

Behind Trump's Tariffs on Algeria: What Does Washington Want?



These days, few topics dominate the discourse of economists and policymakers more than the United States' newly imposed tariffs on much of the world—including Arab nations like Algeria. Framed by Donald Trump as part of his “Restore American Wealth” initiative, the move has triggered pressing questions:

Is Trump's decision purely economic, or is it loaded with political subtext? And how should Algeria position itself within the shifting global geo-economic order? On July 8, 2025, former U.S. President Donald Trump announced sweeping new tariffs targeting most of the world, including Algeria. The general rate was set at 30 percent on goods. Trump stated that formal notifications outlining the exact rates for smaller countries would be sent soon, with most expected to face tariffs “a little over 10 percent.”

Algerian President Abdelmadjid Tebboune, speaking in a televised interview two days later, dismissed the U.S. decision as “a sovereign matter” that concerns Washington alone. “It affects American consumers,” he said. “Our exports to the U.S. are minimal—just 0.5% of our total—and it's not worth turning into a battle.”

The Motivations Behind the Decision

At this stage, it's becoming increasingly evident that the tariffs are not purely economic. They are clearly political as well. The steep rates—comparable to those levied against China (around 34 percent), the world's second-largest economy—are far above the 10 percent tariffs applied to countries like Egypt, the Gulf states, Morocco, Lebanon, Sudan, Yemen, Djibouti, Mauritania, and the Comoros. The discrepancy is telling.

Mohamed Zennasni, an Algerian researcher in strategic and security studies, told Noon Post: “Algeria is a key regional actor in North and West Africa. The U.S. has strategic goals in the region, especially in terms of security and military cooperation. The visit of U.S. Africa Command (AFRICOM) Commander Gen.

Michael Langley to Algeria reflects this interest. But Algeria has consistently rejected any form of foreign military presence on its soil, as reaffirmed by senior Algerian officials.”

Trump's tariffs also resonate with the logic of what's known as “preemptive shock” theory—a tactic designed to disorient adversaries and impair their capacity to react effectively. This creates a situation in which the affected country, under duress, becomes more susceptible to the dominant party's terms—whether militarily or economically.

This approach has long been part of Trump's diplomatic playbook, particularly in his dealings with NATO and the European Union over European security strategy. A similar method was employed in the 1980s to integrate Latin American economies into the capitalist system, especially in countries like Chile and Argentina.

Economist Abdessamed Saoudi elaborated to Noon Post: “While Algeria is not among the top exporters globally, the high tariffs may be a bargaining chip in

talks over bilateral agreements and opening strategic sectors to U.S. companies in exchange for lower tariffs.

Recently, energy giants like Chevron and ExxonMobil visited Algeria and met with President Tebboune and Energy Minister Mohamed Arkab, expressing interest in entering the Algerian market on a permanent basis.”

Zennasni also emphasized what he described as the “psychology of the primary decision-maker” in the U.S.—that is, Trump himself. “Coming from a business background and identifying with the isolationist current in U.S. politics, Trump prioritizes domestic interests over foreign expansion,” he said.

“Given America’s debt, its structural economic vulnerabilities, and the ongoing trade war with China, Trump is attempting to reduce import costs and boost American companies’ profit margins in the global economy.”

Trump’s Tariffs: Impact and Ramifications

This raises two critical questions: What does Trump gain from this decision? And what impact will it have on the Algerian economy?

Answering these requires a look at the volume of trade between the two countries. While up-to-date trade statistics are scarce, data from Algerian customs—tasked with monitoring foreign trade—show that the U.S. ranks fifth among Algeria’s export clients, accounting for 5.75 percent of its exports, worth about \$25.92 billion. These consist mainly of crude oil, petroleum products, steel, cement, fertilizers, and foodstuffs.

The top four importers of Algerian goods are Italy (21.83%), Spain (12.13%), France (9.94%), and the Netherlands (7.38%). These figures suggest that the short-term impact of U.S. tariffs will be relatively limited. However, longer-term consequences could be significant.

Especially if oil and gas prices fall, as they did in April when similar announcements led Brent crude to drop from around \$73 to \$66 per barrel within 24 hours. For oil-dependent states like Algeria—where hydrocarbons make up over 97% of exports—that scenario could be devastating.

Zennasni observed: “The tariffs themselves won’t hurt Algeria much, given the low volume of trade. And economically, tariffs typically burden the importer more than the exporter, as they increase import costs. In that sense, the U.S. might import less or seek cheaper alternatives. From a security perspective, Algeria’s concern lies more with the broader U.S. strategic approach than the tariffs themselves.”

Strategic Responses and Policy Shifts

Because the U.S. decision carries political and economic messages, Algeria must respond with a multi-pronged counterstrategy. Chief among them is diversifying its international partnerships, particularly with Asia, Africa, and Latin America. This pivot was signaled by Algeria's accession to the Treaty of Amity and Cooperation with ASEAN—a move widely interpreted as a deliberate economic reorientation toward the East.

Algeria has also made diplomatic inroads with BRICS, culminating in its accession to the BRICS New Development Bank (NDB) during its 9th annual meeting in Cape Town on August 31, 2024. The country is currently reviewing its long-standing Association Agreement with the European Union, in place since 2005 under former President Abdelaziz Bouteflika.

Earlier, Algeria joined China's Belt and Road Initiative—an alignment that holds major strategic value. Beyond infrastructure projects like the Hamdania Port in Tipaza, poised to become the largest in Africa and the Mediterranean, Algeria serves as a gateway to the African continent for Chinese investment.

Another suggested remedy is to attract non-U.S. investors into sectors targeted by Trump's tariffs, such as fertilizers and steel. Algeria's steel exports to the U.S. have surged in recent years, thanks in part to new industrial facilities like the Qatari-backed Bellara complex in Jijel and the Tosyali partnership in Oran.

Similar strategies could be extended to food and electronics sectors, effectively neutralizing the U.S. tariffs by stripping them of real-world impact.