tensions and rivalries. It has purged the military of followers of the old regime, who would almost certainly have been a threat to the new order,

but it probably has failed to identify the potential dissidents among officers who remain on active duty. Moreover, there are divisions even among the junta. It seems more likely than not that Libya will experience serious political turmoil in the next few years, but there is little basis for predicting the various circumstances and contingencies that might arise. Economic problems *per se* are not likely to bring on domestic strife, thanks to Libya's very large oil revenues, which amounted to some \$1 billion in 1969. If a part of the present RCC were to seize control or if another group of officers should move in, the odds are that a successor government would pursue domestic and Arab policies—except perhaps in regard to Egypt—much like those of the present regime.

28. A Libyan attempt to nationalize oil production does not appear likely. Nevertheless, it cannot be entirely ruled out, especially in the event of major Arab-Israeli military hostilities. The RCC is deeply committed to the Arab cause, and oil is the major weapon at Libyan disposal. An embargo of oil shipments to certain countries is much more likely in such circumstances than is nationalization. Selective oil embargos, however, are relatively easy to circumvent, especially in view of the many alternative sources of oil. Should Libya choose to attempt nationalization, it is in a unique position to carry through without severe damage to itself. Twenty-five percent of the crude oil imported in 1968 by the European Common Market countries—and 43 percent of West German imports—came from Libya. Independent oil companies in importing countries would probably not refuse to buy oil from nationalized companies, as long as the price remained competitive. Furthermore, Libya has accumulated foreign exchange reserves adequate to ride out a lengthy period during which it could seek new customers; imports other than oil field equipment could be maintained at current levels for roughly two years with the funds Libya now has on hand. The strong Libyan position in regard to nationalization will diminish in a year or two with rising oil production from the Gulf of Guinea—principally Nigeria—and with substantial increases in world tanker tonnage. In any event, with Libyan financial support for Egypt now running at a high level,⁴ Arab solidarity may act more to protect than to threaten Western oil interests.

VI. FOREIGN INFLUENCES AND POLICIES

A. Arab and African Affairs

29. The recent shelving of long-standing territorial claims among the French-speaking states of North Africa has markedly improved their political relations. These disputes, which kept tensions high and even provoked border clashes, have now been formally resolved or set aside at Algeria's initiative. Since January 1969, Algeria has concluded treaties with Morocco and with Tunisia that call for permanent peace between the parties, renunciation of force in the case of disputes, and non-adherence by either party to any pact or coalition directed against

⁴ Under agreements reached at Khartoum in 1967, Libya gives Egypt an annual subsidy of \$59 million. In late 1969, Qaddafi offered Nasser an additional \$96 million and may provide such extra sums occasionally in the future.

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the other. Boumediene also has helped promote contacts that have led to Morocco's formal recognition of Mauritania, thus, in effect, renouncing long-standing Moroccan claims to that country. And Tunisia, Algeria, and Mauritania appear willing to cooperate with Morocco in pressing Spain to relinquish political control of the Spanish Sahara.

30. With territorial issues shelved, the North African countries may move forward on economic collaboration. For example, iron ore deposits in Algeria would become profitable to exploit if transportation across Morocco to the Atlantic could be arranged. Negotiations for a preferential trade zone in North Africa (perhaps including Mauritania) were slated to resume in March 1970 but were postponed; if such an agreement eventually is reached, it would afford some small advantages to each of the participants. However, all of the North African countries are concerned principally with their internal problems and have a distinct sense of their own individuality; moreover, their international economic interests are divergent. For these reasons, a moderate degree of economic and occasional foreign policy coordination represents the likely limit of their cooperation.

31. The revolution in Libya, however, has helped to stimulate cooperation among the other North African states, and future events in Libya will have a substantial impact throughout the area. For Morocco and Tunisia, the Libyan revolution was a blow, raising the specter of the overthrow of conservative governments by radicals and removing one more country from the dwindling ranks of Arab states maintaining an avowedly pro-Western foreign policy. The Algerian Government probably cheered the revolution, but the subsequent increase of Egyptian influence in Libya was no more welcome in Algiers than in Rabat or Tunis. Algeria would like to have Libya as a collaborator on oil policy and an independent member of the Arab family, rather than a stooge or tool of Cairo. Morocco and Tunisia are worried about Libya as a possible base for Egyptian—and perhaps eventually Soviet—subversion. There are clear signs, however, that the present Libyan leaders are strongly opposed to both communist ideology and Soviet tutelage and that some are equally fearful of Egyptian intentions. If Libyan nationalists prevail in Tripoli, the other countries will be somewhat reassured. On the other hand, if Libya pursues a pro-Egyptian course, this will probably lead to greater political collaboration among Tunisia, Morocco, and Algeria.

32. Since 1967, the Arab-Israeli dispute has increasingly engaged the attentions of the North African states. Algeria, Tunisia, and Morocco do not wish to become deeply involved but, for reasons of both domestic and inter-Arab politics, cannot afford to remain entirely aloof. They wish to minimize the commitment of their resources to the buildup of regular Arab armies arrayed against Israel, which they probably see as a futile effort; hence, their support has been given principally to the Palestinians. Algeria's long-standing support for the fedayeen is likely to continue and increase. Both Morocco and Tunisia will probably step up somewhat their financial and verbal support for the Palestinian cause.

33. The new Libyan regime has chosen to join the ranks of the militant Arabs and to increase its financial contribution to the cause. Libya's military forces are very small. The regime has arranged to purchase over 100 jet aircraft from France, but the bulk of these planes are not scheduled for delivery for some years. Moreover, their effective operational use will require extended training for pilots and maintenance personnel and establishment of an adequate ground support system. Even if Libyan planes were made available to Egypt, Egypt lacks the personnel to operate them. Hence, Libyan planes will not materially affect Arab military capabilities against Israel at least for the next three or four years.

34. In the event of another major round of Arab-Israeli hostilities, the extent of North African participation would depend in part on the duration of the fighting. If it dragged on long enough to make reinforcement possible (or the failure to send reinforcements too obvious), Algerian and Libyan units certainly would be provided, and probably Moroccan and Tunisian ones as well. The depth of popular emotion in all the North African countries probably would compel such actions, although Tunis and Rabat, at any rate, would move reluctantly.

35. By and large, the North African countries play only a limited role in Arab and African affairs. Algeria's national oil company has cooperation agreements with national oil companies in Yemen, South Yemen, and Iraq and has proposed similar arrangements with Libya and Syria. Both Arab and Islamic summits have recently been held in Morocco. The Algerians and Tunisians have occasionally exchanged visits with some ruling political parties in Arab states. No major expansion of such activity is likely. Under Qaddafi, Libya is actively cultivating closer relations with the Eastern Arabs, especially Egypt and the Sudan. Libya's money, however, is likely to be more consequential than its political role.

36. All four North African states belong to the Organization of African Unity, and all but Libya have on occasion been quite active in African affairs. These interests, however, have never been great; the vast desert that separates black from North Africa and the wide disparities of culture and race give the two areas little in common. Algeria sympathizes with and provides office space and subsidies for the representatives of a score of liberation movements, e.g., those of Angola and Mozambique. It also cooperates to some extent with the Cubans in such ventures. In general, however, Algerian enthusiasm for these groups has declined in recent years and is unlikely to increase.

B. The USSR ⁵

37. The Soviet Union is unlikely to make substantial political and diplomatic gains in North Africa while current regimes remain in power. The new Libyan regime has already brushed aside several Soviet arms offers and has recently inspired Libyan newspapers to launch an anticommunist press cam-

⁵ See NIE 11-6-70, "Soviet Policies in the Middle East and Mediterranean Area," dated 5 March 1970, SECRET, for a fuller discussion of the USSR's political, economic, and military goals and activities in the North African area.

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paign. The USSR cannot expect greatly enhanced influence in either Morocco or Tunisia under existing regimes; even in the event of a revolution in either country, any growth of Soviet influence would be limited by North African suspicions, traditional cultural and economic ties to Western Europe, and fear of Soviet-Egyptian collaboration. The Egyptians, for their part, do not appear to favor a greater Soviet role in Libya.

38. Over the past year or so, relations between Algeria and the USSR have cooled. The Algerians apparently have rebuffed Soviet requests for some sort of naval facility and have repeatedly called for the withdrawal of the fleets of non-Mediterranean powers from the Mediterranean Sea. Boumediene appears to be making a deliberate effort to limit Soviet influence in Algeria; he has recently concluded a small military procurement and training agreement with France that is evidently the beginning of an attempt to diversify sources of arms procurement.

C. Europe

39. France is likely to expand its already substantial influence in North Africa in the years ahead. Recent French policy initiatives appeal to the North Africans. Among them are emphasis on the role of the Palestinians in the Arab-Israeli dispute, the embargo on arms sales to Israel, and willingness to sell arms to some Arab customers. France favors eventual withdrawal of non-riparian naval forces from the Mediterranean and may indeed be orchestrating a campaign to that end. The small sale of French arms to Algeria and the subsequent multimillion dollar aircraft deal with Libya will probably be followed by further arms sales in North Africa. Over 800,000 North Africans presently work in France and this number may rise somewhat. The French Government undoubtedly will attempt to promote the commercial interests of French oil companies and other French businesses in North Africa. France is also likely to court North Africa by providing increased technical assistance, by continuing to buy North African products, and by promoting North African efforts to expand preferential access to the European Economic Community (EEC).

40. This is not to say that relations between France and the North African countries will be uniformly smooth. Even during de Gaulle's day, there were serious and unresolved disagreements between Algeria and France—notably over French renegeing on a contract to purchase Algerian wine. Other bilateral problems are likely to arise in the next few years. In addition, impending renegotiation of Franco-Algerian oil agreements is bound to cause some frictions between the two. France has recently normalized relations with Morocco and made some conciliatory gestures toward Tunisia as well. It is likely to increase economic and military aid to both—though probably not as much as they would like. The North African countries will continue to compete with one another for the French market—a major recipient of their oil and agricultural goods—and will seek special favors at one another's expense. Thus periodic strains in relations among the North African states and in dealings between France and individual states are likely.

41. A further diversification of North Africa's international ties is likely in the 1970s. While West Germany, Italy, and the UK are not likely to equal France or the US in diplomatic, political, or economic influence in the area, all three are likely to improve their position. Spain will also try to cultivate its Arab neighbors, but it is not likely to accede to Moroccan desires for control of the Spanish Sahara; relations between Spain and North Africa, therefore, are likely to remain cool.

D. The US

42. US relations with Morocco and Tunisia are cordial; the US has important commercial interests in Libya and Algeria but official relations only with the former. Friendly government to government relations are almost certain to persist between the US and Morocco and Tunisia, at least as long as the present regimes remain in power there. Both regimes look to US friendship as in some measure a bulwark against domestic as well as foreign enemies. Beyond this, attitudes of all four countries toward the US are likely to depend to a very large degree on how they interpret and react to US policies and actions on matters going beyond North Africa itself. Among these are, for example, the question of arms sales to Israel and diplomatic positions in the Arab-Israeli issue, support or opposition to North African countries association with the EEC (since the US is formulating a single policy toward all such applications), US policies on imports of oil and natural gas (the latter affecting a tentative arrangement for the sale of \$1.4 billion worth of Algerian gas in the US over the next 25 years), and the general availability of foreign aid and investments.

43. So long as the US remains closely identified in Arab eyes with Israel and Israel remains in occupation of Arab territory, any substantial growth of US influence in North Africa is highly unlikely. Indeed, frictions and irritations are almost certain to recur at frequent intervals. However, if the Arab-Israeli issue does not flare up into widespread new hostilities, we anticipate a continued gradual warming of Algerian-US commercial relations. The existing governments of Tunisia and Morocco will continue to cooperate with the US, but perhaps less readily than in the past; warming North African relations with France, reductions in the level of US aid, and growing doubt in both Tunisia and Morocco about American willingness to actively defend their regimes will all work to loosen ties to the US. In sum, now that the shocks of independence and decolonization have been weathered, the North African states are once again turning toward Western Europe and deemphasizing the close association with either the US or the USSR that characterized the 1950s and 1960s.