

Algerian war could be brought to a rapid close

by Muriel Mirak-Weissbach

When alleged Algerian terrorists staged a dramatic hijacking of an Air France plane over Christmas, the press internationally blared out the news that the Algerian civil war had come to Europe. Security officials predicted that "Islamic terrorism" would soon make itself known in France and Germany. Editorialists proclaimed that the "clash of civilizations" popularized by Samuel Huntington had begun, and that soon all of Christian Europe would find itself in the sights of the machine-guns of Islamic "fundamentalists."

The press barrage peaked around Jan. 9, ironically, just as an initiative of a totally contrary nature was getting under way, in Rome. Thanks to this initiative, there is reason to be confident that the Algerian civil war, which has been killing up to one thousand people a week, could be brought to a close, and a political solution found for the country. Whether or not this optimistic perspective will be realized, depends on how the Algerian government and the French government respond to the unexpected turn of events within the Algerian opposition. The actions of the White House, and of international financial institutions, will also have direct bearing on the outcome of the battle of Algiers.

In the second week of January, leading representatives of the Algerian opposition met for the second time in over a month, in Rome, to attempt to find a way out for their nation. Convoled by the Catholic lay association *Comunità di Sant'Egidio* (Community of Saint Egidius), the round table gathered Ahmed Bën Bella, first President of independent Algeria, now head of the Movement for Democracy in Algeria; Hocine Ait Ahmed, leader of the Front of Socialist Forces (FFS); the secretary general of the National Liberation Front (FLN), Abdelhamid Mehri; and the head of the League of Human Rights, Ali Yahia, who is also the defense attorney for the two leaders of the Islamic Salvation Front (FIS) under

house arrest, Ali Belhadj and Abassi Madani. According to a *Libération* report Jan. 9, Madani and Belhadj met with FLN leader Abdelhamid Mehri and Ali Yahia, before the latter traveled to Rome. The FIS leaders reportedly sent a document to the meeting containing their conditions for negotiations with the government. Officially representing the FIS was U.S.-based Anwar Haddam of the FIS parliamentary group, whereas the executive member of the FIS in exile, Germany-based Rebah Kebir, was not allowed to travel to Rome.

The "platform for peace" which the group presented on Jan. 12 listed the conditions for a military truce. First among them, according to lawyer Ali Yahia, is that "all the leaders of the political and military wing of the FIS, jailed in Algeria, or underground, or in exile abroad, must be allowed to meet together." This demand, which the FIS has repeatedly put forward, is "indispensable," explained Yahia, "so that tomorrow no one in the Islamic Front can say that he was not informed, had not participated in making the decision, and therefore does not feel committed; only in this way will a truce be something more than a piece of paper." The second condition foresees a "transition period" during which representatives of the government and opposition manage affairs "in order to pick up the electoral process which was interrupted by the coup d'état of Jan. 11, 1992," according to Yahia. Finally, the opposition called for the creation of an independent commission of inquiry, to investigate the acts of violence in Algeria. The platform also fixed the following principles: "guarantee of territorial integrity and popular sovereignty, democracy and alternation of power, refusal of violence as a method of struggle to reach power, and respect for ethnic and linguistic minorities," according to the Italian daily *La Repubblica* Jan. 11.

For the first time, the Algerian opposition leaders have agreed on a common platform, which spells out principles and modes of action which cannot be construed to be extremist by any account. The consolidation of a political front in Rome has widened the rift between the FIS and the Armed Islamic Group (GIA), the latter held responsible for much of the violence in Algeria. The FIS had been quick to denounce and distance itself from the Air France hijacking, and went on record opposing the murders of foreigners, the killing of civilians ("regardless of their political tendencies or religion, and regardless of who is responsible for such acts") and the terrorist threats against foreign embassies in Algeria. The GIA publicly branded the FIS as "collaborators" by virtue of the fact that the political movement seeks a negotiated solution to the war. Islam expert Gilles Kepel in *Der Spiegel's* coverage was quoted saying, "The FIS leaders in jail or in exile abroad have no influence anymore over such radical factions as the GIA." A GIA speaker, interviewed under a pseudonym, told *Der Spiegel*, "The FIS has failed, it is factionalized, and according to our information, is ready to negotiate with the criminals in uniform."

If the FIS is allowed to convoke the meeting of its political and military leadership, as demanded in the Rome platform, this will make it possible for the FIS to arrange a ceasefire; those elements, like the GIA, which are not under FIS political control, will thereby be isolated, and exposed as a separate, gang-like operation being manipulated by corrupt elements in the Algerian and French intelligence services.

Zeroual government must react

This puts the ball squarely in the court of the Algerian military government. The Algerian regime's first response was to denounce the talks, in the words of its ambassador in Rome, as "an ambiguous meeting which incites to interference in the internal affairs" of the country. Although formally committed to dialogue "on Algerian soil," the Zeroual government cut off contacts with the opposition last November. The Algerian press, under strict government control, blasted the Rome initiative and its sponsors; the government paper *El Moujahid* on Jan. 10 labeled the Community of Saint Egidius "a Trojan horse of interference and conspiracy." As had been the case during the first Rome talks in November, the Algerian government also protested against the Italian government and the Vatican, which it assumed was supporting the initiative behind the scenes. The Italian Foreign Ministry's position has been that it has the sovereign right to organize whatever meetings it sees fit. Although Vatican spokesman Navarro Valls specified in remarks to the press that the Community of Saint Egidius was an autonomous, lay organization, still it is well known that the group, which negotiated a settlement to the Mozambique conflict, is pursuing a policy which is coherent with Pope John Paul II's concern for peace. The pontiff laid stress on the importance of solving the Algerian conflict, during his annual reception

of the diplomatic community, which took place parallel to the Saint Egidius round table.

As a result of the turn of events in Rome, an important shift in political perception of the situation in the north African country has taken hold. As the *Frankfurter Allgemeine Zeitung* commented Jan. 12, the Rome conference has established the fact that the Algerian government, by unilaterally blocking elections and banning the opposition in 1992, contributed to fueling the crisis which since then has become a civil war.

The Zeroual regime is isolated. Its only allies are in London and Paris. The British have pursued their policy of promoting a "clash of civilizations" by lending political, economic, and "security" support to the discredited military junta in Algiers. London explicitly advised the Zeroual government back in December not to engage in dialogue with the FIS. London's backers in France are grouped around Interior Minister Charles Pasqua, who has pioneered the confrontationist stance against "Islam" there. France has organized police-style roundups of Muslim "suspects" and a hysterical campaign against Muslim girls' wearing kerchiefs to school. The Pasqua faction has been supplying the Algerian military with weapons and logistical equipment to pursue the civil war. The French government has put the squeeze on Bonn to expel FIS leader Rabah Kebir from Germany, where he lives as a political exile. The press and electronic media campaign launched on the heels of the Air France hijacking was replete with references to alleged connections between "Algerian fundis" of the GIA, in France and Germany, and Kebir was fingered as a "key figure" in the network, accused of trafficking arms to Algeria. Several British-influenced media figures like Egmont Koch of ZDF-TV, *Der Spiegel*, and *Welt am Sonntag* lined up against Kebir, but the *Frankfurter Allgemeine Zeitung* did not join in. A spokesman of the German Counterespionage Agency (Verfassungsschutz) declared Jan. 4 that Kebir was "a person who has an important role in the broad-based FIS movement, but is definitely not the protector of a small terrorist group." This view echoed the official estimate issued by the U.S. State Department in March 1994.

President Clinton, who has been pursuing a policy diametrically opposed to Britain's, of dialogue with the FIS (and other moderate Islamist movements) over the last year, has sought to steer French policy away from confrontation, working through Foreign Minister Alain Juppé. Clinton has had the backing of German Chancellor Kohl in this effort. It was precisely as these signals from Washington were being received in Paris, that the Air France hijacking occurred, sweeping away any thoughts of dialogue.

The price of war

Now, pressure is being brought to bear on France—and Algeria—in a new form: the financial card. In this, the International Monetary Fund (IMF) is being subjected to rather

novel treatment.

It is well known that at the root of Algeria's sufferings lie the IMF and its conditionalities policy. As *EIR* has documented, the classical recipe of IMF austerity—monetary devaluation, price liberalization, subsidy cutting to state enterprises, privatization, slashing of social expenditures, etc.—has turned Algeria from a modern developing sector nation into an economic basket case. The IMF's policy, especially since the political crisis broke out in early 1992, has been to offer emergency loan packages for the military regime, to give it a few more months of credibility in the banking world. The IMF seal of approval guarantees not only fast cash to keep up interest payments, but also continuing expressions of "understanding" on the part of other creditor institutions, like the Club of Paris group of countries and the Club of London private bankers, who follow suit by arranging re-scheduling of their debt. The IMF has been playing this con game with Algeria for years, with the result that the country has an estimated \$27 billion external debt and no hope of ever repaying it, as with each new loan, more stringent conditions are imposed which further erode the productive base of the economy.

Last year, \$5 billion of the \$27 billion public debt was thus rescheduled, and negotiations have been going on to reschedule up to \$3 billion of the \$4.7 billion private debt. Algeria stopped payments on this debt last year, and is at least \$1 billion in arrears. Debt payments suck up 82% of Algeria's foreign trade earnings, most of which come from oil and gas exports. In addition, the country has to import about 80% of its food, and France is the only country so far to have renewed its credit line (6 billion francs, \$1.1 billion) to finance these imports.

Now, in a last-ditch effort to prop up the regime, again, the IMF is scurrying to put together another emergency loan of \$1 billion to Algeria.

Camdessus in the dock

Someone, however, is calling the bluff, and it may well be Washington. Just as the Rome talks were drawing up a perspective for a different solution to Algeria's crisis, a spate of articles appeared in the financial press, questioning for the first time the wisdom of throwing more IMF-organized money at the regime in Algiers, and mooted the possibility of accepting a political solution including the FIS. The *International Herald Tribune* led with a front-page article on Jan. 10, entitled "France and the IMF Press Aid for Algeria: Risk Seen to Funds if Government Falls to Islamic Fundamentalists." The gist of the article by Alan Friedman was that IMF director Camdessus was personally rigging IMF policy in order to pursue French policy aims in Algeria, and that these aims were ill-advised, to say the least. "Government and financial officials on both sides of the Atlantic described the campaign [to bail out Algeria again] which is being spearheaded by Michel Camdessus . . . as potentially risky and

even controversial. Their main worry," it continued, "is that any new funds for Algeria could be at risk if Islamic fundamentalists were to come to power."

Camdessus is blasted in the article for plunging ahead regardless, in the blind belief that more money will stabilize the government. He is further accused of "trying to ram through international funding programs in order to serve the policy interests of France, which ruled Algeria for 132 years," i.e., serving the aims of a colonial policy. The article cites "a financial official in Washington" who criticizes the IMF managing director, this time for the substance of IMF policy. The official said, "I saw Camdessus in Madrid [at the IMF meeting] sit there and say with a perfectly straight face that the Algerian stabilization program was a model for the rest of the developing world." The next day, Jan. 11, the *Wall Street Journal* in Europe carried a lead editorial on "IMF Selectivity," which repeated the same motif: France is behind the Algeria bail-out deal.

The same day, the *IHT* lined up an attack against France's policy vis-à-vis Algeria, as a whole, and drew out the options which were evidently being discussed behind closed doors, stating surprisingly:

"Some officials in Paris now believe that it was a mistake for the Algerian government to cancel the 1992 election, and for France to support that cancellation. The mistake, they think, has to be put right."

The international consensus, that the Algerian military regime must be supported at all costs, has been broken. Pragmatic financial considerations have been uppermost in the minds of bankers, particularly in a moment in which the entire financial system threatens to unravel, around the crises in Mexico and the rest of Ibero-America. As the first *IHT* article, which announced the new trend, had asked between the lines, what happens to the \$25 billion-plus debt if the FIS takes power in Algeria? The article refers to the situation in Iran after 1979, offering the solace that "while Iran repudiated some of the foreign debt," Teheran "has honored other obligations."

But, obviously, there are no guarantees of this. The FIS representative at the Saint Egidius meeting, Anwar Haddam, said, although an FIS government would "support an open market based economy," the FIS "would consider 'illegal' both the IMF accord and any contracts signed between the government and foreign companies after 1991."

The FIS spokesman in Rome last November and this month at the Saint Egidius conference, traveled there from his exile in the United States, with the permission of the Clinton administration. The question that remains open is: To what extent does Washington realize that to win the peace in Algeria, the cause of the crisis—IMF policy—must be uprooted? The other question, this time addressed to the Algerian opposition, is: Do they have a clearly articulated alternative to the IMF policies which have ravaged the nation's economy?