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## THE PRICE OF STABILITY IN ALGERIA

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Algeria's regime has so far escaped the revolts that overturned other governments in the Arab world. It has held off unrest primarily by redistributing the country's substantial oil revenues, but this elaborate reallocation system cannot be sustained indefinitely. If left unaddressed, the social, economic, and political grievances festering beneath the surface in Algeria could rapidly escalate into popular revolts that threaten the regime's stability. The government must begin enacting managed political reform or face the possibility of collapse.

### Key Themes

- Foremost among Algerians' grievances are complaints about the corrupt, opaque regime.
- The number of disgruntled—and disproportionately unemployed—youth is growing.
- Several factors have allowed the Algerian regime to avoid an uprising, including a cash surplus from oil and gas resources that funds direct handouts to the population; the protesters' failure to unite around common grievances; the security forces' success in managing protests without greatly inflaming tempers; and searing memories of the country's civil war that make most Algerians shy away from potentially violent situations.
- The Algerian system is overly dependent on the country's rapidly depleting hydrocarbon resources.
- Eventually the weakness of Algeria's economy will expose the regime to the demands of its disgruntled population.

### Recommendations for the Algerian Government

- Enact deep political and economic reforms conducive to sustainable and equitable economic expansion, increased public participation in politics, and effective accountability of political leaders.
- Implement promised constitutional reforms on issues such as limiting the presidential tenure and increasing the powers of a prime minister chosen by parliament.
- Consult with an inclusive section of Algerians to develop other necessary reforms in key areas, such as the role of security services in political affairs, civilian oversight of military budgets and activities, and independent oversight of oil revenues.
- Foster an engaged civil society to channel the voices of different social groups, to provide a measure of public oversight, and to advocate for change.
- Make the judicial and administrative system for enforcing business contracts efficient and free from political interference.
- Target public spending to ensure that subsidy programs benefit those Algerians who need them most. Rebalance government spending toward high-priority sectors such as education and healthcare.

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