



# Towards a New Morocco-US Strategic Partnership

## Introduction

**F**ive renowned Washington based think tanks and academic sources have recently issued a series of papers exploring the value of the Morocco-US strategic partnership, each focusing on a different topic: reform and regionalization, cultural values, regional security, Morocco's role in Africa, and regional economics.

Two key points of commonality emerge: How Morocco's particular perspectives and experience support US interests in each area, and recommendations for how the US and Morocco can enhance their strategic partnership by further collaboration and cooperation.

It is not surprising to those who follow the Maghreb region and developments since the Arab uprisings that Morocco is one of the few countries whose stability and security make it a key strategic ally to the United States. With more than 230 years of historical ties to the US as its foundation, Morocco has made a strategic decision to join with the US to expand its sights beyond its traditional ties to Europe and the Middle East, as it seeks to build new bridges in Africa and the Middle East. His Majesty King Mohammed VI, latest in the Alaouite Dynasty that unified the country in the 1660s, has made Africa and the US key elements in expanding Morocco's economic, political, diplomatic, and security relations.

The Moroccan American Center for Policy (MACP) expresses its appreciation to the *Fund for Peace*, the *Center for Contemporary Arab Studies (CCAS)*, the *Atlantic Council's Africa Center*, the *Center for Strategic and International Studies (CSIS) Middle East Program*, and the *German Marshall Fund of the United States* for permission to reprint and distribute these papers. Greater discussion of how US interests are augmented by Morocco's role in the region must be a priority for US foreign policymakers seeking to protect and promote shared Morocco-US interests in North Africa and beyond.

## ***Towards a New Morocco-US Strategic Partnership***

### **Executive Summary**

#### ***Why Morocco Matters***

**T**he five papers in this collection bring fresh thinking and perspectives to the debate in the US and the Middle East/North Africa (MENA) region regarding America's policy priorities, with a particular focus on the Morocco-US relationship. The five papers argue that the US has much to gain from greater collaboration with Morocco, in Africa and beyond, and that a stronger bilateral relationship will also enable Morocco to move more quickly in implementing its reform agenda.

A common theme is that Morocco and the US share both national interests and values across a broad range of issues, which provides a strong foundation for advancing increased security, reform, cultural, economic, and regional cooperation befitting a more mature and dynamic relationship. A stronger US-Morocco bond can clearly be an added force for promoting regional stability, security, and prosperity—goals Morocco shares with the US and partners in Europe and elsewhere.

This Executive Summary is not an exhaustive compilation of the insights and recommendations of the papers. Rather, it aims to capture key messages and measures that are essential for reinvigorating and reenergizing a strategic relationship that has the potential to benefit both partners and their policy objectives in the region.

#### **➤ *The Fund for Peace***



#### **“Morocco After Arab Uprisings: Evolution Not Revolution”**

##### **Professor Ricardo René Larémont**

Professor Ricardo René Larémont and *Fund for Peace* executive director Krista Hendry prepared this paper, which incorporates the views and “key policy recommendations” of distinguished experts who joined the authors in a roundtable discussion on the project at *The Fund for Peace* (FFP).

In his background discussion, Professor Larémont notes that King Mohammed VI “initiated a process of gradual opening,” building on his father’s efforts in the late 90s, which enabled him to move quickly to sanction the broad reform agenda enshrined in the 2011 Constitution. He writes “It is incumbent upon the United States administration to recognize the consistent progress that has taken place in that country and assist it. If Morocco were to be successful in the realization of democracy, it would demonstrate to the rest of the world that there is the possibility for real transition to democracy in the Muslim world.”

In its *recommendations*, the *FFP* paper notes that “The US can best support Morocco in its evolution by supporting needed economic and education reforms and supporting the development of greater technical capacity,” which includes support for capacity-building and rule of law programs for the government, parliament, officials, and civil society to advance Morocco’s regionalization and reform agenda.

The *FFP* paper also cites “the need to create an environment more conducive to entrepreneurship...as a means of addressing the concerns of unemployed youth and need for local economic development...opportunities should be more available across class levels and gender, and bureaucratic delays need to be addressed.”



➤ **Center for Contemporary Arab Studies, Georgetown University**  
**“Moroccan Islam—A Unique & Welcome Spirit of Moderation & Tolerance”**  
**Prof. Kenneth Honerkamp, Reverend Michael Calabria**

The *Center for Contemporary Arab Studies (CCAS)* at Georgetown University hosted a roundtable discussion in October on “Cultural Heritage of Morocco,” a paper authored by Dr. Kenneth Honerkamp of the University of Georgia, with an introduction by the Reverend Michael Calabria of Georgetown. The analysis of the paper, and consensus of the roundtable participants, is that Morocco’s intrinsic blend of Maliki Islam and Sufism, and the impact of its roots in Andalusia, encourage and support a moderate, open, and tolerant Islam. This is of particular relevance and importance given the recent inroads by Islamist extremists in the region and the international concerns that has generated.

The paper notes, “For more than 1,400 years, Moroccan culture has exemplified its commitment to moderation through a pragmatic yet spiritual path within its Islamic religion. Morocco’s unique spirit of tolerance is rooted in its historical heritage, authentic values, and principles of open-mindedness and concord, and cultural enrichment through the mutual exchange among individuals, communities, and civilizations.” In today’s battles within Islam and between extremists and non-Islamic countries, Morocco’s efforts to focus more attention and advocacy on the practice of a more tolerant Islam have far-reaching and beneficial consequences. As the paper argues, “The US has much to gain from encouraging Moroccans to persevere in their efforts to promote tolerance and amity within the region and beyond.”

A number of the paper’s recommendations focus on providing support for Morocco to serve as a center of religious training and dialogue in the region — through conferences, exchanges at all levels, publications, research, and education and training outreach. In addition, Morocco should be a partner “with Turkey as a major anchor country in the Global Fund for Community Engagement and Resilience in the Sahel region and sub-Saharan Africa.”

➤ **The Africa Center at the Atlantic Council**



**“Morocco’s Vital Role in Northwest Africa’s Security & Development”**

**Dr. J. Peter Pham, Director, Africa Center**

Dr. J. Peter Pham, director of the Africa Center, takes a fresh look at how the US and Morocco can upgrade their counterterrorism efforts both regionally and through a more holistic strategy that includes economic development and counter-radicalization programs to promote more durable solutions to instability. The paper enumerates the many agreements and initiatives shared between Morocco and the US and European allies in the areas of trafficking, illegal immigration, intelligence-sharing, and financial controls that address the root causes and structures of terrorist and criminal networks.

Given that “the Maghreb and the interconnected Sahel to the south have become one of the world’s most politically fragile regions,” the paper both highlights and supports Morocco’s multi-faceted approach in which “state-of-the-art military operations, intelligence work, and policing must be combined with anti-poverty measures, a cultural strategy to counter extremist trends, and political reforms that fight corruption and foster opportunity.”

The paper’s recommendations argue for the enhancement of US-EU-Moroccan security relations, including the expansion of “Morocco’s extensive training programs for military and security forces in the Sahel and in West Africa.” Current joint exercises “should also be expanded to serve as a platform for a regional collective security framework that addresses not only terrorist and separatist challenges, but also trafficking and other criminal networks.”

The paper also makes two important observations about US priorities in the region.

*First*, “As security in the region deteriorates, Morocco’s resources and relative stability could set the stage for new forms of political and security cooperation,” thus providing Morocco – and the US – with expanded venues for regional cooperation.

*Second*, “The United States should make the resolution of the conflict over the Western Sahara...a diplomatic priority. Washington should also reaffirm its longstanding policy of support for the Moroccan autonomy proposal as the basis for a realistic solution,” which would reduce or even eliminate this obstacle to Maghreb economic and security integration. The paper also called for greater intelligence-sharing and coordination between Morocco and the US.



➤ **Middle East Program, Center for Strategic & International Studies (CSIS)**  
**“Morocco’s Africa Future”**

**Haim Malka, deputy director, CSIS’s Middle East Program**

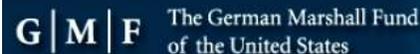
Haim Malka, deputy director of CSIS’s *Middle East Program*, focuses on conditions favoring Morocco’s broader strategic engagement with Africa and how Morocco should take advantage of its long-standing relations with African states to re-tool its economic and business development strategy. The report recognizes Morocco’s comparative advantage in the immediate region, noting that its “soft power is most effective in West Africa, which is not only geographically close, but where Morocco shares a common language with francophone states, shared religion and cultural ties, a strong diplomatic presence, and extensive business and trade ties.”

However, it stresses that, “to be a major player in Africa, Morocco not only needs to diversify and strengthen its manufacturing base in order to boost exports, but overcome nagging diplomatic challenges that have kept Morocco out of the African Union (AU) and soured relations with some of Africa’s largest economies.” Morocco could benefit greatly from forging stronger ties with such countries, which will require “pursuing economic and diplomatic opportunities as if there were no Western Sahara conflict.” It further notes, “Though Western Sahara has shaped Morocco’s approach to Africa for the last several decades, it can no longer afford to let the conflict shape its broader Africa policy.”

Recommendations address ways in which the “United States can play a role in fostering Morocco’s positive role in Africa as a way to both improve inclusive economic growth and stability and promote economic and political development in sub-Saharan Africa.” The report highlights the potential of triangular aid whereby “existing resources could be channeled to triangular programs where US-Moroccan cooperation can harness Morocco’s expertise and experience in specific development areas to provide training in a third sub-Saharan country.”

Other areas for bilateral and multilateral cooperation include Moroccan training programs for other African countries across a range of sectors, including “civil society group training, rural electrification, health care, broadband internet access, and food security,” the expansion of “existing training programs for African armies and security forces in coordination with the United States,” and cooperation “in renewable energy and power generation,” including partnership in the “Power Africa” program.

➤ **German Marshall Fund of the United States**



**“Morocco’s New Geo-Economics: Implications for US-Moroccan Partnership”  
Dr. Ian Lesser, senior director, Foreign & Security Policy, GMF**

At The German Marshall Fund (GMF), Dr. Ian Lesser authored a paper that echoes themes raised by the security and Africa papers, arguing that Morocco’s best opportunity for sustainable growth is to expand its presence and activities in Africa across a range of sectors. Although the US-Morocco Free Trade Agreement (FTA) has yet to deliver hoped-for results, other potential areas of business include renewable energy, power transmission, regional financial services, logistics, and transportation infrastructure, as well as “potentially substantial offshore oil and gas resources.”

Recognizing that the lack of Maghreb economic integration is a drag on regional growth, the paper emphasizes, “the urgent need for government and business leaders to focus on the core task of job creation, especially for large numbers of unemployed or underemployed youth.” It adds that, “Business communities on both sides [Morocco and Algeria] could well be a vehicle for détente and commercial cooperation.” Morocco’s increased engagement in the broader region could likewise impact regional dynamics: “Morocco’s expanding economic role looking south shows every sign of becoming a structural factor in regional development and a more significant facet of US interest in, and cooperation with, Morocco.”

Two other factors impacted the recommendations for US policy. First of all, “Morocco’s changing geo-economic role in Africa holds the potential to support US interests in African development and security, and opens an important new avenue for bilateral and trilateral cooperation with the United States and EU partners.” Moreover, “[w]hat happens in Latin America and the Caribbean, as well as Atlantic Africa—not to mention China’s evolving economic role in the Atlantic space—could be a new part of the geo-economic agenda with Morocco as an emerging economy in its own right.”

Therefore, “Morocco’s growing Atlantic engagement should be made an explicit part of the US-Morocco strategic partnership agenda, especially on trade and investment.” This will enable “[t]he United States to renew its commitment to greater regional economic cooperation and integration in the Maghreb.” Additional recommendations focus on the critical role of the private sector, which should be encouraged through “[t]he economic working group of the US-Moroccan Strategic Dialogue... [to] involve the private sector to develop concrete projects for broadening and deepening trade and investment, particularly initiatives that create sustainable and high value-added employment...with investors from other countries on joint projects in promising sectors.”

### **Closing Thought**

It is our strong belief that the work of these five authors and institutions in examining Morocco-US relations and what can be done to promote the strategic partnership is a welcome and needed supplement to the limited attention devoted to US-Maghreb affairs to date. It is clear from these open-eyed assessments that the US-Morocco relationship is a stable, secure, and robust platform for securing our shared values and interests in the region and beyond.

# Morocco After the Arab Uprisings: Key Policy Recommendations

Krista Hendry



On September 27, 2013, The Fund for Peace hosted a Roundtable meeting in Washington, D.C. on the future of Morocco in the context of the Arab Spring. The Roundtable discussion, which sought to elicit policy recommendations, was led by Dr. Ricardo René Larémont of SUNY Binghamton.

In leading the discussion, Dr. Larémont drew heavily upon his new book, *Revolution, Revolt and Reform in North Africa: The Arab Spring and Beyond*, that lends significant attention to Morocco. Participants were also provided Dr. Larémont's discussion paper, *Morocco After the Uprisings*, which is included at the end of this report.

Participants included a range of stakeholders with interest in Morocco including academics, think tank representatives, human rights and democracy NGOs, government

representatives, companies, and consultants. The purpose of the meeting was to discuss the recent history of Morocco, findings from research done by Dr. Larémont, and consider how the U.S. could best support the evolution taking place in Morocco.

## Background

The optimism that characterized the Arab Spring in 2011 has begun to sour as reality sets in. The legacy of the Arab Spring has now borne witness to more than 110,000 Syrian deaths, insecurity in Libya, military control in Egypt, and renewed instability in Algeria.

Morocco has not been immune from internal pressures. In 2011, significant sections of Morocco's youth population voiced their dissatisfaction with the political situation and structure, even despite the country boasting a persistent economic growth of 5% per year, thus fitting in with Robert K. Merton's theory of 'relative deprivation' as a facilitator of social deviance. In addition, the effect of technology, through cell phones and Facebook, rapidly increased communication and collectivism among youths, birthing revolutionary conditions. In short, conditions for potential instability in Morocco had begun to present themselves, but yet the serious consequences witnessed in other countries across the region were avoided.

## The Evolution to Democracy

Dr. Larémont argues that the *modus operandi* of symbolic capital means that monarchs in coalition with political elites can engage in a gradual evolution towards democracy. However, the descendants of republican regimes, lacking such symbolic capital, ought to consider different and more volatile means of moving forward, in order for democratic transitions to occur.

He further discussed three ways in which King Mohammed VI has initiated a process of gradual opening, in contrast to Hosni Mubarak of Egypt and Syria's Bashar al-Assad:

- There has been devolution of power from the center to periphery since 1997, two years before Mohammed VI succeeded his father as king.
- In 2004, the Equity and Reconciliation Committee was created to investigate human rights abuses by public security forces. The constitution was also amended to include human rights and compensation for individuals whose rights had been abused or otherwise compromised.
- On March 9, 2011, the King created an advisory committee for the Constitution, with involvement from all three arms of government. The main reforms allowed for parliament and political parties to play a stronger role in Moroccan politics, thus devolving monarchical power to a limited degree and allowing the new Prime Minister to appoint government officials directly, without the King's intervention.

Dr. Larémont referred to Spain as a historical model that Morocco is likely to be learning from, if not also following, in at least some ways. Empirically, there are similarities between both countries, coupled with the geographic closeness and relationship between the leaders of both countries (although North Africa generally lacks Spain's external contacts).

Compared to its North African neighbors, it is harder for an Islamist opposition groups to take an offensive stance on a religious monarch. Morocco also has the advantage of a commitment to democracy that Egypt has failed to demonstrate, as the Egyptian military has historically supported regimes that protect its interests and lacked the capacity to eliminate the influence of the Muslim Brotherhood.

### Role of the United States in Morocco's Democratic Evolution

At the close of the Cold War, former U.S. President Ronald Reagan notably encouraged political transitions in Poland, Hungary, Germany, and Czechoslovakia through policy interventions and injecting capital into their economies. These were factors lacking in 2011 in the wake of the Arab Spring, reflecting a new diffidence in

America's role in the world, as a consequence of the 2008 implosion of capital markets and possible diminished political and financial leverage after the invasions of Iraq and Afghanistan.

During interviews with Moroccan youths, Dr. Larémont discovered that their expectations for change were low and their views on their country's political parties are largely cynical. In contrast, however, their confidence in King Mohammed VI was very high. This is opposite to many of the other countries in the region where expectations for change were high and the individual at the top was the focus of much of the public outrage.

Given this situation it was discussed that, as the U.S. considers how to collaborate with Morocco, it is essential to understand what the leadership in Morocco has set as priorities as well as the rationale for those priorities. Balancing reform with economic expectations and government capacity development is critical. The U.S. could offer assistance in building technical capacity of local authorities, and to support increased democratization in a practical way. It was also suggested that in order to provide the best assistance, it is important not to push for elections pre-maturely.

Another issue discussed as extremely important in supporting the continued advancement of Morocco's evolution was the need for improvements in education, particularly for women. Furthermore, the need to create an environment more conducive to entrepreneurship was discussed as a means of addressing the concerns of unemployed youth and need for local economic development (not just foreign direct investment). Access to credit needs to be expanded, opportunities should be more available across class levels and gender, and bureaucratic delays need to be addressed.

Whether it is revolution or evolution, there is an expectation of change that includes greater economic opportunity. The U.S. can best support Morocco in its evolution by supporting needed economic and education reforms and supporting the development of greater technical capacity. As societies evolve to become more democratic, there are stresses that require a great deal of resiliency. This societal resiliency relies on systems being in place that can deal with some of the challenges of a democracy. The U.S. can best support Morocco by working with the leadership to understand what issues need to be supported to help build strong systems and societal resiliency.

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*J.J. Messner and Asibi Danjuma contributed to this report.*



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# Morocco After the Arab Uprisings: Evolution Rather than Revolution

Dr. Ricardo René Larémont

Two years after the Arab Spring Revolts of 2011, we have an opportunity to reflect upon the successes and failures of the momentous events and processes that promised much hope that democracy would arrive in the Middle East and North Africa. Yet the 2013 outcomes reveal that Syria has descended into a horrific civil war that has claimed over 100,000 victims; that the army has reasserted itself in politics in Egypt; that Libya has been made systemically insecure by the rise of militias; that the military in collaboration with bureaucratic elites still determine political outcomes in Algeria; that Tunisia is riven by Islamist and secularist ideological differences; and that only a modicum of unstable social reconciliation has been attained in Yemen, Saudi Arabia, and Bahrain. Our optimism of 2011, so fervently held, seems to have disintegrated, at least at this moment in time, into disillusion and frustration. These shortcomings, which hopefully are temporary and part of larger processes of either evolutionary or revolutionary change, ask us to pose the following question: Are either democracy or transitions to democracy in the Middle East and North Africa possible? And, viewed comparatively, does the Moroccan model provide for more stable evolutionary rather than less stable revolutionary change?

Evolutionary change takes place slowly. It may be barely perceptible at times and the pace of change is often unacceptable to those who demand rapid, substantive change. Evolutionary change requires extensive discussion, persistence, and consensus building among diverse elements of society. When evolutionary change is

successful, however, it is more likely to result in a permanent and substantial change of political or organizational cultures. Nevertheless, evolutionary change is very difficult both to initiate and to sustain. Leaders of evolutionary change must motivate diverse elements within their societies to mobilize for change despite the fact that entrenched economic, social, and political interests may incline citizens and residents to resist processes of evolutionary change. Last, there has always been the risk that because evolutionary change requires consensus building among a large number of people, change will occur either too slowly, or even worse, not at all.

Revolutionary change, by contrast, usually involves change by mandate rather than by consensus. In revolutions, consensus building, while still ultimately desirable, is put aside to satisfy demands for swift political change. Most often revolutions or attempted revolutions take place in the context of crisis, which frequently involves leadership change. The objective of revolution is to obtain change quickly. Revolutions can sometimes be successful in obtaining their objectives (the American, French, Russian, and Chinese revolutions, for example) but, empirically and historically, revolutionary efforts fail more often than they succeed. Morocco's reform legacy

Viewed retrospectively, it becomes clear that King Mohamed VI of Morocco seems to have accelerated a program of evolutionary political change that began earlier when he first ascended to the throne in 1999. In that year King Mohammed accelerated the implementation of partial devolution of

political decision-making from the capital Rabat to provincial governors that had been announced in 1997. This was a tentative, initial attempt that began a process of partial decentralization of decision-making from the governmental center to the provincial level. At that moment in time in Morocco, the King's effort was considered innovative, especially given the centralization of power trends undertaken by his predecessor, King Hassan II. Although this effort only had partial success, the intent to change the modus operandi of Morocco's governance was clearly signaled by the new King, to be displayed in greater detail in subsequent changes.

The King's second effort to moderate political change in Morocco took place during 2004 and 2005 when he established an Equity and Reconciliation Commission (IER) charged with investigating the "Years of Lead," which was the period of his father's rule wherein Moroccan citizens claimed that they had been subjected to human rights abuses by either the police or the military. As a result of the work of this Commission, 9,280 Moroccans eventually received compensation for their suffering. Also, at the end of the Commission's work, the Moroccan constitution was amended to guarantee human rights as "universally defined." The 2005 constitution also assured the rights of freedom of expression, political association, political protest, the right to organize into labor unions, and the right to strike.

The third stage in the process of evolutionary change in the Moroccan polity took place in the context of demonstrations that began in February 2011 in which

thousands of Moroccans took to the streets to demand constitutional change and further restrictions of the power of the king. These protests were initially led by Moroccan youth who had formed a group called the February 20th Youth Movement that claimed that the time had come for constitutional change in Morocco. In their demands the February 20th Movement did not call for the deposition of the king but rather for constraints on his powers. The February 20th Movement subsequently joined forces with the Islamist-oriented Justice and Charity Association, labor unions, and leftist organizations to create a mass movement demanding political change.

On 9 March 2011, the King called for the convening of an Advisory Committee to revise the constitution. The new constitution proposed by the committee enlarged the power of the executive, legislative, and judicial branches while reserving considerable power for the king, especially as the religious head of the country (Commander of the Faithful) and commander-in-chief of the armed forces. The proposed constitution provided for other changes including: (1) it gave the head of government/prime minister the power to appoint a larger number of officials within the government without direct monarchical intervention; (2) it designated that the future prime minister would be the leader of the party that obtained the greatest number of votes in an election rather than being appointed by the king, as had previously been the case; and (3) it provided for an independent judiciary. Additional reforms called for broad respect for human rights, decentralization of governance to locally elected officials, inclusiveness and recognition of the multicultural heritage of the kingdom, and a host of improvements to safeguard citizen rights. The constitution was approved in a referendum in July 2011.

As many analysts have concluded, it will take time to see whether the 2011 constitutional reforms will advance Morocco's transition to a fuller constitutional monarchy/democracy. This "leading from above" strategy for political

reform has its critics, yet there is the possibility that the processes taking place in Morocco may eventually emulate the leadership model undertaken by King Juan Carlos in Spain as Spain transitioned from the authoritarianism of the Franco regime to democracy. Like what transpired in Spain, there is at least the theoretical possibility in Morocco that a monarch can play an important leadership role in the transition to democracy. Because the king's family has led Morocco since the 1660s, he wields considerable symbolic capital, which he can use for the transformation of politics. King Mohamed VI has used that capital to enact key reforms including the Equity and Reconciliation Commission (IER); the adoption of broad changes to the family law, the *moudawana*, which significantly enhanced the rights of women; the proposal for autonomy in the Western Sahara; and the current efforts of the Economic, Social, and Environment Council (CESE) to develop recommendations for regionalization beginning in the southern provinces. If the 2011 constitutional reforms are meaningfully implemented, they will provide evidentiary support to the contention that King Mohamed VI has continued a program of evolutionary reform towards a constitutional monarchy, a process that he adopted shortly after his ascension to the throne in 1999.

An early glimpse of the potential impact of Morocco's emerging political transition involved the elections for a new parliament that were held on 25 November 2011, which resulted in the moderate Islamist Justice and Development Party (PJD) winning the largest bloc of votes and giving it the right to have its leader, Abdelillah Benkirane, appointed as Prime Minister. Benkirane formed a coalition government with secular parties on 7 February 2012, which signaled to the world that at least in Morocco that the Islamist-secularist ideological divide that had manifested itself in a schismatic way in Egypt may have been bridged. Although the current government has had its share of challenges in passing its program through Parliament, its success may demonstrate to the world that Islamist parties may be able to share governance with secular parties,

thereby disabusing the notion that Islamist parties are intent upon monopolizing the political space.

## Where is Morocco Headed?

Moving forward, given the clear yet fragile progress towards the creation of a constitutional monarchy in Morocco, it is incumbent upon the United States administration to recognize the consistent progress that has taken place in that country and assist it. If Morocco were to be successful in the realization of democracy, it would demonstrate to the rest of the world that there is the possibility for real transition to democracy in the Muslim world.

In concrete terms, the United States can lend assistance in four areas. First, it can provide technical assistance and expertise to the Moroccan legislature so that legislation can be enacted to fulfill the reform aspects of the new constitution. This would involve providing programs that would help parliamentarians acquire the skills and resources needed to draft implementing legislation for the new constitution. Second, and related to the first objective, the United States should consider providing direct or indirect funding for capacity-building to local governments and civil society that would enable them to exercise greater roles in governance.

Third, the US can work with the EU and others to support the expansion of rule of law through programs that enhance the internal capabilities of police and security officials, judges, magistrates, and attorneys, and civil society so that the promotion of rule of law would be possible through the observance of civil rights and human rights protocols.

Fourth, beyond the realm of political improvements, the US may consider undertaking a meaningful cost-benefit of analysis of whether investments in the areas of women's health and education may have a stabilizing multiplier effect not only in Morocco but also in the neighboring regions of north and west Africa.

Morocco has embarked upon an important, difficult, and challenging transition to democracy. The Moroccan transition to democracy can succeed but it will need some external support in order to thrive. A

small investment in the Moroccan transition process may lead to its eventual success. And, of course, Morocco's success in the realization of democracy would have a powerful demonstration effect upon other

countries in the region that are struggling with their own very difficult transitions to democracy.

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*The views expressed by the author do not necessarily reflect the views of The Fund for Peace.*

# Moroccan Islam:

## A Unique and Welcome Spirit of Moderation and Tolerance

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*Center for*  
**Contemporary  
Arab Studies**

مركز الدراسات العربية المعاصرة

# MOROCCAN ISLAM –

## A Unique and Welcome Spirit of Moderation and Tolerance

*O people! We created you all out of a male and a female, and have made you into nations and tribes, so that you might come to know one another. Truly, the noblest of you in the sight of God is the one who is most deeply conscious of Him. Behold, God is all-knowing, all-aware.*

*The Holy Qur'an (al-Hujurat 49.13)*

### INTRODUCTION:

## EMBRACING RELIGIOUS AND CULTURAL DIVERSITY

By Fr. Michael D. Calabria

From its inception in seventh-century Arabia, Islam has fostered belief in God (Allah) expressed in lives of devotion, righteousness, and justice. What began as a small movement among the Arabs of Mecca within a few decades of the Prophet Muhammad's death (632 CE) over time attracted adherents from the Straits of Gibraltar in the West to the Indus Valley in the East: a community of believers that included Arabs, Egyptians, Persians, Berbers, sub-Saharan Africans, and Turks. Islam spread into a world populated by Jews, Christians, Zoroastrians, and Hindus, as well as Buddhists and Jains. Human diversity was not, according to the Qur'an, an aberration, but was intrinsic to God's creation. One's value in God's eyes was not determined by the nation or community with which one identified but by the quality of one's relationship with God and neighbor:

Surely those who believe (in the Qur'an), and those who are Jews and the Christians and the Sabians, and who believe in Allah and the Last Day, and work righteousness, shall have their reward with their Lord: on them shall be no fear, nor shall they grieve. (*al-Baqara* 2.62)

Muslims were to be a "middle" or balanced community (*al-Baqara* 2.143) who did not force their religion on others, for as the Qur'an states "there is no compulsion in religion" (*al-Baqara* 2.256), but were to give witness to others by the example of their faith. From an early date, Muslim scholars took seriously the Qur'anic verse which says that God taught humanity by the pen (*al-'Alaq* 96.4), producing lengthy commentaries on the Qur'an which served not to eliminate diverse interpretations of the text but to document the range of opinions in order to arrive at the most authentic understanding.

Muslims were to secure religious freedom not only for themselves but especially for Jews and Christians, the so-called *ahl al-kitāb* (People of the Book) (*al-'Imran* 3.64) with whom Muslims shared a common

ancestor in Abraham. This was exemplified by Muslim rule in Jerusalem where Jews and Christians were permitted to worship in their holy places alongside those of Muslims. In the Muslim capitals of Damascus and Cairo, Jews and Christians served Muslim rulers in important administrative positions, and Christian architects and artisans worked alongside their Muslim co-workers in the construction of mosques.

Beginning in the eighth century, the Umayyad rulers of the Iberian peninsula created a society characterized by *convivencia* in which Jews, Christians, and Muslims worked together in common artistic and intellectual pursuits, most notably the translation of Greek philosophical and medical texts into Arabic, scholarship that would later serve as a catalyst for the European Renaissance. (One might also point out that the contemporary ‘Abbasid caliphs also employed Christian translators of Greek texts, following the establishment of Baghdad as their capital.) In subsequent centuries, when Spain fell to Christian rulers Isabella I of Castile and Ferdinand II of Aragon, Jews were expelled from the kingdom and fled to Muslim realms in North Africa where their communities flourished until the mid-twentieth century.

Today, this spirit of Islam which embraces cultural and religious diversity remains a vibrant part of Moroccan culture and society.\*

## THE MOROCCAN CULTURAL HERITAGE

By Dr. Kenneth L. Honerkamp

*The policy for which we have opted in Morocco consists in consolidating a democratic approach allowing for the modern management of the affairs of the Moroccan people in a way that is fully consistent with the teachings of our glorious religion.*

*His Majesty Muhammad VI, First International [Sufi] Conference on Sidi Chikr, Marrakesh, September 10, 2004*

For more than 1400 years, Moroccan culture has exemplified its commitment to moderation through a pragmatic yet spiritual path within its Islamic religion. Morocco’s unique spirit of tolerance is rooted in its historical heritage, authentic values, and principles of open-mindedness and concord, and cultural enrichment through the mutual exchange among individuals, communities, and civilizations.

These values are richly attested to in what has become perhaps the best known Islamic text in Morocco after the Qur’an; the 700-year-old *al-Murshid al-mu‘īn* (The Guiding Helper) by ‘Abd ul-Wahid ibn ‘Āshir (d. 1631). This didactic poem of 317 verses deals with the jurisprudence (*fiqh*) of Imām Mālik (d. 795), the theological doctrine (*‘aqīdah*) of Imām al-Ash‘arī (d. 938), and the Sufism (*tasawwuf*) of Imām al-Junayd (d. 910). In Morocco, *Murshid al-mu‘īn* is memorized by children and among the Sufi orders to ensure that each Moroccan possesses a minimum of religious knowledge and sense of duty. Diffusing this essential knowledge ensures that religious knowledge will not, on the one hand, be compartmentalized among a religious elite, or that one facet of religious experience does not dominate the others.

To understand Morocco’s commitment to tolerance, it is useful to examine these key facets of Moroccan Islam.

# THE SCHOOL OF JURISPRUDENCE OF MĀLIKĪ MADHAB

Let us first examine the tolerance demonstrated between the various juristic schools (*maddhabs*) of Sunni Islam. Tim Winters of Oxford University considers that one of Islam's greatest achievements over the past millennium has been its internal intellectual cohesion. He maintains that from the eleventh century almost to the present day, in spite of the clash of dynasties, over time Sunni Muslims cultivated an attitude of religious respect and brotherhood among themselves.

Dr. Muhammad Tawil of the Qarawiyyin University of Fes, Morocco ascribed this social and devotional unity in Morocco to the influence of the school of jurisprudence known as the Mālikī *madhhab*. He said, "They used it to settle their disputes, unify their voices, secure their nation, and protect themselves from dispersion and disagreement due to the particular qualities by which it is distinguished." He goes on to argue that the Mālikī *madhhab* was the most accommodating school of jurisprudence, due to its inclusive nature (although some scholars would broaden that claim to include others). This inclusiveness, Dr. Tawil believes, is founded upon its breadth in both the area of legal theory (*usūl al-fiqh*) and in the area of legislation (*fiqh*).

Dr. Tawil characterized the Mālikī *madhhab* by the abundance of its legal sources represented in the Qur'an, the custom of Muhammad (Sunna), consensus of the scholars (*ijma'*), legal analogy (*qiyās*), unspecified interests (*al-masālih al-mursala*), and others. The diversity of these legal sources and their broad applicability has assured that Moroccan scholars of the law continue to respond to issues as they arise with scholarly review and legal extrapolation. According to Dr. Tawil, the Mālikī *madhhab* is characterized by the absence of strictures that lend it an openness that permits it to evolve and renew itself in an atmosphere of resilience, liberality, and facility, with moderation and temperance, and within a logical and rational nature. The Mālikī *madhhab* also categorically rejects ascribing unbelief (*takfīr*) to a Muslim because of a sin committed or because of heresy. Dr. Tawil asserts from the Mālikī perspective that there is no obligation to enjoin the good and forbid evil in matters in which there is disagreement. It also guards against factional and sectarian strife. This, according to Dr. Tawil, is an important source of what makes the Moroccan faith community a tolerant and open community that allows for opposition from those who hold opposing views. This openness is enshrined in Morocco's Constitution.

This characteristic tolerance is also rooted in the Mālikī school's adherence to the creed of Imām al-Ashcārī, followed in Morocco for centuries. This is the most inclusive of the creeds as it defines the Muslim community as all those that pray in the direction of Mecca (*ahl al-qibla*). Among its key precepts is that it also categorically rejects ascribing unbelief (*takfīr*) to any of the *ahl al-qibla* because of a sin committed or because of heresy—a far cry from the practice of jihadists today.

Moroccans who are guided by this perspective realize that unity is not uniformity, and that diversity of opinion is an essential aspect of human nature fully incorporated within the framework of traditional Islam. By learning and adhering to the consensual core tenets of the creed of al-Ashcārī, Moroccans have long been able to distinguish between the core of Islam and casual differences that have led to strife and religious discord in the Middle East.

# CHARACTERISTICS OF SUFISM OF AL-JUNAYD

Sufism has from the earliest times established its teachings upon correct comportment or manners (*adab*) and ethical behavior (*akhlāq*). Al-Junayd, mentioned in the *al-Murshid al-muʿīn*, was renowned as the Master of the Folk of the Sufi Path, and portrayed Sufism as a process of purification that he likened to a journey. This focus on ethical conduct as the guiding principle behind Sufi pedagogic methodology has always resonated within the Moroccan context. Moroccan Sufism today continues to foster the values of tolerance, solidarity, and selflessness, and it discourages placing oneself above others.

Another facet of Moroccan Islam that is unique to the nation is that Moroccan scholars are committed to both the study of the Law and Sufism. They understand the two to be complementary to each other and not in conflict with one another. This has not been the case in the Muslim lands of the Middle East. Perhaps for this reason more than any other, Morocco is known throughout the Muslim world as the home of respect for and scholarship in the law while maintaining a broad and harmonious perspective on Sufi principles.

## MOROCCAN ISLAM TODAY

In addition to fostering intra-faith tolerance and cooperation between jurists and Sufis, Morocco is heir to the multi-faith traditions of Andalusia, in which Muslims, Christians, and Jews participated in a vibrant intellectual discourse on the multi-faceted themes of their faith traditions. King Muhammad VI, who ascended to the throne in 1999, recognizes the importance of fostering dialogue and cooperation between peoples of these three faiths. He has made this an important part of his national policy and vision, thereby strengthening the reputation of the monarchy as a fair and just government.

The Ministry of Islamic Affairs is also active in educational programs for women. In fact, Morocco is a pioneer in training women as spiritual counselors working in mosques and communities. It also updates and revises the country's curriculum for religious instruction and facilitates the publishing of Islamic scholarship. King Muhammad regularly hosts international conferences on Mālikī jurisprudence and Ashʿarī theology, and the proceedings are televised broadly, reaching Muslims worldwide.

The King is also a tireless supporter of Sufism, and the Ministry of Islamic Affairs maintains Sufi shrines and *zāwiyyas* (primary schools). The King also has sponsored conferences dealing with the lives and teachings of stellar Sufi personalities who exemplified Moroccan spiritual ideals over the centuries. At the opening address to the First International Conference on Sidi Chiker in 2004, Muhammad VI said, "What has distinguished Moroccan Sufi scholars from others is their propensity to give priority to social, educational, and moral aspects of society. They have sought in particular to teach the Holy Qur'an and spread its precepts through an approach that addresses the hearts of believers and enhances their trust in the Almighty's mercy, for His mercy is boundless."

The best known of the King's efforts to demonstrate the relevance of Moroccan Islam is what are known as the Hassaniyya Lectures (*Durūs al-Hassaniyya*) that take place during the month of Ramadan. International Muslim scholars (men and women) present lectures on timely topics, all drawn from Qur'anic and Prophetic sources. These lectures are televised nationally and internationally. A major outcome of these events is the dialogue and exchange of ideas among scholars.

Among the most important impacts of the Hassaniyya Lectures is the influence they exert on Sub-Saharan African expressions of Islam. A scholar from Nigeria commenting about Islam in his country said, “The Moroccans are our spiritual masters (*shuyūkh*), our Islam came from them, we follow the jurisprudence of Mālik and the theology of Ash‘arī, we read the Qur’an in the Warsh recitation [a method attributed to ‘Abd Allāh al-Qurashī al-Misrī al-Qayrawānī (d. 812)], and we follow the Moroccan Sufi master Sidi Ahmed Tijani (d. 1815).” This relationship with sub-Saharan Africa demonstrates the influence of Moroccan Islam beyond the nation’s borders.

Another particular facet of Moroccan Islam that supports the nation’s awareness and respect for a diverse Islamic perspective is the veneration of the members of the family of the Prophet Muhammad (*al-shurafā*). The present dynasty traces its roots back to the family of Muhammad through the saintly figure of Mawlāy ‘Alī Sharīf (d. 1659). However, there are multiple lines claiming lineage to the Prophet; some point to the founder of the original dynasty of Morocco, Idrīs ibn ‘Abdallāh (d. 791), while others trace their line back to perhaps the best known of Moroccan holy men, Mula Abd al-Salam ibn Mashīs (d. 791). These figures were venerated because their legacies have helped to preserve over the centuries cultural ideals and ethical values that distinguish Moroccan society from other traditional Islamic societies. The three distinctive facets of Moroccan Islam discussed above constitute an integral part of the daily life of the Moroccan people without impinging on a political process, another particular characteristic of Moroccan Islam.

## THE STRATEGIC BENEFITS OF SUPPORTING MOROCCO’S UNIQUE CULTURAL ETHOS

It is evident from this brief essay that Morocco’s cultural values, its deeply held religious practices, and its continued support for moderate discourse has helped to create a hospitable environment for greater understanding and comity, especially in these troubled times of transition. The United States has much to gain from encouraging Moroccans to persevere in their efforts to promote tolerance and amity within the region and beyond. Specific ways in which the U.S. could help strengthen such commitments include the following:

- Include Morocco as a partner with Turkey as a major anchor country in the Global Fund for Community Engagement and Resilience in the Sahel region of Sub-Saharan Africa.
- Encourage exchanges among faculties and professors from Morocco and the U.S. with the purpose of initiating projects that broaden understanding and scholarship across disciplines.
- Encourage the Ministry of Islamic Affairs to extend its efforts of publication and distribution of the many valuable scholarly works it publishes.
- Increase student exchanges at all levels (but particularly among graduate and Fulbright scholars) to improve academic programs and generate more options for learning.
- Sponsor annual conferences, held alternately in the US and Morocco, to review papers and research that supports the values of moderation and tolerance.
- Award competitions among US and Moroccan graduate students and academics on scholarly papers on relevant topics.



### ISSUE BRIEF

BY J. PETER PHAM

# Morocco's Vital Role in Northwest Africa's Security and Development

NOVEMBER 2013

The links between the United States and Morocco are among the oldest of the US' diplomatic bonds. In 1777, Morocco's Sultan Mohammed III was the first foreign sovereign to recognize the independence of the thirteen former British colonies. Subsequently, the 1786 Treaty of Peace and Friendship—negotiated by Thomas Barclay and signed by Thomas Jefferson and John Adams—established diplomatic relations between the two countries. Modified in 1836 with the addition of various security and commercial protocols, the accord is still in force, making it the United States' longest unbroken treaty relationship. But as venerable as this history is, the strategic importance of Morocco to pursuing the Atlantic community's interests in the security and development of northwestern Africa has only recently become fully apparent to US policymakers and analysts. President Barack Obama's invitation to King Mohammed VI to make an official visit to the United States this year indicates the importance that both countries attach to this significant strategic relationship.

The Maghreb and the interconnected Sahel to the south have become one of the world's most politically fragile regions. As the so-called "Arab Spring" wave of popular protests erupted across the Middle East and North Africa in 2011, leading to the overthrow of political regimes in Tunisia, Egypt, Libya, and Yemen, the ongoing civil conflict in Syria, and indirectly to the near conquest of Mali by radical Islamists in 2012, it also left in the ensuing vacuum a hospitable environment for violent extremism across the Saharan and Sahelian lands. An "arc of instability" now stretches across the African continent and terrorist

#### Africa Center

The Atlantic Council's Africa Center was established in September 2009 with the mission to promote strong geopolitical partnerships with African states and to redirect US and European policy priorities towards strengthening economic growth and prosperity on the continent.

The Africa Center provides thought leadership on emerging security, geopolitical, and economic challenges in Africa through congressional testimony, publications, briefings, events, and a robust media presence. The Center assists policymakers in addressing the complex security challenges facing Africa, including the problems of state collapse; humanitarian crises; piracy; the growing nexus between extremism and criminality in West Africa and the Sahel; the ongoing political transitions in North Africa; ongoing challenges in Central and Southern Africa; and the growing impact of Islamist extremism on African polities and economies. Within the context of the Atlantic Council's work to promote constructive US leadership and engagement in international affairs, the Center supports and collaborates with the public and private sectors in forging practical solutions to challenges and opportunities in Africa, especially those associated with the strong economic growth which many nations on the continent have experienced in recent years.

incidents in the Maghreb and the Sahel have jumped from twenty-one per annum in 2001 to 185 a decade



later,<sup>1</sup> making the region a top counterterrorism priority for the United States and its European allies.

Amid the upheaval that swept across North Africa, Morocco stands out as an exception. Not only has the kingdom avoided both revolutionary tumult and violent repression, but while their neighbors were still struggling to come to terms with the Arab Spring, Moroccans were accelerating their decades-old process of political and social renewal through precedent-setting constitutional and institutional reforms.<sup>2</sup> The Sherifian Kingdom has proven remarkably adroit at managing domestic and regional challenges and is poised to play an even greater role in leading regional security and development progress.

1 Yonah Alexander, *Terrorism in North Africa & the Sahel in 2012: Global Reach & Implications* (Washington: Potomac Institute for Policy Studies, February 2013), 3, <https://www.counterextremism.org/resources/details/id/390>.

2 See J. Peter Pham, "Morocco's Momentum," *Journal of International Security Affairs* 22 (Spring 2012): 13-20.

### A Comprehensive Approach to Counterterrorism

North Africa and the Sahel are plagued with a plethora of security challenges, including the proliferation of extremist groups, hundreds of thousands of displaced persons, frequent drought, and a growing traffic in narcotics, arms, and other illicit contraband. The boundaries between corrupt officials, criminal networks, and armed militants are too often blurred.<sup>3</sup>

Porous borders and weak governments have opened the way to the regionalization of volatility. This was underscored by the proliferation of arms from Libya into the Sahara after the overthrow of the Muammar Gaddafi regime in 2011, which, in turn, facilitated the separatist uprising and subsequent military coup in Mali in early 2012, and by the high-profile terrorist attacks on the Algerian gas plant at In Amenas in

3 See Wolfram Lacher, "Organized Crime and Conflict in the Sahel-Sahara Region," in *Perilous Desert: Insecurity in the Sahara*, ed. Frederic Wehrey and Anouar Boukhars (Washington: Carnegie Endowment for International Peace, 2013), 61-85.

January 2013 and the Nigerien uranium mine at Agadez in May 2013 by al-Qaeda-linked militants. In this environment, militant Islamic groups such as Al-Qaeda in the Islamic Maghreb (AQIM) have been able to fill the political vacuum and appeal to local separatist and militant groups.<sup>4</sup> The marriage of their global jihadist ideology with the strong links that they have cultivated in recent years among local populations in the Maghreb and Sahel constitutes a heightened threat to security in the region and abroad.

Since 2001, there have been 1,234 terrorist attacks in Algeria, fifty-four in Mali, twenty-seven in Mauritania, thirty-nine in Niger, and fifty-eight in Chad.<sup>5</sup> Although the spread of violent extremism in North Africa and the Sahel has not hit Morocco as hard as some of its neighbors, Rabat still faces significant security challenges. It suffered nine terrorist attacks since 2001, including its own “9/11” on May 16, 2003, when suicide bombers from the Sidi Moumen shanty towns outside Casablanca hit a hotel, Jewish community center, Spanish social club, and other targets. This series of simultaneous attacks left forty-five people dead (including twelve of the terrorists) and more than one hundred seriously wounded. Shaken by the assault, Morocco adopted a comprehensive counterterrorism strategy that has been praised in the annual US Department of State’s *Country Reports on Terrorism*. The 2012 report summarizes the three-pillar strategy implemented by the monarchy:

First, the government takes a law-and-order approach to [counter violent extremism], working closely with the United States and other international and regional partners to strengthen its security and counterterrorism capabilities. Second, Morocco has accelerated its rollout of education and employment initiatives for youth and expanded the legal rights and political empowerment of women. Finally, to counter what the government perceives as the dangerous importation of violent Islamist extremist

ideologies, it has developed a national strategy to confirm and further institutionalize Morocco’s widespread adherence to the Maliki school of Islam.<sup>6</sup>

Elements of this aggressive, multipronged approach to combating violent extremism in Morocco have evolved quickly. Less than two weeks after the Casablanca bombings, the Moroccan government promulgated a new antiterrorism law that toughened penalties to include a minimum sentence of ten years’ imprisonment for active involvement in terrorism, life imprisonment if the terrorist acts cause serious bodily injury to others, and the death penalty if they result in fatalities. Furthermore, an anti-money laundering law, enacted in 2007, facilitates the freezing of suspicious accounts and established a financial intelligence unit to investigate and prosecute terrorist finance-related crimes.

The results of this tough counterterrorism policy have been impressive. There were a number of notable successes in 2012 alone. In February, twenty-seven men were sentenced for plotting terrorist attacks against Moroccan and foreign security forces. The primary perpetrator of the 2011 Marrakesh bombing was handed a death sentence by an appeals court in March, and fifteen members of the Mujahedin Movement in Morocco were arrested in connection to the 2003 Casablanca bombing the same month. In November, a twenty-seven-member cell involved in recruiting youths to fight with jihadists in Mali was dismantled. In December, a six-member cell in Fez was arrested for reportedly recruiting individuals for AQIM to return and carry out terrorist attacks in Morocco.<sup>7</sup>

The investigation and prosecution of suspected terrorists by Moroccan authorities has not taken place in a vacuum, but rather in the context of broad justice sector reform that has been underway for several years. This process has included the adoption, in 2005, of a new, more liberal version of the country’s legal code regulating marriage and family life, the

4 See J. Peter Pham, “The Dangerous ‘Pragmatism’ of Al-Qaeda in the Islamic Maghreb,” *Journal of the Middle East and Africa* 2, no. 1 (January-June 2011): 15-29; and idem, “Foreign Influences and Shifting Horizons: The Ongoing Evolution of al Qaeda in the Islamic Maghreb,” *Orbis* 55, no. 2 (Spring 2011): 240-254.

5 Alexander, *Terrorism in North Africa & the Sahel in 2012*, 3.

6 Bureau of Counterterrorism, US Department of State, *Country Reports on Terrorism 2012*, May 2013, 6, <http://www.state.gov/documents/organization/210204.pdf>.

7 Ibid. 134.

*Moudawana*, as well as ongoing specialized training for judges, police, and border guards. Recently, the government introduced a package of sweeping reforms aimed at bringing higher standards and greater transparency to the judiciary as well as a revision of the penal code to bring it into line with both the new constitution and the international conventions Morocco has signed.<sup>8</sup>

Morocco is also proactively engaged in a broad campaign of counterradicalization. Under Mohammed VI, Moroccan authorities have implemented a range of religious and cultural programs to combat the drift of youths toward violent extremism. Speakers from around the world travel to Morocco every year for Ramadan at the invitation of the King, who hosts a series of lectures emphasizing peaceful teachings of Islam. Rabat's Ministry of Habous (religious endowments) and Islamic Affairs sponsors a television channel, the Mohammed VI Holy Quran Network (*Assadissa*), to propagate "an open and tolerant Islam, respectful of other religions." The network is guided by moderate Muslim perspectives, including the Maliki school of jurisprudence, the Ash'ari theology, and the Sufi mysticism favored by the king in his capacity as *Amir al-Mu'minin* ("Commander of the Faithful"). In addition to taking requests for authoritative *fatwas* on its website, the ministry also publishes a quarterly journal for imams and other preachers in Morocco's more than 30,000 mosques. Morocco has also established a Council of Ulema for Europe to train and send Moroccan imams and other spiritual guides to counter extremist messages in North African expatriate communities in Europe.

The majority of Moroccans have supported their government's embrace of moderate, tolerant Islam. And the new Moroccan constitution's embrace of cultural diversity is rare in the Arab world: it explicitly acknowledges that Morocco's national culture is "enriched and nourished by African, Andalusian, Hebraic, and Mediterranean influences."<sup>9</sup>

Perhaps the most dramatic illustration of how far the Moroccan state is willing to go in its efforts to push back against religious extremism is the royal decree mandating the training of fifty *mourchidates*, or female religious guides, alongside 150 (male) imams each year. The training program for the annual class differs from the traditional clerical curriculum in that, in addition to memorizing the Quran and studying Islamic law, the candidates also earn a secular baccalaureate degree with coursework in psychology, communications, and foreign languages. In a 2009 report to Congress, the US State Department hailed the *mourchidates* initiative as "pioneering."<sup>10</sup>

The US State Department also noted that "the Moroccan government [has] continued to implement internal reforms aimed at ameliorating the socio-economic factors that terrorists exploit," citing in particular the \$1.2 billion National Initiative for Human Development (INDH). The INDH is aimed at generating employment, combating poverty, and improving infrastructure in both rural areas and the sprawling slums on the outskirts of the country's urban centers, which were home to a disproportionate number of the Casablanca suicide bombers. Moroccan officials report that the INDH implemented some 22,000 projects benefiting more than 5.2 million people between 2006 and 2010, and another \$2.1 billion is expected to be spent on projects between 2012 and 2015.<sup>11</sup>

### International Security Cooperation

Morocco emphasizes the importance of international cooperation in its counterterrorism efforts. Though al-Qaeda regional affiliate, AQIM, has yet to pose a direct threat to the Sherifian Kingdom's stability<sup>12</sup>—notwithstanding its occasional rhetorical flights of fancy, including the video AQIM leader Abdelmalek Droukdel released in September 2013 menacing the country—Moroccan officials have pointedly reinforced

8 See Smail Bellaouali and Paul Schem, "Morocco Outlines Ambitious Judicial Reform Plan," Associated Press, September 13, 2013, <http://www.huffingtonpost.com/huff-wires/20130913/ml-morocco-justice/>.

9 Preamble of the Moroccan Constitution. For an English translation, see Jefri J. Ruchti, "Morocco: Draft Text of the Constitution adopted at the Referendum of 1 July 2011," in *World Constitutions Illustrated*, ed. Jefri J. Ruchti, (Buffalo: William S. Hein & Co., Inc., 2011), [http://www.acl-radc.org.za/sites/default/files/morocco\\_eng.pdf](http://www.acl-radc.org.za/sites/default/files/morocco_eng.pdf).

10 Bureau of Counterterrorism, US Department of State, *Country Reports on Terrorism 2009*, August 2010, 137, <http://www.state.gov/documents/organization/141114.pdf>.

11 "Morocco: Improving Inclusiveness, Accountability and Transparency of Decision Making at the Local Level," World Bank Group, 2013, <http://www.worldbank.org/en/results/2013/04/08/improving-inclusiveness-accountability-and-transparency-of-decision-making-at-the-local-level>.

12 See Mawassi Lahcen, "AQIM Lashes Out at Morocco," *Magharebia*, September 16, 2013, [http://magharebia.com/en\\_GB/articles/awi/features/2013/09/16/feature-01](http://magharebia.com/en_GB/articles/awi/features/2013/09/16/feature-01).



A US Marine conducts a machine gun demonstration for the Royal Moroccan Armed Forces during the “African Lion” exercise in 2012. Image Credit: US Department of Defense, Flickr.

security links with neighbors, even longtime rival Algeria. For example, in the aftermath of a 2009 AQIM attack on a Mauritanian convoy traveling in the northeastern part of the country, which resulted in the capture and beheading of eleven soldiers and one civilian, Morocco sent military advisers to Mauritania to provide training and advice on force protection and patrol tactics.

Security cooperation extends beyond the immediate sub-region to Western nations. In 2013, Morocco signed agreements with France, Spain, and Portugal to allow access to its military bases during the crisis in Mali. Morocco is an active participant in the “5+5” Western Mediterranean Forum, which brings together foreign policy and defense officials from five European countries (France, Italy, Malta, Portugal, and Spain) with the counterparts from five Maghrebi states (Algeria, Libya, Mauritania, Morocco, and Tunisia). Morocco played a major role in forming the Global Counterterrorism Forum (GCTF) with Algeria, Egypt, Jordan, Qatar, Saudi Arabia, and the United Arab Emirates, a body that adopted the *Algiers Memorandum on Good Practices on Preventing and Denying the Benefits of Kidnapping for Ransom by Terrorists* last

December. Additionally, Morocco hosted the GCTF Rule of Law Working Group meeting in February 2012, which produced the *Rabat Memorandum on Good Practices for Effective Counterterrorism Practice in the Criminal Justice Sector*.

Morocco also works closely with the US on security matters and, in fact, was designated a “major non-NATO ally of the United States” in 2004, making it one of only fifteen states—and the only one on the African continent besides Egypt—to be distinguished by that status. Since 2008, the two countries have conducted an annual security cooperation exercise, “African Lion,” designed to promote joint training of forces in a variety of areas, including aerial logistics, non-lethal weapons, amphibious operations, combined arms, and maneuvers. Typically, more than 900 Moroccans and 1,200 Americans take part in the two-week exercise.<sup>13</sup> Last year in September, the US launched the US-Morocco Strategic Dialogue, which focuses “on key areas where Morocco’s experience and example can help America address changes and challenges in the Arab and Moslem worlds.”<sup>14</sup> In addition to ongoing bilateral diplomatic and military-to-military cooperation with the United States on the security front, Morocco has been a member of the Trans-Sahara Counterterrorism Partnership (TSCTP), the US government program aimed at defeating terrorists by strengthening the capacity of regional governments while enhancing and institutionalizing cooperation between their security forces.<sup>15</sup>

Mali provides an example of Morocco’s recent comprehensive contribution to regional security and stability. Mali is a failing state; beset by a separatist

13 The 2013 exercise, which would have been open to representatives of fourteen partner nations, was deferred following a diplomatic dispute over a draft United Nations Security Council resolution that would have broadened the mandate of the UN mission in the Western Sahara. The draft was subsequently withdrawn.

14 Edward M. Gabriel and Michael Ussery, “Morocco a Staunch and Stable Ally in North Africa,” *The Hill*, September 18, 2012, <http://thehill.com/blogs/congress-blog/foreign-policy/250127-morocco-a-staunch-and-stable-ally-in-north-africa> (the authors served as US ambassadors to Morocco in the Bill Clinton and George H.W. Bush administrations, respectively).

15 TSCTP is supported by various agencies of the US government, including the Department of State, the US Agency for International Development (USAID), the Department of the Treasury, the Department of Justice and the Federal Bureau of Investigation, and the Department of Defense, which works through the Africa Command (AFRICOM) and Operation Enduring Freedom-Trans Sahara (OEF-TS). See J. Peter Pham, “Terrorism and Counterterrorism in Africa: Evolving Focus,” in *Routledge Handbook of African Security*, ed. James J. Hentz (London: Routledge, 2013), 43-55.



*The American Legation in Tangier, Morocco, was the first public property acquired by the US government outside the United States (1821) and the first designated National Historic Landmark located in a foreign country (1982). Image Credit: Wikimedia.*

rebellion and the takeover of the northern half of the country by AQIM and its allies, it was saved from total collapse only by a timely French-led intervention earlier this year. Prior to the French intervention, Rabat had helpfully pressed the UN Security Council to authorize an African force to intervene. Since the election of Malian President Ibrahim Boubacar Keïta in August 2013, and the subsequent restoration of constitutional order to the country, Morocco has redoubled its efforts to help, particularly in the area of counter-radicalization. Rabat has emphasized that “state-of-the-art military operations, intelligence work, and policing must be combined with anti-poverty measures, a cultural strategy to counter extremist trends, and political reforms that fight corruption and foster opportunity.”<sup>16</sup> Ahead of the new president’s inauguration, which Mohammed VI attended at the head of a 300-person delegation, civilian physicians as well as medical units from Morocco’s Royal Armed Forces were dispatched to Bamako to set up a field hospital to boost the Malian capital’s limited healthcare

16 Ahmed Charai, “A Monarch Visits Mali,” *Huffington Post*, September 19, 2013, [http://www.huffingtonpost.com/ahmed-charai/a-monarch-visits-mali\\_b\\_3953990.html](http://www.huffingtonpost.com/ahmed-charai/a-monarch-visits-mali_b_3953990.html).

capacity. In a speech at the ceremony,<sup>17</sup> the Moroccan sovereign also outlined a program of assistance that included the education and training of 500 Malian imams using Morocco’s moderate and tolerant form of Islam to help fight the spread of extremism within their communities; support for human development programs, particularly in the areas of executive training, basic infrastructure, and health; and measures to encourage bilateral trade and investment to boost employment and skills transfers.

### **Morocco’s Growing Regional Geopolitical Heft**

Morocco’s avenues of engagement on the continent have been circumscribed by the country’s nonmembership status in the African Union (AU). Morocco’s absence from the AU is a function of the continued membership of the separatist Polisario Front’s phantom “Sahrawi Arab Democratic Republic,” which disputes Moroccan sovereignty over the former Spanish Sahara.<sup>18</sup> However, new threats to regional security have put pressure on African nations to build stronger relationships with Morocco, as the Kingdom’s potential to serve as a regional “anchor” state has begun to outweigh the dispute over the status of the Western Sahara.<sup>19</sup>

Morocco has moreover made efforts to resolve the impasse, primarily by advancing a proposal in 2007 that offered generous autonomy to the Western Sahara.<sup>20</sup> Last year former Secretary of State Hillary Clinton described this overture as “serious, credible, and realistic,”<sup>21</sup> having previously affirmed that

17 Mohammed VI, “Full Text of the Speech Delivered This Thursday by HM King Mohammed at the Inauguration of Malian President Ibrahim Boubacar Keïta,” MAP, September 19, 2013, <http://www.map.ma/en/activites-royales/full-text-speech-delivered-thursday-hm-king-mohammed-vi-inauguration-ceremony-mali>.

18 See J. Peter Pham, “Not Another Failed State: Towards a Realistic Solution of the Western Sahara,” *Journal of the Middle East and Africa* 1, no. 1 (Spring 2010): 1-24.

19 See Terence McNamee, Greg Mills, and J. Peter Pham, *Morocco and the African Union: Prospects for Re-engagement and Progress on the Western Sahara* (Johannesburg: Brenthurst Foundation, February 2013), [http://www.thebrenthurstfoundation.org/Files/Brenthurst\\_Commissioned\\_Reports/Brenthurst-paper-201301-Morocco-and-the-AU.pdf](http://www.thebrenthurstfoundation.org/Files/Brenthurst_Commissioned_Reports/Brenthurst-paper-201301-Morocco-and-the-AU.pdf).

20 Defense, foreign affairs, and the currency would remain under the control of Rabat, while the regional authority would hold broad powers over local administration, the economy, infrastructure, social and cultural affairs, and the environment.

21 Secretary of State Hillary Rodham Clinton, Remarks with Moroccan Minister of Foreign Affairs Saad-Eddine Al-Othmani, February 26, 2012, <http://www.state.gov/secretary/rm/2012/02/184667.htm>.

support for the autonomy initiative is firmly rooted in American policy as something “that originated in the Clinton administration...was reaffirmed in the Bush administration and it remains the policy of the United States in the Obama administration.”<sup>22</sup> The Polisario Front and its principal backer, Algeria, have refused to allow a census of the population in the Sahrawi camps. Meanwhile, Polisario-linked figures have played more than cameo roles in recent troubles throughout the region. These range from recruiting mercenaries to defend Gaddafi to providing AQIM’s allies in northern Mali with fighters and, in one notorious case, with Western hostages to trade for ransom. UN Secretary-General Ban Ki-moon, among others, has been increasingly vocal that “the rise of instability and insecurity in and around the Sahel” and the risk of “spillover” from the fighting in Mali requires “an urgent settlement” of the “ticking time bomb” of the frozen West Saharan conflict.<sup>23</sup>

Shifting political perceptions of the stalemate have provided Morocco with an opening for re-engagement in the Sahel and North Africa. As security in the region deteriorates, Morocco’s resources and relative stability could set the stage for new forms of political and security cooperation.

Counterterrorism efforts will not succeed unless the affected countries in North Africa and the Sahel can develop effective logistical coordination mechanisms and intelligence cooperation. Scarce resources will need to be pooled in order to conduct joint security operations. The success of any multilateral response is thus likely to be undermined by Morocco’s exclusion.

Morocco’s inclusion in regional security cooperation efforts is necessary, too, because the country has been the target of terrorist attacks. As recently as April 2011, Morocco suffered an attack by AQIM-linked terrorists, who targeted the country’s number one tourist destination, Marrakesh. By joining the AU,

Morocco—which boasts military and intelligence services as advanced as any in the wider region—would also join the Joint Military Staff Committee of the Sahel Region (CEMOC), which is supposed to take a leading role in coordinating antiterrorist operations. One US strategic analyst has observed that “AU member states could also benefit from Morocco’s relations and strong political and economic interests with the European Union, and its membership in the NATO Mediterranean Dialogue (which also includes Algeria, Tunisia, Egypt and Mauritania), to strengthen military cooperation with these major entities. This cooperation may include intelligence support and permission to land military forces in the Sahara, where terrorist groups and criminal gangs carry out their criminal activities.”<sup>24</sup>

Integration into the AU may emerge from Morocco’s determined efforts, since 2000, to re-engage with Africa (especially French-speaking African countries) on several fronts. The Kingdom reopened several diplomatic representations, both resident and nonresident, and has reinforced its presence in several African-related forums, such as the Franco–African summits and the first Africa-European Union summit in 2000. During the latter, Morocco’s King Mohammad VI (who succeeded his father King Hassan II the year before) announced a debt forgiveness plan for Africa’s least developed countries, and the eradication of the custom duties levied on the products imported from these states. In the field of education, a grant program for African students was launched; today, over 7,000 grants to African students from thirty-five countries are awarded annually for study at Moroccan universities. Over the course of his reign, Mohammed VI has made a number of official visits to African countries, which have resulted in the conclusion of seventeen bilateral trade agreements.

In November 2010, the then-Moroccan minister of foreign affairs and cooperation, Taieb Fassi Fihri, proposed the creation of an Alliance for Development in Africa as a framework to coordinate bilateral, regional, and international initiatives related to the

22 Secretary of State Hillary Rodham Clinton, Interview with Fouad Arif of Al-Aoula Television, November 3, 2009, <http://www.state.gov/secretary/rm/2009a/11/131354.htm>.

23 United Nations Secretary-General Ban Ki-moon, quoted in Tim Witcher, “Ban says Western Sahara Risks being Drawn into Mali War,” Agence France-Presse, April 9, 2013, [http://www.google.com/hostednews/afp/article/ALeqM5iOnupKvBuc8I\\_WTR3J5BnNCFnmEw?docId=CNG.566cbe22180951c72bc8d9c6ad6fd9d1.d1](http://www.google.com/hostednews/afp/article/ALeqM5iOnupKvBuc8I_WTR3J5BnNCFnmEw?docId=CNG.566cbe22180951c72bc8d9c6ad6fd9d1.d1).

24 Benjamin P. Nickels, “Morocco’s Engagement with the Sahel Community,” *Sada*, January 3, 2013, <http://carnegieendowment.org/2013/01/03/morocco-s-engagement-with-sahel-community/ez1c>.



*Women in Yaoundé, Cameroon, celebrating the February 2013 opening of the newest branch of SCB-Cameroun, a commercial bank whose majority shareholder is Morocco's Attijariwafa Bank.*

African continent. In 2009, Morocco also launched the ministerial conference of Atlantic African countries (African states on the Atlantic Ocean coast) and established a permanent secretariat in Morocco. The second ministerial conference, which took place in Morocco on 15 November 2010, adopted an action plan for cooperation and coordination in the fields of politics, security, economics, and the environment. In parallel, with support from the European Commission's Bureau of European Policy Advisors (BEPA), Morocco has organized an even more ambitious series of international forums, which met in 2009 and 2012 in Shkirat, outside Rabat, with the goal of creating a broader "Atlantic Community" linking the African states on the ocean's littoral with their European and American counterparts.

Moroccan financial institutions have been key to opening the path for the country's re-engagement with Africa, but also, through their commercial success, play an increasingly critical role on a continent where

lack of access to the formal banking sector remains a major impediment to economic growth. In the late 1980s, the Banque Marocaine du Commerce Extérieur (BMCE) helped to revamp the moribund state-owned Banque de Développement du Mali. In recent years, Attijariwafa, Morocco's largest bank and the sixth-largest on the entire African continent in terms of deposits, has aggressively expanded its presence into eight countries in Sub-Saharan Africa, where it currently boasts 367 branches, as well as into Libya and Tunisia, where it has 190 branches. Moreover, the bank, which in 2010 was recognized as the "African Bank of the Year" in the African Development Bank-supported competition, has announced plans to cover all the countries of the Economic Community of West African States (ECOWAS) and North Africa. Altogether, three Moroccan banks—Attijariwafa, BMCE, and Groupe Banque Populaire (GBP)—rank among the African continent's top ten financial institutions. The Saham Group, whose chairman was recently appointed Morocco's minister of industry, commerce,

and new technologies, has emerged as the largest insurance network in Africa outside South Africa, doing business in twelve countries. Moroccan foreign direct investment (FDI) outflows to Sub-Saharan Africa have increased more than 40 percent over the course of the last decade, and accounted for an extraordinary 89 percent of total FDI outflows from the kingdom in 2010, before leveling off to 40 percent the following year. The investments have been spread across a broad range of sectors of African economies with significant growth prospects in the coming years, including agriculture, telecommunications, pharmaceuticals, and manufacturing.

Finally, Morocco has devoted substantial resources and political capital to transnational migration issues and to human rights reform. Recently, on September 11, 2013, King Mohammed VI accepted recommendations from Morocco's National Human Rights Council (CNDH) on migrant and asylum-seeker protections. These included proposed reforms to the penal code to combat human trafficking; an improved legal and institutional framework for asylum seekers; bans on violence against foreigners; and expanded protections for the rights of documented immigrants.<sup>25</sup> If implemented, these policies will further enhance Morocco's international reputation, not only as a just and humane polity, but as an important neighbor in a region that is struggling to deal with itinerate and displaced populations.

## Conclusion

Morocco's political reengagement with Africa under King Mohammed VI is the product of practical and strategic considerations. The underlying message to Africa, however, is that Morocco is a country of serious political and economic clout, integral to the continent's development and prepared to play a leading role in its future.

The United States and its European partners are forced to confront a growing threat of terrorism in the Maghreb-Sahel. The limited capacity of many countries in the region to counter and resolve

this threat will in the near future put increased demands on scarce US and European resources. The recent experience in Somalia suggests that success of counterterrorism efforts is likely to depend on the emergence of a competent and willing "leading nation" to spearhead the response of regional states in cooperation with Western donors. This is especially the case given the number of crises making demands on US policymakers and their European counterparts at a time when their constituents are increasingly reluctant to support entanglements abroad. In this context, tapping into the efforts of partner countries like Morocco, which has demonstrated not only the willingness but the capacity to shoulder the challenges facing the Maghreb-Sahel, is one way to help advance the US goal of promoting regional security and development in North Africa.

Morocco's democracy is a work in progress, but King Mohammed VI has demonstrated his serious commitment to reform, enhancing diplomatic relations with neighboring states, and contributing to regional multilateral institutions. In order to strengthen Morocco's internal security and development while enhancing its outreach to North and West Africa, the United States should consider the following recommendations for building the bilateral strategic relationship:

- Where appropriate, the United States should adopt a "triangular" approach to regional development efforts. Morocco has strong relationships with regional states, and US assistance can leverage the benefits of established programs with a track record of effectiveness and sustainability.
- The United States should expand Morocco's extensive training programs for military and security forces in the Sahel and in West Africa. "African Lion," the existing joint US-Moroccan annual military exercise designed to improve interoperability, should also be expanded to serve as a platform for a regional collective security framework that addresses not only terrorist and separatist challenges, but also trafficking and other criminal networks.

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<sup>25</sup> "Morocco King Tackles Immigration Issue with Government," *Middle East Online*, September 11, 2013, <http://www.middle-east-online.com/english/?id=61271>.

- The United States should expand support for regional counterterrorism and counter-radicalization efforts, building upon the cooperation already initiated between the Moroccan government and those in Mali, Mauritania, Senegal, and other African countries. US collaboration with and support to regional security structures like CEMOC and the Intelligence Fusion Center (IFU) should be conditioned on inclusivity—including Morocco’s participation.
- The United States government should prioritize strengthening intelligence cooperation with Morocco, expanding beyond the existing intelligence relationship between the Moroccan security services and the Central Intelligence Agency to include other US departments and agencies working on counterterrorism, human and drug trafficking, border security, and financial crimes issues. For their part, Moroccan authorities have a uniquely deep knowledge and experience of the human and operational terrain of northwestern Africa from which their US (and European) counterparts would benefit.
- Since the transformation of security and justice sectors of countries in North and West Africa is critical to their successful transitions to democratic governance as well as long-term stability, the United States should continue to support efforts to promote regional cooperation and the exchange of experience on security sector and legal reform. Promising initiatives like the MENA Regional Network for Security Development should be expanded to embrace countries throughout the region beyond the southern shore of the Mediterranean Sea.
- The United States should make the resolution of the conflict over the Western Sahara—and the resulting Polisario-controlled desert camps which have increasingly posed threat to regional security as a recruiting ground for both extremists and criminal elements—a diplomatic priority. Washington should also reaffirm its longstanding policy of support for the Moroccan

autonomy proposal as the basis for a realistic solution.

- Regional stability will ultimately depend upon the success of efforts to promote regional economic integration and social development. US assistance, including funding dedicated to the USAID and the Millennium Challenge Corporation (MCC), should prioritize these goals, particularly through support of such projects as the Trans-Africa Highway Corridor along the continent’s Atlantic coast, and other improved railway and transport links.
- The United States should assist in the expansion of Morocco’s existing technical training and educational programs benefiting African students, undertakings that are more effective and fiscally sustainable than US-based training.

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## ANALYSIS PAPER



## SUMMARY

Sub-Saharan Africa is increasingly vital to Morocco's future economic growth and security. Morocco has pursued a soft power strategy in Africa for over a decade, but regional and global dynamics create a new urgency for Morocco to diversify its economic ties, boost multilateral security cooperation, and play a more active diplomatic role. While Morocco enjoys some competitive advantage in sub-Saharan Africa, it faces several challenges to transforming its presence there. Diplomatically, it must diversify its ties with larger African economies and overcome constraints posed by the Western Sahara conflict. Economically, the challenge will be to restructure its nascent manufacturing base and diversify its products in order to meet growing African consumer demand. The United States can play a role in supporting Morocco's engagement in Africa, which complements U.S. policy objectives in both Morocco and sub-Saharan Africa. ■

## Morocco's African Future

by Haim Malka

## OVERVIEW

For over a decade the United States and Morocco have searched for ways to boost U.S.-Moroccan trade and investment ties in order to create jobs in both countries and support the economic growth and stability of an important U.S. ally. A Free Trade Agreement (FTA) enacted in 2006 has not dramatically increased bilateral trade or expanded economic cooperation.<sup>1</sup> In fact, most Moroccan exports are not competitive in U.S. markets and Morocco currently ranks 80<sup>th</sup> on the list of bilateral U.S. trading partners.<sup>2</sup> Other efforts to encourage Maghreb economic cooperation have also fallen short.

Given this reality and Morocco's overdependence on Europe as its major source of tourism,<sup>3</sup> investments,<sup>4</sup> trade,<sup>5</sup> and remittances,<sup>6</sup> a more effective strategy to promote economic growth and job creation should focus on expanding Morocco's presence in sub-Saharan Africa. In Africa, Morocco has a comparative advantage, a history of close ties, and the potential to play an active economic, security, and diplomatic role. Morocco urgently needs to diversify its economic base and expand its network of trading partners in order to meet the growing socioeconomic demands of its population. Helping Morocco expand its strategic engagement in Africa is ultimately more beneficial to Morocco and the United States than focusing on increasing bilateral trade.

Morocco and sub-Saharan Africa have been tied together for centuries through economic, political, cultural, and religious links. Over the last decade Morocco has been quietly building a strong economic and diplomatic position in sub-Saharan Africa. Now, changing regional and global dynamics make sub-Saharan Africa a more urgent component of Morocco's economic and geopolitical environment, sparking a renewed effort to expand its economic and diplomatic clout across the continent.

## THE MAGHREB IN TRANSITION

While the Maghreb has long been at the margins of U.S. policy in the Middle East and North Africa, trends in this region increasingly reverberate throughout the Middle East. In this new environment, developments in the Maghreb will continue to have an impact both on the broader Middle East and on U.S. interests. The CSIS Middle East Program examines changing political, economic, and security trends in the Maghreb—defined here as Morocco, Algeria, Tunisia, and Libya—through original research and analysis and by convening events that highlight issues of importance in the Maghreb to business and policymaking audiences. More broadly, the program focuses its research on the drivers of social and political change in the Middle East. For more information on the program's work on the Maghreb, visit <https://csis.org/program/maghreb>. ■

Africa is strategically important to Morocco for several reasons. First, it provides growing markets of over 870 million people at a time when Morocco needs to diversify its economic relations. Second, regional unrest triggered by the Arab uprisings in 2011 and the takeover of northern Mali by al Qaeda-linked militants in 2012 have created a new urgency for Morocco to strengthen its network of regional allies in West Africa and the Sahel and promote greater multilateral security cooperation. Third, Morocco seeks support for its Western Sahara autonomy plan among African states. Finally, Africa is a diplomatic arena where Morocco can play a leadership role by brokering and facilitating diplomatic agreements, solving conflicts, and shaping regional agendas, despite its non-membership in the African Union (AU).

King Mohammed VI has encouraged Moroccan companies and government agencies to expand their activities and make sub-Saharan Africa a key part of Morocco's strategic vision to advance its interests. Morocco has relied in large measure on a soft power strategy, supporting development projects, hosting thousands of African students at Moroccan universities, providing military training, and expanding Moroccan direct investment in sub-Saharan Africa. Moreover, it has experiences and expertise to share with African countries from its own development trajectory and efforts to modernize its economy.

## MOROCCO'S AFRICA STRATEGY

Morocco's turn south has deep roots. Since independence in 1956 Morocco has been active in engaging African states both bilaterally and through international organizations such as the United Nations. Its Africa policy has traditionally focused on building diplomatic support for its sovereignty over Western Sahara, which drove a series of development aid programs, bilateral trade agreements, and broader diplomatic cooperation.

This soft power is most effective in West Africa, which is not only geographically close, but where Morocco shares a common language with francophone states, shared religion and cultural ties, a strong diplomatic presence, and extensive business and trade ties. These links have been facilitated by personal relationships, air links through Morocco's national airline, a strong banking presence, relaxed visa policies, and numerous trade- and tariff-reducing agreements. Morocco currently has trade agreements with over

**Helping Morocco expand its strategic engagement in Africa is ultimately more beneficial to Morocco and the United States than focusing on increasing bilateral trade.**

15 African states and a free trade agreement with the West African Economic and Monetary Union (WAEMU).<sup>7</sup>

Sub-Saharan Africa has great potential as a market for Moroccan goods and services. Although the continent accounts for only 3 percent of the global economy, it has a large population and is an attractive emerging market which is expected to see dramatic growth over the next decade. The Economist Intelligence Unit (EIU) sees Africa as having the "greatest overall investment potential for all frontier markets."<sup>8</sup> While mining and resource-based industries attract the most attention in sub-Saharan Africa, demand for consumer goods is rising due to the growth of a middle class, particularly in the larger African economies. The most promising areas of growth include the agricultural sector, infrastructure, banking services, and consumer goods.

Moroccan exports to sub-Saharan Africa are expanding, though they still make up less than 5 percent of Morocco's total exports. Between 2000 and 2010 Moroccan exports to sub-Saharan Africa more than tripled, rising from \$248 million to \$849 million (approaching Moroccan exports to the United States, which stood at roughly \$995 million in 2011).<sup>9</sup> Morocco's manufacturing sector has grown over the last decade, going from \$5.9 billion in 2002 to \$14 billion in 2011,<sup>10</sup> though its share as a percentage of GDP has declined slightly due to competition in the textile sector, going from 17 to 15 percent of Morocco's economy.<sup>11</sup> The challenge for Morocco will be to expand its manufacturing base to produce goods beyond the agricultural sector that can compete in sub-Saharan African markets.

That will not be easy, but Morocco enjoys some comparative advantage in West Africa. For one, its firms have been less risk averse than some European companies, which have sold large stakes in the region over the last five years.

This drive has been accelerated by maturing Moroccan companies seeking higher growth and margins than they could find in domestic markets. In some industries, tougher domestic competition also forced companies to pursue new markets. Morocco's labor costs and cost structures are also lower than Europe's (though generally high for the region),<sup>12</sup> making its services and products more competitive than European firms.<sup>13</sup> More broadly, Morocco's advanced economic sectors complement the sectors in sub-Saharan Africa which promise the most growth and demand in the next decade, most importantly the agricultural, pharmaceutical, telecommunications, and service sectors.

**The challenge for Morocco will be to expand its manufacturing base to produce goods beyond the agricultural sector that can compete in sub-Saharan African markets.**

Morocco's exports to Africa, however, are distributed unevenly across the continent. Over 60 percent of its exports go to West Africa, nearly 28 percent to Central Africa, and less than 3 percent to Southern Africa.<sup>14</sup> As Morocco diversifies its economic ties away from dependence on Europe, it must diversify its exports and trade ties more broadly in Africa, in particular with the larger economies that promise the most growth, such as Nigeria and South Africa. This effort, however, is constrained largely by political tension, primarily over Western Sahara. It is no coincidence that many of Morocco's closest relationships in West Africa are with countries that recognize its sovereignty over Western Sahara. In this sense its economic ties are shaped by its diplomatic ties. Its relations with countries that recognize the Saharan Arab Democratic Republic (SADR) tend to be much weaker. In addition to diversifying its partners, Morocco needs to diversify its products for export away from the natural resources sector if it is to capture a share of Africa's future consumer goods markets.

Thus, to be a major player in Africa, Morocco not only needs to diversify and strengthen its manufacturing base in order to boost exports, but overcome nagging diplomatic chal-

lenges that have kept Morocco out of the AU and soured relations with some of Africa's largest economies. One option would be to maintain an emphasis on francophone West Africa. Morocco has taken a more active role in the Community of Sahel-Saharan States (CEN-SED) and increasingly cooperates with ECOWAS. A primarily regional focus, however, means that Morocco's Africa engagement is confined to a limited number of states and would be dependent on economic trends in West Africa. It would also ignore some of Africa's largest economies. A more difficult path—which would be more strategic and provide longer-term benefit—would look to build ties with larger African economies, many of which recognize the SADR. Morocco cannot reach its full potential in Africa without forging better ties to these countries, which will require pursuing economic and diplomatic opportunities as if there were no Western Sahara conflict.

## MOROCCO'S ECONOMIC POTENTIAL IN AFRICA

Banking, fertilizers and agricultural products, and pharmaceuticals are well-established Moroccan industries that have significant growth potential in sub-Saharan Africa. Morocco's banks have led the way in establishing the country's economic presence in sub-Saharan Africa.

Morocco's banking industry went through a series of reforms in the 1990s and is increasingly professional and transparent. Today, three Moroccan banks rank among the top ten banks in Africa, with over \$90 billion in assets.<sup>15</sup> Moroccan banks have a presence in 22 African countries. The expansion into African banks has been driven in part by acquisitions, including from European financial institutions that sold stakes in African banks during the 2008-2009 financial crisis. Banking and other services such as insurance will remain an important component of Morocco's more diversified economic strategy. The potential for growth is dramatic because four out of five Africans don't have bank accounts. Morocco's advanced banking industry puts it in a strong position to emerge as a banking and services hub for North and West Africa. Companies such as IBM already see Morocco as an important hub and gateway for access into other francophone African countries. IBM operates call centers in Morocco and recently opened a Global Delivery Center in Casablanca aimed at providing advanced services throughout the region.<sup>16</sup>

**Banking has helped pave the way for other Moroccan industries to expand into Africa.**

Banking has helped pave the way for other Moroccan industries to expand into Africa. Agricultural products currently represent the largest share (37 percent) of Moroccan exports to sub-Saharan Africa. As in banking, there is potential for expanding Morocco's exports, especially by providing a steady supply of fertilizer, which is crucial for expanding sub-Saharan Africa's agricultural sectors and access to locally-grown food. Only one-tenth of African land is cultivated, and crop yields are among the lowest in the world.<sup>17</sup> Morocco is a leading producer of phosphate, a key ingredient of fertilizer, and as it expands its downstream fertilizer industry, it is well positioned to emerge as a key supplier to Africa. Morocco's state-owned fertilizer company OCP S.A. is already working with African nations to produce adapted fertilizers for specific crops (such as cocoa, cotton, and maize) to meet the needs of specific soil and climatic conditions.

Morocco has also developed Africa's second-largest pharmaceutical sector. Though exports only represent about 10 percent of production, most of that is sold in North and West Africa. SOTHEMA (Société De Therapeutique Marocaine), one of Morocco's largest pharmaceutical companies, operates a subsidiary in Senegal called West Africa Pharma focused on producing generic drugs for West African markets.<sup>18</sup> Africa's pharmaceutical market is expected to reach \$30 billion by 2016 and jump to \$45 billion by 2020,<sup>19</sup> making it a potentially valuable market for Moroccan drug companies.

Morocco's geographical location, and the Tangier Med port in particular, offers the benefit of close proximity to key African markets and low labor costs. It is thus also worth examining Morocco's other nascent industries, which could help in building Morocco's manufacturing base for future export to nearby markets. Auto manufacturing is one such area. French automaker Renault has capitalized on the potential in this sector and currently operates two production facilities in Morocco which employ over 3,000 people.<sup>20</sup>

Canadian aircraft manufacturer Bombardier also recently began construction of a \$200 million plant expected to open in 2014 to produce parts for its CRJ aircraft and Learjets.<sup>21</sup> Boeing and France's Safran SA already operate facilities in Morocco that assemble cables and wire bundles for Boeing, General Electric, Dassault Aviation, and Airbus.<sup>22</sup> In addition to manufacturing aerospace parts, Morocco operates an airplane maintenance and servicing facility known as Aerotechnic Industries which opened in 2005, servicing Airbus A320 and Royal Air Maroc's fleet of Boeing 737.<sup>23</sup> Morocco's government has opened an institute to help train workers for its aerospace industry.

None of these production facilities on their own will transform Morocco's economy or its manufacturing sector. Most employ small workforces. Bombardier's plant, for example, is only expected to employ 100 hundred full-time trained workers once it opens. Moreover, most of the advanced sectors are oriented toward European markets. Yet taken together these industries can lay the foundation for a broader manufacturing base which has a lower cost structure than European manufacturers and closer proximity to emerging markets in Africa.

**A comprehensive assessment both of Morocco's current manufacturing capabilities and of target sub-Saharan markets could help inform a more strategic approach.**

The key is to use Morocco's existing foundation in auto and basic aerospace manufacturing to create a broader industrial base of spin-off and feeder industries that can be positioned to supply growing African demand for other goods. A comprehensive assessment both of Morocco's current manufacturing capabilities and of target sub-Saharan markets could help inform a more strategic approach. Such a study should analyze consumer demand trends in targeted African countries, the products manufactured and exported by competing companies into those markets, and a frank assessment of Morocco's potential to competitively develop

products for those markets.

Given the sluggish European market, lack of political will to deepen Maghreb economic cooperation, and limits to U.S. trade, Morocco's most important choice for new markets lies in Africa. The challenge for Morocco is to market its current position in services, pharmaceuticals, and fertilizers more aggressively in the short term while building a long-term manufacturing base which produces goods that African consumers want to buy that are competitive in price and quality. Both strategies must work simultaneously to expand Morocco's West African markets, while opening new markets in less politically hospitable parts of Africa. While foreign capital, primarily from the Gulf, has been available to Morocco, it has been directed mainly toward real estate and tourism, rather than manufacturing. In order to develop a successful export strategy focused on Africa, Morocco will have to convince local and foreign investors to provide greater capital for manufacturing. GCC investors in particular who have a direct interest in promoting economic stability in Morocco could play a role in supporting an export-oriented Moroccan economic strategy. Attracting U.S., European, and other firms will require continuing efforts to make business more transparent, competitive, and less bureaucratic. It will also require expanding educational reform to teach technical skills suited for more advanced manufacturing jobs. Further research is required to identify specific sectors that match Morocco's comparative advantage and production capacity with current and future demand in sub-Saharan Africa.

## DIPLOMATIC AND SECURITY ENGAGEMENT

While Morocco looks to expand its economic base, it has the opportunity to continue expanding its broader soft power capabilities in Africa that strengthen multilateral cooperation, especially in the security field. It has consistently called for greater multilateral security cooperation in the Maghreb and Sahel to confront the common challenges of illicit smuggling and terrorism. Morocco currently cooperates with 22 African countries on counternarcotics, disarmament, migration, piracy, and conflict resolution.<sup>24</sup> This is urgent because of growing insecurity in the Sahel and Maghreb. Morocco also hosts approximately 6,500 African students from 42 countries annually to study in Morocco,<sup>25</sup> and it hosts military officers, mostly from West Africa, at Morocco's Royal Military Academy in Meknes. It recently

**The ongoing Western Sahara conflict and Morocco's non-membership in the African Union are obstacles to its efforts to carve out a more influential diplomatic and security role in Africa.**

signed an agreement with Mali's new government to train 500 Malian imams in an effort to promote a more tolerant version of Islam.<sup>26</sup>

One multilateral venue where Morocco seeks to play a larger role is in the Community of Sahel-Saharan States (CEN-SED), one of the AU's eight regional groupings. CEN-SED was established to foster greater economic cooperation and development in the region, and it focuses on a geographical area where Morocco has direct security interests and strong bilateral ties, and which does not include Algeria as a member.<sup>27</sup> Morocco has tried to steer the group to address common security issues. At the moment, CEN-SED lacks institutional capacity. Morocco will need to determine whether it is worth the investment to try to strengthen CEN-SED and try to steer its agenda, or to work more closely with the more established ECOWAS, which requires closer cooperation with Nigeria, a large regional power which may not always share Morocco's agenda for the group's direction.

More broadly, Morocco faces similar challenges in the diplomatic and security sphere as it does in the economic one. The ongoing Western Sahara conflict and Morocco's non-membership in the AU are obstacles to its efforts to carve out a more influential diplomatic and security role in Africa. Though Western Sahara has shaped Morocco's approach to Africa for the last several decades, Morocco can no longer afford to let the conflict shape its broader Africa policy.

Sub-Saharan Africa will remain strategically important for Morocco's economic growth and future stability. While Africa is crucial for Morocco, the risk for Morocco is that in the years ahead, Morocco may not be crucial for Africa. Given Africa's status as one of the last remaining frontier markets, international competition over access to resources and markets is intensifying. Morocco's capital cannot compete with that of Chinese and GCC companies, nor can its

aid and investment match that of larger donor governments. Moreover, it faces the same challenging business environment in sub-Saharan Africa that other investors grapple with. Yet Morocco already has many of the necessary ingredients to expand its presence in sub-Saharan Africa. Although the success of Morocco's efforts will depend largely on its own policy choices and strategy, the United States can also play an important role.

## POLICY OPTIONS FOR STRENGTHENING MOROCCO'S CAPACITY IN SUB-SAHARAN AFRICA

The United States can play a role in fostering Morocco's positive role in Africa as a way to both improve inclusive economic growth and stability in Morocco and promote economic and political development in sub-Saharan Africa. One way to strengthen Morocco's engagement in sub-Saharan Africa is through triangular aid programs. Rather than requesting additional funds, existing resources could be channeled to triangular programs where U.S.-Moroccan cooperation can harness Morocco's expertise and experience in specific development areas to provide training in a third sub-Saharan country. The United States has launched triangular aid programs with over a dozen countries in Latin America and Africa, including projects related to food security and agriculture, education, biofuel development, health, and microfinance projects.

Morocco has traveled a development path similar to the one many African states face and has expertise to share. While it still faces many setbacks in education, transparency, corruption, and other areas, Morocco can provide training across a range of sectors. These include civil society group development, rural electrification, health care, broadband internet access,<sup>28</sup> and food security.

Morocco's strengths in development overlap with many U.S. goals in sub-Saharan Africa. One area where Morocco could have an impact is in renewable energy and power generation. More than two-thirds of sub-Saharan Africa's population lack electricity.<sup>29</sup> Morocco went through its own rural development process and successfully connected 98 percent of rural villages with electricity. Morocco could be a useful partner in the U.S. government's Power Africa program, which seeks to increase cleaner and more efficient power generation in sub-Saharan Africa. Such cooperation

**Though Western Sahara has shaped Morocco's approach to Africa for the last several decades, Morocco can no longer afford to let the conflict shape its broader African policy.**

could also benefit Morocco's drive to build renewable energy as a significant source of future energy consumption. The U.S. government's Feed the Future initiative, which promotes agricultural productivity in a dozen African countries, would be another area where Morocco could be a valuable partner.

Morocco currently partners on triangular aid projects with the United Nations Development Programme (UNDP) and the Japan International Cooperation Agency (JICA) in sub-Saharan Africa. It provides training programs in West Africa in health care, sanitation, water infrastructure, and fisheries. Channeling existing aid funds into triangular support programs has a double impact: it strengthens Morocco's capabilities and development programs while providing needed aid and expertise to sub-Saharan African countries. While Morocco pursues its own bilateral projects in many areas, establishing triangular aid projects with the United States increases the impact of those efforts. Including a triangular aid component for Moroccan projects in Africa should be part of a future Millennium Challenge Corporation compact, should it be renewed.

Morocco could also expand its existing training programs for African armies and security forces in coordination with the United States. One option is to expand the program at Morocco's Royal Military Academy for U.S.-led training in counterterrorism, which is a growing priority for U.S. policy in Africa. The annual bilateral training exercise African Lion, which includes observers from other states, could also be expanded to include a multilateral component with sub-Saharan African military participation. African Lion was cancelled in 2013 due to disagreements over U.S. support for human rights monitoring in the Western Sahara monitoring program, MINURSO, which was later withdrawn. More robust bilateral security cooperation must be insulated from diplomatic ups and downs if exercises

like African Lion and other potential projects are to become effective.

## LOOKING FORWARD

Africa is crucial to Morocco's future. With growing unrest and instability in the Middle East and North Africa, prospects for Maghreb regional integration stalled, Europe's continued economic challenges, and structural limits to U.S.-Moroccan trade, Morocco's sub-Saharan Africa engagement is a strategic imperative.

Morocco's private sector, which played a major role in establishing its current economic network over the last decade, will be central to overcoming the diplomatic challenges Morocco faces in certain parts of sub-Saharan Africa. Morocco has developed a highly professional cadre of business people who speak English and can play a role in developing broader ties across Africa. Many have been educated abroad and are returning to Morocco, where they are establishing high standards for business operations and efficiency. This entrepreneurial group should be given incentives through public-private partnerships to expand Moroccan business into other parts of Africa where Morocco has less diplomatic and economic presence.

The United States and Morocco share a common interest in promoting greater security, stability, and economic development in sub-Saharan Africa. As the United States seeks ways to strengthen its regional partners and engage in Africa on a range of issues from security to economic development, Morocco can potentially play a critical role in supporting those efforts for the mutual benefit of Morocco, Africa, and the United States. Doing so depends on Morocco pursuing broader diplomatic engagement in Africa despite political differences regarding Morocco's sovereignty over Western Sahara, diversifying its manufacturing sector, and openly addressing its development shortcomings. ■

## NOTES

1. The Free Trade Agreement was signed on June 15, 2004 and entered into force on January 1, 2006. See "Morocco Free Trade Agreement," Office of the United States Trade Representative, <http://www.ustr.gov/trade-agreements/free-trade-agreements/morocco-fta>.

2. "Morocco," Office of the United States Trade Representative – Executive Office of the President, 2011, <http://www.ustr.gov/countries-regions/europe-middle-east/middle-east/north->

[africa/morocco](http://www.ustr.gov/countries-regions/europe-middle-east/middle-east/north-africa/morocco).

3. Half of Morocco's tourists come from Spain and France alone, and tourism makes up roughly 9 percent of GDP. See Paul Schemm, "Morocco Looks to UK, Germany to Beef Up Tourism," AP, April 10, 2013, <http://bigstory.ap.org/article/morocco-looks-uk-germany-beef-tourism>; and "International Tourism, receipts (current US\$)," The World Bank, accessed June 12, 2013, <http://search.worldbank.org/data?qterm=tourism+morocco&language=EN&format=>.

4. Two-thirds of Morocco's foreign direct investment inflows come from Europe.

5. Nearly 60 percent of Morocco's trade is conducted with the European Union. Isabella Massa, Jodie Keane, and Jane Kennan, "The Euro Zone Crisis and Developing Countries," *Overseas Development Institute Working Paper 345*, London, Overseas Development Institute, 2012, <http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/7688.pdf>.

6. Remittances, in large measure from Moroccans working in Europe (40 percent from France), make up 7 percent of Morocco's GDP. See "Personal Remittances, Received (current US\$)," World DataBank, The World Bank, accessed June 12, 2013, <http://data.worldbank.org/indicator/BX.TRF.PWKR.CD.DT>; and "Moroccan Remittances Unaffected by Crisis," *Nuqudy*, February 13, 2012, [http://english.nuqudy.com/North\\_Africa/Moroccan\\_Remittance-898](http://english.nuqudy.com/North_Africa/Moroccan_Remittance-898).

7. Morocco also launched negotiations to sign a free trade agreement with the Central African Economic and Monetary Union in 2012.

8. EIU projects that over half of the continent's 54 countries will grow by more than 5 percent per year between 2012 and 2016, with five more expected to grow between 7.7 to 10 percent. Ethiopia, Liberia, Mozambique, Niger, and Uganda are expected to grow between 7.5 and 10 percent. Note however, that all African GDP figures are subject to debate. See "Into Africa: A Special Report on Emerging Opportunities for Business," Economist Intelligence Unit, 2012, 1-3.

9. Imports from sub-Saharan Africa rose during the same period from \$248 million to \$531 million. See "Morocco's Trade Performance on the sub-Saharan African Market," April 2012, Kingdom of Morocco Ministry of Economy and Finance, [http://www.finances.gov.ma/portal/page?\\_pageid=93,17858036&\\_dad=portal&\\_schema=PORTAL&id=85&lang=En](http://www.finances.gov.ma/portal/page?_pageid=93,17858036&_dad=portal&_schema=PORTAL&id=85&lang=En).

10. "Morocco; Manufacturing; Value Added (current US\$)," World DataBank, The World Bank, accessed October 23, 2013, <http://databank.worldbank.org/data/views/reports/chart.aspx#>.

11. "Morocco; Manufacturing; Value Added (% of GDP)," World DataBank, The World Bank, accessed October 23, 2013, <http://databank.worldbank.org/data/views/reports/tableview.aspx#>.

12. While Morocco's per unit production cost is lower than Europe's, it is high for the region and compared to some Asian countries.

13. According to one analyst, the labor cost in Morocco's main car manufacturing facility is 50 percent lower than costs at

a similar plant in Romania. See Bruce Gain, “Renault expands Morocco plant to meet strong Dacia demand in Europe,” *Automotive News Europe*, October 9, 2013, <http://europe.autonews.com/article/20131009/ANE/131009858/#axzz2i5Z8pv4R>.

14. Ibid.

15. “Insights on the New Moroccan Strategy for Sub-Saharan Africa,” Attijariwafa Bank, Presentation, June 2012.

16. See “IBM Announces Morocco Global Delivery Center, Creates up to 400 New Technology Roles,” IBM press release, July 5, 2013, <http://www-03.ibm.com/press/us/en/pressrelease/41381.wss>.

17. EIU, “Into Africa.” Note that figures on land use in Africa are difficult to accurately calculate because of a lack of formal land tenure and property rights in many countries.

18. “A Success Story from Morocco—SOTHEMA,” *Manufacturing Journal Magazine*, <http://www.manufacturing-journal.net/index.php/articles/pharmaceutical-industry/975-a-success-story-from-morocco-sothema>.

19. IMS, “Africa: A Ripe Opportunity—Understanding the Pharmaceutical Market Opportunity and Developing Sustainable Business Models in Africa,” 2012, [http://www.imshealth.com/ims/Global/Content/Insights/Featured%20Topics/Emerging%20Markets/IMS\\_Africa\\_Opportunity\\_Whitepaper.pdf](http://www.imshealth.com/ims/Global/Content/Insights/Featured%20Topics/Emerging%20Markets/IMS_Africa_Opportunity_Whitepaper.pdf).

20. Renault currently operates a plant south of Casablanca which employs 1,200 workers on two production lines which build the Kangoo multipurpose vehicle for the domestic market as well as for export to the Spanish and French markets. In 2012, the Renault-Nissan plant near Tangier Med port facility began producing a family car and small van. The plant has a capacity of 200,000 cars per year, which is expected to jump to 340,000 per year in 2014. In 2012 the plant employed over 2,000 people, which is expected to jump to 5,000 as production increases. Nearly 90 percent of production is expected for export, primarily to European markets. See “Renault in Morocco,” <http://www.renault.com/en/Groupe/renault-dans-le-monde/Pages/renault-aumaroc.aspx>; and Bruce Gain, “Renault expands Morocco plant.”

21. Morocco is offering favorable investment terms for foreign manufacturers including tax free incentives. Bombardier is currently producing plane components in a temporary facility outside of Casablanca.

22. Safran has expanded its manufacturing to include housings for jet engines from advanced plastics composites. See Daniel Michaels, “Morocco’s Aviation Industry Takes Off,” *The Wall Street Journal*, March 20, 2012, <http://online.wsj.com/news/articles/SB10001424052970204059804577226763868263758>.

23. “Aerotechnic Industries Joint Venture Moves to New Phase,” *Airlines Africa*, April 15, 2013, <http://airlines-africa.com/?p=201>.

24. See “DASD Huddleston and Admiral Moeller Discuss Cooperation with Key Moroccan Officials,” U.S. State Department cable released by Wikileaks, <http://cablegatesearch.net/cable.php?id=09RABAT899&q=admiral%20and%20dasd%20discuss%20huddleston%20moeller%20morocco>.

25. See “Statement by His Excellency Dr. Saad Dine El Otmami, Minister of Foreign Affairs and Cooperation of the

Kingdom of Morocco,” <http://www.diplomatie.ma/Portals/0/Texte%20int%C3%A9gral%20de%20l%27intervention%20de%20M.%20le%20Ministre%20en%20Ang.pdf>.

26. Siham Ali, “Morocco to Train Malian Imams,” *Magharebia*, September 23, 2013, <http://allafrica.com/stories/201309240845.html>.

27. At its 2012 summit held in Rabat, CEN-SED created a security committee to discuss common security threats. Morocco was elected to chair the CEN-SED’s executive council in 2013. See Benjamin P. Nickels, “Morocco’s Engagement with the Sahel Community,” *Sada*, Carnegie Endowment for International Peace, January 3, 2013, <http://carnegieendowment.org/2011/03/25/dangerous-core-breach-suspected-at-japan-reactor/fgf0>.

28. Morocco has the highest percentage of individuals using the internet in Africa at 55 percent of the population. “Africa’s 10 Most Connected Countries,” *IT News Africa*, October 10, 2013, <http://www.itnewsafrika.com/2013/10/africas-10-most-connected-countries/>.

29. “Fact Sheet: Power Africa,” The White House, Office of the Press Secretary, June 30, 2013, <http://www.whitehouse.gov/the-press-office/2013/06/30/fact-sheet-power-africa>.

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**Summary:** Morocco's geo-economic position is evolving in ways that will shape U.S. and international interests in the country and open new avenues for cooperation. Key drivers of change in this context include Morocco's stake in greater economic integration in the Maghreb, a growing role in Africa, new energy and infrastructure projects, and the emergence of Morocco as a hub for communications around the wider Atlantic. As Morocco's economic engagement takes on a stronger regional and global character, the U.S.-Moroccan agenda needs to evolve to reinforce opportunities for development and stability, to hedge against risks, and to get more out of existing frameworks for trade and investment.

## Morocco's New Geo-Economics: Implications for U.S.-Moroccan Partnership

by Dr. Ian O. Lesser

### Changing Geo-Economics

The partnership with Morocco is among the oldest of the United States' international connections. From its 18<sup>th</sup>-century origins to the present, the economic dimension has been at the forefront. It is also a "geo-economic" relationship in the sense that Morocco's strategic significance for the United States has been shaped not just by bilateral trade and investment ties — relatively modest in global terms — but by Morocco's proximity to areas of vital U.S. economic interest and its position between the Mediterranean, Africa, and the Atlantic. For decades, the *geopolitical* dimension has featured more prominently in the United States' view of Morocco, and turmoil across the Maghreb has only reinforced this reality. Yet several trends point to a rediscovery of the longstanding *geo-economic* dimension of Morocco's international posture and its importance to U.S. interests. From African development to global food security, from new transport hubs to renewable energy, the issues on Morocco's international economic agenda now go well beyond traditional questions of trade and finance with Western partners. Morocco's focus is increasingly drawn south and west, to Africa and to the wider Atlan-

tic.<sup>1</sup> At the same time, challenges in North Africa underscore the persistent lack of economic integration across the region, and the costs this imposes on Morocco and others. All of these factors should be reflected in future U.S. policy toward Morocco.

### New Dynamics in Traditional Partnerships

Europe remains the leading economic partner for Morocco, and Morocco's access to European markets and investment will continue to be a key driver of the country's economic development for the foreseeable future. Commodities (agriculture and phosphates) are an important trade component here, alongside manufacturing (including autos and aeronautics) and, increasingly, services. In addition to the dominant position of European foreign direct investment in Morocco, a significant portion of Morocco's tourism revenue comes from European visitors. Remittances from the Moroccan diaspora, principally in Europe, still make a contribution to the Moroccan economy, although Europe's economic travails have affected Morocco on this and

1. See Ian O. Lesser, Geoffrey Kemp, Emiliano Alessandri, and S. Enders Wimbush, *Morocco's New Geopolitics: A Wider Atlantic Perspective* (Washington: The German Marshall Fund of the United States and the OCP Foundation, 2011).

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other fronts. The character and pace of economic recovery in Europe will exert a strong influence on Moroccan growth prospects over the next few years. So, too, Morocco is a stakeholder in the overall evolution of the European Union project, including the economic and political fate of southern European members. Sustained weakness in Spain and Portugal, in particular, could have a range of negative implications for Morocco-EU relations, from mobility to trade and investment.

Morocco's economic relationship with the United States holds considerable potential, but has not expanded at the rate many envisioned when the U.S.-Morocco Free Trade Agreement was concluded in 2004, and then came into effect in 2006. In 2012, the volume of Moroccan goods exported to the United States approached \$1 billion, a steady increase over previous years (U.S. exports to Morocco total almost three times this amount). In the view of many analysts, complexity hinders progress in this area, especially for small- and medium-sized manufacturers that are less well placed to navigate the agreement's provisions on rules of origin. France, Spain, Brazil, India, and others remain more important bilateral trading partners for Morocco, and Moroccan exports to the EU stood at roughly \$16 billion in 2012. Beyond the rules of origin question, there has been considerable debate over how to get more benefit out of the bilateral FTA. Overall, the U.S.-Morocco trade relationship might benefit from some visible new examples of success, at scale, and with value chains of clear benefit to Morocco's economic development. There are few such examples to compare to the success of the Renault plant in Tangier, or other projects in a Morocco-

The U.S.-Morocco trade relationship might benefit from some visible new examples of success, at scale, and with value chains of clear benefit to Morocco's economic development.

Europe setting. This discussion is now unfolding against the backdrop of active transatlantic trade negotiations. The outlook for these negotiations as well as the likely costs and benefits for Morocco remain unclear, but a deal on the Transatlantic Trade and Investment Partnership (TTIP) could spell changes on rules of origin and other issues of importance to Morocco's bilateral trade.

Energy is also set to become a more prominent item on the agenda. Morocco has an ambitious national program for the development of renewable energy, both solar and wind. This can contribute to Morocco's economic development, but could also become a more important element in the country's geo-economic posture. Renewable energy can be a vehicle for cooperation with neighbors in the Maghreb and Atlantic Africa, including Cape Verde, and further afield. It was proposed that electricity generated from renewable sources could eventually be exported to Europe, and various official and commercial ventures have been hotly engaged on this front, including *Desertec*. With demographic changes and demand shifts, Morocco is now looking to send a greater share of its power exports south, to energy-poor African states. The renewables sector should attract growing interest from U.S. and other investors, especially if solar and wind power can be augmented with access to natural gas at reasonable prices. Looking further ahead, Morocco may also be able to exploit potentially substantial offshore oil and gas resources. Overall, these elements can help to reduce Morocco's high national expenditure on imported energy and domestic energy subsidies.

## Opportunities and Opportunity Costs in the Maghreb

Over the last two decades or more, analysts and policy-makers have pointed to the substantial costs of a "non-Maghreb."<sup>2</sup> The very small volume of intra-Maghreb trade and the closed land border between Morocco and Algeria have had measureable, negative consequences for economic growth across the region. The uprisings across the Arab world, including North Africa, underscore the urgent need for government and business leaders to focus on the core task of job creation, especially for large numbers of unemployed or underemployed youth. Morocco, Algeria, Tunisia, and Libya remain tied to a series of hub-and-spoke economic relationships with Europe. There have been some

<sup>2</sup> See Gary Clyde Hufbauer and Claire Brunel, eds., *Maghreb Regional and Global Integration: A Dream to Be Fulfilled* (Washington: Peterson Institute for International Economics, 2008).

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modest links via energy trade. Morocco has had limited access to Algerian gas from the Trans-Maghreb Pipeline. But the volumes are limited and the potential for larger scale collaboration based on the region's abundant gas and mineral resources remains unexploited.

Even as economic and social pressures grow, the revolutions in Tunisia, Libya, Egypt, and elsewhere have not done very much to encourage regional integration. If anything, regional governments are now deeply concerned about the security of their borders in light of chaotic conditions and new flows of economic migrants and refugees. Regional economic cooperation is not at the top of national agendas, despite Rabat's desire for change on this front. From the Clinton years onward, successive U.S. administrations have promoted regional economic cooperation initiatives (the "Eizenstat Initiative" of the 1990s is probably the best known). Without doubt, the evolution of the perennially troubled Moroccan-Algerian relationship will be a key determinant of what is possible in this realm. Shared economic as well as security interests can be a driver of rapprochement, and the business communities on both sides could well be a vehicle for détente and commercial cooperation. The private sector has played a role of this kind in other settings, including Greek-Turkish rapprochement from the mid-1990s onward, and efforts toward economic cooperation between India and Pakistan, despite unresolved political and security disputes. This remains a sphere with considerable potential, but renewed efforts will be needed on the part of Morocco's partners, including the United States and Europe, if headway is to be made.

## Morocco Looks South

Morocco enjoys close historical ties with societies in West Africa, and as Africa begins to show real signs of sustained economic growth, the potential for a substantial Moroccan geo-economic opening to the south is real, and it is attracting new attention in the country and abroad. This phenomenon is evident from the financial sector — Moroccan banks are among the most successful in Africa — to agriculture, phosphate exports, and pharmaceutical manufacturing.<sup>3</sup> To be sure, political and security factors are also at play in Morocco's growing African interests, especially in light of the rapidly evolving terrorism, insurgency, and trafficking scene affecting Atlantic Africa and the Sahel — the dark side of regional geo-economics. But

Regional governments are now deeply concerned about the security of their borders in light of chaotic conditions and new flows of economic migrants and refugees. Regional economic cooperation is not at the top of national agendas.

Morocco's expanding economic role looking south shows every sign of becoming a structural factor in regional development and a more significant facet of U.S. interest in, and cooperation with, Morocco. On the commercial level, there is considerable potential for new U.S.-Moroccan joint ventures aimed at African markets, along the lines of the Dupont-OCP Group cooperation on industrial process development. Another good example is the Casablanca Finance City initiative, which was launched with the goal of providing a regional base for financial services throughout Central and West Africa.

Infrastructure will be an essential part of this equation. Improved communications between Africa and the Mediterranean and Atlantic economies — ports, rail, roads, pipelines, even offshore fibre optic links down the West Africa coast — will greatly benefit Morocco as it looks to expand its trade and investment engagement in Africa. The Tanger-Med port complex has emerged as a very competitive venue for container transits between Asia, the Mediterranean, and Atlantic destinations. Tanger-Med has given Morocco a more direct stake in global maritime trends, including the long-term implications of Panama Canal expansion, and even the debate over new routes across the Arctic. Air travel is already a visible and dynamic facet of Morocco's links to Africa, as Casablanca airport has become a leading hub for transits between African capitals, Europe, and America, north and south. Morocco's changing geo-economic role in Africa holds the potential to support U.S. interests in African development and

<sup>3</sup> See Haim Malka, "Morocco's Rediscovery of Africa," *CSIS Analysis Paper* (Middle East Program), July 2013.

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security, and opens an important new avenue for bilateral and trilateral cooperation with the United States and EU partners.

## Morocco in the Wider Atlantic

Morocco is clearly part of the Middle East and North Africa, as well as the Arab, Muslim, and Mediterranean worlds, and these identities are embedded in Washington's partnership with Morocco and Moroccan institutions. But Morocco is also an Atlantic country and an increasingly significant part of the Atlantic system in economic and other terms. Rabat's key international partnerships are Euro-Atlantic. The country's economic links with the southern Atlantic, and especially Brazil, are among the fastest-growing elements in the Moroccan economy. Morocco's major phosphate exports and joint ventures in the field of agro-business underscore Morocco's role as a leading actor in global food security — one important dimension of a growing focus on the country's Atlantic vocation. Indeed, this interest extends to the global south as a whole, with new Moroccan ventures in India and other emerging economies. From the perspective of Moroccan-U.S. relations, this suggests a shared and growing stake in economic development that goes well beyond the traditional bounds of bilateral cooperation. What happens in Latin America and the Caribbean, as well as Atlantic Africa — not to mention China's evolving economic role in the Atlantic space — could be a new part of the geo-economic agenda with Morocco as an emerging economy in its own right.

## Some Policy Implications

These new elements on the geo-economic scene are likely to have a substantial effect on Morocco's development and international position over the next decade. They are unlikely to overturn the deep and extensive ties with Europe, or the more modest trade and investment relations with the United States. But the central message of this brief analysis is that Morocco's economic engagement is “going global,” and that this opens new, non-traditional avenues for U.S.-Morocco cooperation, as well as some useful next steps:

- Morocco's growing Atlantic engagement should be made an explicit part of the U.S.-Morocco strategic partnership agenda, especially on trade and investment;

Morocco's economic engagement is “going global,” and this opens new, non-traditional avenues for U.S.-Morocco cooperation.

- In the context of political changes across North Africa, there is an opportunity for the United States to renew its commitment to greater regional economic cooperation and integration in the Maghreb, including support for a reinvigorated Arab Maghreb Union;
- In the context of transatlantic trade negotiations (TTIP), consideration should be given to implications for the U.S.-Morocco FTA and ways to streamline the current provisions on rules of origin and other constraints to extend the value of the FTA to other African states;
- The economic working group of the U.S.-Moroccan Strategic Dialogue can involve the private sector to develop concrete projects for broadening and deepening trade and investment, particularly initiatives that create sustainable and high value-added employment. There will also be opportunities to work with investors from other countries on joint projects in promising sectors;
- Infrastructure development, renewable energy projects, and other facets of the “new” Moroccan economy should be high on the bilateral agenda for economic cooperation; and
- Morocco's growing role in Africa opens new paths for U.S.-Moroccan cooperation, from commercial joint ventures to work on regional development corridors. This, too, should be part of the agenda with Washington and with European partners. One good vehicle for this could be the Obama administration's “Power Africa” program, with the possibility of linking Moroccan renewable energy to African consumers.

Finally, U.S. policy needs to take account of the reality that the United States' partners in Europe and elsewhere will inevitably play a leading role in Morocco's economic prospects. In this context, the evolution of EU strategy toward the southern Mediterranean, and the extent of European openness to Moroccan goods and labor, will be a key

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element. Trade, investment, and infrastructure decisions taken in the Gulf and West Africa will also be relevant. Building on new geo-economic factors, Washington can indeed do more to assist Morocco's economic development, but traditional bilateral cooperation is only part of the equation. Washington can also play an important indirect role with Atlantic partners, north and south, to strengthen Morocco's global economic engagement.

## About the Author

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