



Morocco: Current Issues

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Summary

The United States government views Morocco as a moderate Arab regime, an important ally against terrorism, and a free trade partner. Congress is particularly interested in Morocco because it is a recipient of considerable U.S. foreign assistance to help it combat terror and to develop. Morocco is also a significant purchaser of U.S. arms.

King Mohammed VI retains supreme political power in Morocco, but has taken some liberalizing steps with uncertain effects. Since 2005, several elections have met international standards. The government has focused on economic reforms that could alleviate poverty as a way to prevent radicalization and terrorism. It also has begun several major renewable energy projects to lessen dependence on foreign sources. Domestic politics are currently focused on a developing rivalry between the Party for Authenticity and Modernity (PAM), established in 2008 by a former classmate of the king, and the moderate Islamist Justice and Development Party (PJD), which previously had been on the rise.

The government is greatly concerned about terrorism because, after 9/11, Morocco experienced several devastating terror attacks and Moroccan nationals have been implicated in attacks and plots overseas. Morocco takes a comprehensive approach to countering terror, involving security measures, economic reforms, control of religious outlets, education, and international cooperation. Al Qaeda in the Islamic Maghreb (AQIM), considered the greatest threat to the North African region, has not mounted a successful attack in Morocco. However, individual Moroccans have joined AQIM outside of the country and the group has attempted to use Moroccan territory as a transit point for transnational smuggling operations.

Morocco's human rights record is uneven. A number of abuses have been documented and the Western Sahara issue has produced harsh suppression of activists and constraints on freedom of expression. At the same time, the 2004 Family Code is a landmark initiative that could improve the socio-economic rights of women if fully implemented. The king has sought to provide a public record of abuses perpetrated before he ascended the throne in 1999 and to enhance the rights of ethnic Berbers, the original inhabitants of the region. In 2010, questions about religious freedom arose when foreign Christians were expelled for proselytizing in contravention of Morocco's laws. Some Members of Congress criticized the Moroccan government for this action.

Morocco's foreign policy focuses largely on France, Spain, and the United States. Morocco's relations with Algeria are troubled by the unresolved dispute over the Western Sahara, a territory south of Morocco that Morocco largely occupies and views as an integral part of its national territory. Algeria supports the POLISARIO Front in its quest for the region's self-determination. Relations between Morocco and Israel are strained, but the link between them may be unbreakable as about 600,000 Moroccan Jews are citizens of Israel. Morocco severed diplomatic relations with Iran in 2009, ostensibly for bilateral reasons.

See also CRS Report RS21464, *Morocco-U.S. Free Trade Agreement*, by Raymond J. Ahearn and CRS Report RS20962, *Western Sahara*, by Alexis Arief.

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Recent Developments: Peaceful Protests

Analysts have debated Morocco's potential susceptibility to the popular protest movement sweeping the Middle East, with some arguing that a mass uprising is unlikely due to Morocco's relative respect for civil liberties and the public's esteem for the institution of the Moroccan monarchy.¹ Labor strikes, protests over socio-economic grievances, and localized unrest are common occurrences in Morocco, and are generally tolerated by the authorities. A nascent protest movement has nonetheless emerged in Morocco since early February.

On February 20, thousands of Moroccans turned out in the capital, Rabat, in what organizers termed a "Movement for Change." Smaller rallies were held in Casablanca and other urban centers. Protesters called for democratic reforms—such as a new constitution and the transfer of political powers from King Mohammed VI to elected representatives—but stopped short of advocating an end to the monarchy. Some reportedly chanted slogans against "autocracy," corruption, and state-owned television. Small numbers of people simultaneously demonstrated in support of the king. Few uniformed security forces were present, according to press reports. Although the protests were not met with the violent retribution that has been seen elsewhere in the region, limited clashes between demonstrators and police occurred in several cities other than Rabat, and five people were reportedly killed in the northern town of Al Hoceima when they were trapped in a bank that was set on fire. The government stated that 120 people had been arrested and that a number of public and commercial buildings had been destroyed.

Government officials initially signaled that the popular protests did not pose a threat to domestic stability, and that demonstrators would be allowed to peacefully express their views. Still, several officials have reportedly smeared protest organizers as foreign agents or other undesirables in public comments, and state radio reportedly announced that the February 20 rallies had been canceled, in what some interpreted as a tactic to suppress turnout.² On February 21, King Mohammed VI expressed his commitment to continue the reform process already initiated by the monarchy while warning that he would not "cede to demagoguery."³

Pro-reform activists have relied in part on Facebook and other Internet social networking sites to publicize their agenda and organize mass gatherings, echoing the tactics of successful protest movements in Tunisia and Egypt.⁴ At the same time, social networking sites have also been used to coordinate pro-monarchy groups who are critical of the reform movement.⁵ The leadership of the moderate Islamist Justice and Development Party (PJD) has indicated it will not participate in the organization of protests. At the same time, the grassroots Islamist Justice and Charity

¹ See, e.g., Brian T. Edwards, "The Next To Tumble?" *The Chicago Tribune*, February 10, 2011.

² Marc Champion, "Turmoil in the Middle East: Morocco Joins In, Defying Predictions," *The Wall Street Journal Europe*, February 21, 2011; Steven Erlanger, "In Morocco, Fears of Chaos Temper Calls for Change," *The New York Times*, February 21, 2011.

³ *Le Monde*, "Au Maroc, le Roi Mohamed VI Affiche sa Fermeté Après les Manifestations en Faveur de Réformes Politiques," February 23, 2011; CRS translation from the French.

⁴ See CRS Report RS21666, *Political Transition in Tunisia*, by Alexis Arief; and CRS Report RL33003, *Egypt: The January 25 Revolution and Implications for U.S. Foreign Policy*, by Jeremy M. Sharp.

⁵ *Al-Quds al-Arabi*, "Preparations for the 'March of Love' in Support of the King in Reply to the March of Anger," February 1, 2011, via BBC Monitoring.

organization reportedly expressed approval for protests in other Middle Eastern countries and called for “radical democratic change” in Morocco.⁶

Figure I. Map of Morocco



Source: Map Resources. Adapted by CRS.

Government and Politics

The Moroccan royal dynasty has ruled the country since 1649. The reigning king, Mohammed VI, ascended to the throne in 1999. He says that he is committed to building a democracy, but he remains the pre-eminent state authority. The king chairs the Council of State that endorses all legislation before it goes to parliament, appoints the prime minister and ministers of foreign affairs, interior, defense, and Islamic affairs, and approves other ministers. He sets the agenda of parliament in an annual Speech from the Throne, dissolves parliament, calls elections, and rules by decree. The king also has a “shadow government” of royal advisors and is head of the military. Reforms depend on the king’s will, and he has undertaken several hallmark liberalizing initiatives. The king also is said to be tied to significant economic enterprises in the country.

The September 2002 election for the 325-seat Chamber of Representatives, a weak lower house chosen by universal suffrage, was deemed the first free, fair, and transparent election ever held in Morocco. The September 2007 election also met international standards, but only 37% of the voters turned out and 19% cast blank ballots, reflecting widespread disillusionment with the

⁶ *Akhbar al-Yaum al-Maghrebiya* online, “Politicians, Analysts Disagree Over Likelihood of Protests Reaching Morocco,” February 7, 2011, via Open Source Center.

political process and popular understanding of the powerlessness of the legislature. The nationalist Istiqlal (Independence) Party, Morocco's oldest party, placed first. Its secretary-general, Abbas al Fassi, became prime minister and formed a four-party coalition government with a 34-member cabinet, including an unprecedented five women ministers. The moderate and well-organized Islamist Justice and Development Party (PJD), also known as Al Misbah (the beacon), had expected to win the election; it placed second and charged irregularities, but accepted the legitimacy of the outcome. Some 23 parties and blocs plus independents are represented in the current legislature.

In August 2008, Fouad Ali al Himma established the Party for Authenticity and Modernity (PAM). Al Himma is a former classmate of King Mohammed VI and former deputy interior minister. He was elected to parliament as an independent in 2007 and became chairman of its Committee on Foreign, Defense, and Islamic Affairs. Al Himma has not assumed the leadership of PAM; he is deputy leader and considered the party's de facto head. In September 2008, PAM formed a parliamentary alliance with the National Rally of Independents (RNI). It has sought alliances with parties known to be recipients of royal patronage and won over many deputies who defected from other parties. Although the party only won three seats in 2007, it now controls a large bloc in parliament. PAM's ideology is incoherent, but its goals reportedly are to "rationalize" the political landscape by diminishing the number of parties, encourage more participation in politics, and challenge or marginalize the PJD.⁷ In May 2009, PAM pulled out of the coalition government. The Movement Populaire (MP/Popular Movement) joined the government and provided some stability as did some new appointments.

Few were surprised by PAM's first place finish with 21.6% of the vote in elections for seats on municipal councils on June 12, 2009, when PJD took sixth place. PAM also placed first in the October 2, 2009 elections for one-third of the 270 seats in the Chamber of Counselors, the upper house. PAM offers a sharp contrast to other parties, which are led by much older men who view women with suspicion and probably put them on electoral lists mainly to meet official quotas, and reach out to voters only before elections. Some politicians fear that PAM is a nascent state party similar to those in Egypt and Tunisia that might be used to dominate politics.⁸ Moreover, some observers predict that Al Himma will be the next prime minister.

In reaction to the PAM's momentum, the PJD and the Socialist Union of Popular Forces (USFP) formed an unusual alliance to run some local councils. It is unclear if this is a harbinger of future cooperation on the national level. PAM and PJD also have sharpened their verbal sallies against each other as they jockey for position in the public eye.

The Islamist Al Adl wal Ihsan (Justice and Charity organization/JCO), officially banned as a political movement, is the largest grassroots organization in the country and is led by Shaykh Abdessalem Yassine. It eschews violence and is considered more closely attuned to constituents than are the political parties. JCO called for a boycott of the 2007 national election, arguing that participation was pointless without constitutional reform—ostensibly aimed at diminishing the role of the monarchy. It often conveys its views in street demonstrations, for example, against the

⁷ James Liddell, "Morocco: Modern Politics or Politics of Modernity?" *Arab Reform Bulletin*, Carnegie Endowment for International Peace, December 2008.

⁸ Socialist Union of Popular Forces politician Idriss Lashgar, quoted in *Africa Research Bulletin*, October 1-21, 2008, p. 17714.

Family Code, in support of the Palestinians and against Israel, etc. The authorities periodically arrest JCO members and break up the group's meetings.

Terrorism

The monarchy long asserted that its claimed descent from the Prophet Mohammed was a shield against Islamist militancy. This belief was shattered after September 11, 2001, as expatriate Moroccans have been implicated in terrorism abroad, and Morocco has suffered from terrorism at home. Morocco has tried to distance itself from its expatriates, blaming their experiences in exile for their radicalization.⁹ Numerous small, isolated, tactically limited, extremist cells, which adhere to the Salafiya Jihadiya (Reformist Holy War/"Jihadist") ideology, are viewed as the main threat to Morocco's domestic security.¹⁰

In February 2003, Osama Bin Laden listed Morocco among the "oppressive, unjust, apostate ruling governments," which he characterized as "enslaved by America" and, therefore, "most eligible for liberation."¹¹ To some observers, this *fatwa* or religious edict appeared to trigger attacks in Morocco on May 16, 2003, in which 14 suicide bombers identified as Salafiya Jihadiya adherents linked to the Moroccan Islamic Combatant Group (GICM) and Al Qaeda attacked five Western and Jewish targets in Casablanca, killing 45 and injuring more than 100. A large GICM network later was implicated in the March 2004 Madrid train bombings, for which two Moroccans were convicted in Spain. (A Moroccan court convicted one of their accomplices.) Moroccans suspected of GICM affiliation were arrested in several European countries. In 2005, the U.S. State Department designated GICM as a Foreign Terrorist Organization (FTO), but the department now states that "much of the GICM's leadership in Morocco and Europe has been killed, imprisoned, or are awaiting trial."¹² The Moroccan government convicted the group's alleged leader in absentia for his role in the Casablanca attacks, but he remains free in exile in the United Kingdom, which found insufficient evidence against him.¹³

Moroccan and European authorities continue to disrupt cells that they say are linked to Al Qaeda in the Islamic Maghreb (AQIM, also known as Al Qaeda in the Lands of the Islamic Maghreb (AQLIM)), formerly the Salafist Group for Preaching and Combat (GSPC), a group originating in Algeria with regional ambitions. AQIM has not perpetrated a successful terrorist attack in Morocco, where its threat has stemmed mainly from the potential transfer of operational capabilities to inexperienced radicals and from its active efforts to recruit and incite Moroccans. In November 2010, however, Moroccan authorities seized 34 Moroccans and hundreds of pounds

⁹ Noteworthy developments abroad include the trial of two Moroccans for aiding the 9/11 terrorists in German courts and the revelation that a Moroccan imam was "the spiritual father of the Hamburg cell" that helped execute and support the 9/11 attacks. A French-Moroccan, Zacarias Moussaoui, was tried in the United States as the 20th hijacker for 9/11. In addition, 18 Moroccans allegedly linked to Al Qaeda in Afghanistan were detained at the U.S. Naval Station in Guantanamo Bay, Cuba; three remain there. Returnees have been convicted in Moroccan courts.

¹⁰ Such cells perpetrated their major attacks in 2002, with the murders of locals who had committed "impure acts" such as drinking alcohol. In 2003, Moroccan courts convicted a jihadist spiritual leader, who had fought in Afghanistan and praised the 9/11 attacks and Al Qaeda leader Osama bin Laden of inciting violence against Westerners.

¹¹ "Moroccans Say Al Qaeda Masterminded and Financed Casablanca Suicide Bombings," *New York Times*, May 23, 2003.

¹² U.S. State Department, *Country Reports on Terrorism 2009*, released on August 5, 2010, <http://www.state.gov/s/ct/rls/cret/2009/index.htm>.

¹³ Olivier Guitta, "Alive and Well and Living in London," *Weekly Standard*, May 7, 2007.

of cocaine that they allegedly were transporting from Algeria and Mauritania through Morocco. Those apprehended were linked to AQIM, which some analysts consider a hybrid criminal/terrorist group. In addition, Moroccans reportedly have joined AQIM at camps in Algeria and elsewhere outside of the country.

In April 2007, two suicide attacks occurred near the U.S. Consulate and the American Language Center in Casablanca; the bombers killed only themselves. In September 2009, Moroccan security services arrested 24 suspects who allegedly were linked to a terrorist network linked to Al Qaeda that specialized in recruiting volunteers for Iraq, Somalia, and Afghanistan. Moroccans have fought with insurgents in Iraq.

Morocco is cooperating with U.S. and European agencies to counter terrorism at home and abroad. The U.S. State Department recognized that in 2009:

The Moroccan government pursued a comprehensive counterterrorism approach that, building on popular rejection of terrorism, emphasized neutralizing existing terrorist cells through traditional intelligence work and preemptive security measures. Morocco aggressively targeted and dismantled terrorist cells within the Kingdom by leveraging intelligence collection, police work, and collaboration with regional and other international partners. These efforts resulted in the disruption of several terrorist groups.¹⁴

To counter radical Islamism, Morocco also has exerted greater control over religious leaders and councils, created new theological councils, retrained imams, deployed supervisors to oversee their sermons, closed unregulated mosques, retrained and rehabilitated some individuals convicted of terror-related crimes to correct their understanding of Islam, and launched radio and television stations and a website to transmit “Moroccan religious values” of tolerance. In 2005, the king launched a \$1.2 billion National Initiative for Human Development to redress socioeconomic conditions extremists exploit for recruitment. Observers have questioned its effectiveness.

Morocco’s counterterrorism efforts have emphasized international cooperation, particularly with the United States and European governments. However, Algeria has taken the lead in promoting regional cooperation to counter terrorism and has excluded Morocco from those endeavors due to ongoing differences over the Western Sahara issue (see “Western Sahara,” below). Nonetheless, Rabat shares the view of its neighbors and the United States that Al Qaeda in the Islamic Maghreb (AQIM) is the main threat to the region. Morocco has worked with its southern neighbor, Mauritania, about improving coordination on that subject as well as combating drug smuggling and illegal immigration, and also has reached out to Senegal.

Human Rights

The U.S. State Department described the human rights situation in Morocco in 2009 in the following way:

Citizens did not have the right to change the constitutional provisions establishing their monarchical form of government or the establishment of Islam as the state religion. There were reports of torture and other abuses by various branches of the security forces. Prison conditions remained below international standards. Reports of arbitrary arrests,

¹⁴ Country Reports, *op. cit.*

incommunicado detentions, and police and security force impunity continued. Politics, as well as corruption and inefficiency, influenced the judiciary, which was not fully independent. The government restricted press freedoms. Corruption was a serious problem in all branches of government. Child labor, particularly in the unregulated informal sector, remained a problem, and trafficking in persons continued.¹⁵

Freedom House's *Freedom in the World 2010* survey concludes that Morocco is a "partly free" country, and also noted a downward trend owing to "increased concentration of power in the hands of political elites aligned with the monarchy."¹⁶

Nonetheless, the king has undertaken several initiatives that are marked advances in selected areas of human rights practices. Most notably, parliament enacted revolutionary changes to the Family Code, or *Moudawana*, in January 2004, making polygamy rare by requiring permission of a judge and the man's first wife, raising the legal age for marriage for girls to 18, and simplifying divorce procedures for women, among other changes to improve the status of women. However, family court judges have not applied the law strictly and women continue to suffer from inequality and violence.¹⁷ The king also created an Equity and Reconciliation Commission to provide an historical record of abuses before 1999, to account for the "disappeared," and to compensate victims. In 2001, he launched a dialogue on Berber culture, and the government has since authorized the teaching of Berber dialects, issued a textbook in Berber, and launched a state-funded Amazigh (Berber dialect) TV channel.¹⁸

The Moroccan Penal Code prohibits proselytizing to Muslims and the government expels foreign Christians or declares them *persona non grata* for violation of the law, without prosecuting them or affording them due process. Some U.S. Christian groups have criticized enforcement of the law, such as in March 2010, when the government expelled 16 foreign Christian volunteers, including some Americans, who had run a charity center/orphanage in Ifrane, in the Atlas Mountains, for some 10 years. Other similar expulsions also have taken place, and some of those targeted have alleged that an unprecedented number of deportations have been occurring in recent years.¹⁹ The U.S. State Department reports that approximately 150 Christian foreign residents from 19 countries were expelled in 2009.²⁰

After the May 2003 terrorist attacks in Casablanca, parliament passed antiterrorism laws to define terrorist crimes and establish procedures for tracking terrorist finances. Human rights activists expressed concern about their legislative restrictions on the press, detention without charge, and reduced requirements for the death penalty. Other observers questioned whether elements in the regime were using the threat of Islamist terror to roll back reforms. Some worried that detention may create radicals who will eventually be released into society.²¹ The Committee to Protect Journalists, among others, has criticized the regime for its backsliding with regard to freedom of

¹⁵ U.S. Department of State, *Country Reports on Human Rights Practices - 2009, Morocco*, March 11, 2010, accessible at <http://www.state.gov/g/drl/rls/hrrpt/2009/nea/136075.htm>.

¹⁶ See <http://www.freedomhouse.org>.

¹⁷ "Morocco: New Law, Same Old Men," Inter Press News Service, July 31, 2009, see also Steven Erlanger and Souad Mekhennet, "Law Empowering Women Leaves Many Behind," *International Herald Tribune*, August 20, 2009.

¹⁸ The Berbers are the original inhabitants of North Africa before the Arabs invaded in the 8th century.

¹⁹ "Morocco Expels Christian Missionaries," *Global Post*, March 12, 2010.

²⁰ See U.S. State Department, Bureau of Democracy, Human Rights, and Labor, *International Religious Freedom Report 2010*, Released November 17, 2010, accessible at <http://www.state.gov/g/drl/rls/irf/2010/148834.htm>.

²¹ Jill Carroll, "Morocco's Harder Line on Security Challenges Reforms," *Christian Science Monitor*, April 9, 2007.

expression over the past several years. The European Union also has called on Morocco to carry out more reforms in area of human rights, particularly freedom of expression.

Problems with human rights practices in Morocco also are present in the Western Sahara issue, as seen in the case of Aminatou Haidar, an advocate for Sahraoui self-determination.²² When she returned from receiving a human rights prize in the United States in November 2009, Haidar wrote “Western Sahara” as her address on customs forms to re-enter Laayoune (alt: El Ayoun or Al Ayun), but the authorities rejected the forms, claimed that she had thereby renounced her citizenship, confiscated her passport, and expelled her to the Spanish Canary Islands. Haidar then went on a highly publicized 32-day hunger strike. After reported pressure from the United States, Haidar was allowed into Laayoune in what Moroccan authorities described as “a humanitarian gesture.”²³ Over the years, Morocco has imprisoned other Sahraoui activists for alleged association with the POLISARIO Front actions which have attracted criticism from international human rights groups that has been less sensational than the Haidar case. The Moroccan’s government sensitivity concerning the Western Sahara issue also has prompted it to treat journalists reporting on the issue harshly and to suspend the activities of domestic and foreign media outlets accused of “irresponsible” conduct. The government terms their offenses threats to the country’s territorial integrity. Finally, there has been international condemnation of the excessively forceful way in which Moroccan security forces dismantled a Sahraoui protest camp near Laayoune in November 2010, resulting in deaths, injuries, and arrests. The exact number of casualties is unknown due to Morocco’s control of information from the region.

Finally, the U.S. State Department judges Morocco to be a Tier 2 country with regard to trafficking in persons as it is “a source, destination, and transit country for men, women, and children who are subjected to trafficking in persons, specifically forced labor and forced prostitution.” The government “does not comply with the minimum standards for the elimination of trafficking; however, it is making significant efforts to do so.”²⁴

Economy

Large portions of Morocco’s gross domestic product (19.2%) and labor force (44.6%) continue to depend on agriculture and are vulnerable to rainfall fluctuations.²⁵ Through internal and Western Saharan mines, Morocco controls 75% of the world phosphate market and is the world’s leading exporter of phosphates, which are used in fertilizers. The phosphate industry and much of the economy are dominated by the royal family and the so-called “500 families” who control large, multi-sectoral holding companies and are close to the monarchy.

Services and tourism are considered growth sectors, with tourism and remittances from abroad providing foreign exchange. Remittances from an estimated 3 million expatriates, mainly in France, Spain, Italy, and Belgium, account for about 9% of the gross national product.

²² See “Western Sahara” below and CRS Report RS20962, *Western Sahara*, by Alexis Arief.

²³ “Saharan Activist’s Return to Morocco “Humanitarian” – Spokesman,” MAP News Agency (Rabat) December 19, 2009, BBC Monitoring Middle East.

²⁴ U.S. State Department, *Trafficking in Persons Report 2010*, released June 14, 2010, accessible at <http://www.state.gov/g/tip/rls/tiprpt/2010/142760.htm>.

²⁵ CIA, *The World Factbook*, November 24, 2010.

The public sector remains large, although there is a successful, if erratic, privatization program. Foreign direct investment has grown despite the impediments of excessive red tape and corruption.²⁶

Economic growth and reforms have been insufficient to reduce unemployment, especially of the young, and poverty, which drive Moroccans abroad and provide a breeding ground for radicalization. The current government's goals include achieving 6% gross domestic product (GDP) growth rate, creating 250,000 new jobs, and building 150,000 housing units a year until 2013. While perhaps overambitious, these targets reflect the government's intent to combat poverty, unemployment, and terrorism. The government's plans have been affected by the global financial crisis/recession, which has

resulted in thousands of job losses in textiles and automotives, as well as in decreases in tourist spending, expatriate remittances, and exports, especially phosphates. In 2009, however, a surge in cereal crop yields offset these difficulties and helped produce positive growth. The International Monetary Fund (IMF) stated, "Morocco's financial system is sound, with limited exposure to international markets. Thus, the direct impact of the global crisis on Morocco has been mild."²⁷

In February 2010, the government unveiled a \$206 million state-guaranteed public-private sector fund to increase the competitiveness of key industrial sectors by financing credits, banking services, and real estate costs. Targeted sectors include automobiles, technologies, aeronautics, services, and telecommunications. The fund hopes to create up to 220,000 jobs and boost overall development.

Oil price increases have detrimental effects on the economy because imports supply 97% of the country's energy needs. This situation has prompted Morocco to adopt a proactive approach to finding renewable energy sources with the goal of producing 42% of the country's electrical capacity from them by 2020. In November 2009, the government announced plans to invest more than \$9 billion to install 2,000 megawatts of solar power. It also expressed interest in an ambitious European plan, called Desertec, to draw solar power from the Sahara. In June 2010, the king inaugurated a \$300 million wind/165 turbine farm off Tangiers to generate 140 megawatts of energy when completed. Morocco's reported plans to pursue a domestic nuclear energy program have not advanced beyond the consideration and planning phase.

Morocco: Basic Facts

Population: 31.6 million (July 2010 est.)

Gross Domestic Product growth: 4.9% (2009 est.)

Gross Domestic Product per capita: \$4,600 (2009 est.)

Inflation: 1% (2009 est.)

Unemployment: 9.1% (official, 2009 est.)

Exports: clothing, electronic components, inorganic chemicals, transistors, crude minerals, fertilizers (including phosphates), petroleum products, fruit, and vegetables

Imports: crude petroleum, textile fabric, telecommunications equipment, wheat, gas and electricity

Major Trading Partners: France, Spain, Italy, China, Germany, United States, Saudi Arabia

Source: CIA, *The World Factbook*, November 24, 2010.

²⁶ The U.S. State Department reported that in 2008 "corruption was a serious problem in all branches of government." U.S. Department of State, *Country Reports on Human Rights Practices - 2008, Morocco*, February 25, 2009. Morocco is ranked 85 out of 178 countries on the Transparency International, *Corruption Perceptions Index 2010*, available at http://www.transparency.org/policy_research/surveys_indices/cpi/2010.

²⁷ "Morocco Faced Global Meltdown from Strong Position, IMF Says," Agence Maghreb Arabe Presse (Rabat), February 17, 2010.

Foreign Policy

Western Sahara

The dispute between Morocco and the independence-seeking Popular Front for the Liberation of Saqiat al-Hamra and Rio de Oro (POLISARIO) over the former Spanish colony south of Morocco remains unresolved. Morocco occupies 80% of the Western Sahara, considers the region its three southern provinces, will only accept a solution that guarantees it sovereignty over “the whole of its territories,” and will only negotiate on that basis. In October 2001, Morocco authorized French and U.S. oil companies to explore off the Saharan coast, and the prospect of discoveries, as yet unrealized, may have hardened Morocco’s resolve to retain the region.

The king submitted an autonomy plan for the region to the U.N. in April 2007, and Moroccan and POLISARIO negotiators continue to meet for informal talks under U.N. auspices.²⁸ In line with his autonomy initiative, King Mohammed VI has pursued policies of decentralization or regionalization that he says are intended to empower residents of his Saharan provinces. On April 10, 2007, then-Undersecretary of State Nicholas Burns stated that the United States considers the Moroccan autonomy plan for the Western Sahara “serious and credible.” In 2009, Secretary of State Hillary Rodham Clinton said that U.S. policy on the issue is unchanged and she called on Morocco and Algeria to engage in unconditional negotiations.

The current Personal Envoy of the U.N. Secretary General for the Western Sahara, former U.S. Ambassador Christopher Ross, was appointed in January 2009. He has tried to obtain greater support from interested countries, such as France, made several trips to the region for consultations, and held informal meetings with the parties in August 2009 and on several occasions in 2010, but he has not reported any progress on core issues. Neither Morocco nor the POLISARIO has shown interest in a compromise. Morocco believes that its autonomy initiative is itself a compromise.

As noted above, Morocco’s policy on the Western Sahara issue has been accompanied by or enforced with human rights abuses both in Morocco and in the Western Sahara. (See “Human Rights,” above.)

Algeria

Morocco and Algeria are the largest countries in North Africa and are neighbors, but they had different colonial experiences and emerged as rivals with distinctly different forms of government. Algeria achieved its independence via a bloody revolution and emerged as a republic with military or military-influenced governments. Morocco is a centuries-old monarchy that made a more peaceful transition from French control. Shortly after Algeria became independent, Morocco laid claim to some Algerian territory, and they went to war for about five months in 1963-1964. The border was not demarcated until 1972.

The Western Sahara is now the main impediment to improving their bilateral relations and to reviving the Arab Maghreb Union (UMA), a loose organization of Morocco, Tunisia, Algeria,

²⁸ For text of plan, see http://www.map.ma/eng/sections/politics/sahara_issue__full_t/view.

Mauritania, and Libya. Morocco refuses to compromise on the Western Sahara issue for the sake of bilateral relations or the UMA. Algeria hosts and backs the POLISARIO. In July 2004, the king abolished visa requirements for Algerians entering Morocco; in April 2006, Algerian President Abdelaziz Bouteflika reciprocated the gesture. Since 2008, Morocco has repeatedly requested that Algeria reopen their land border, but Algeria refuses to do so on the grounds that it would be detrimental to its national security and benefit Morocco more than Algeria.

Europe

Morocco's Association Agreement with the European Union (EU) came into force on March 1, 2000, and is supposed to lead to a free trade agreement by 2012. In October 2008, Morocco became the first southern Mediterranean country to be granted "advanced status relations" by the EU, opening up EU markets more for Moroccan products. Morocco participates in the EU's Euro-Mediterranean Partnership and its Neighborhood Policy Plan and receives considerable EU aid—€190 million (\$265 million) annually. In March 2010, Morocco and the EU held their first summit, which Prime Minister Abbas al Fassi, EU President Herman Van Rompuy, and European Commission President Jose Manuel Barroso, among others, attended. Illegal immigration of Moroccans and of sub-Saharan Africans transiting Morocco to Europe and drug (cannabis)-trafficking have caused friction in Moroccan-European relations. High unemployment drives Moroccan youths to Europe and EU-funded programs to shift farmers in the underdeveloped Rif Mountains from cannabis cultivation to alternative crops have not been successful.

Morocco traditionally has had good relations with France and Spain, its former colonizers. Relations with France, Morocco's largest trading partner, are particularly close. Paris officially supports U.N. efforts to resolve the Western Sahara dispute and Morocco's autonomy proposal for the region, and blocks Security Council initiatives on the matter that Morocco rejects. In turn, Morocco has been a strong supporter of the EU's Union for the Mediterranean (UfM) that Paris initiated, but that has faced obstacles due to Arab objections to Israel's participation.

Morocco's relations with Spain have been intermittently discordant. Spain possesses two territorial enclaves on Morocco's Mediterranean coast, Ceuta and Melilla, that are vestiges of colonialism, are claimed by Morocco, and sometimes causes of bilateral tensions, as are other territorial disputes, and the Western Sahara issue. In October 2001, Morocco recalled its ambassador from Madrid after pro-Saharan groups in Spain conducted a mock referendum on the fate of the region. In July 2002, Spanish troops ejected Moroccan soldiers from the uninhabited Perejel/Parsley or Leila Island off the Moroccan coast that Spain says it has controlled for centuries. Diplomatic ties were not restored until January 2003. That July, Morocco complained that Spain lacked neutrality on the Sahara issue when it chaired the Security Council and, in October, Spain suspended arms sales to Morocco due to the Perejel crisis. Spanish Prime Minister Jose Luis Rodriguez Zapatero visited Morocco in April 2004, and King Juan Carlos I visited in January 2005; on both occasions, joint statements called for a negotiated settlement to the Sahara issue—the Moroccan position. However, visits to Ceuta and Melilla by the Spanish prime minister in January 2006 and monarchs in November 2007 again set back relations. The two neighbors also have an unresolved dispute concerning territorial waters between Morocco and the Spanish Canary Islands in the Atlantic Ocean. Morocco's "super port" at Tangiers will pose competition that concerns Spanish ports. Financed by Gulf countries, its construction began in June 2009 and it is expected to achieve full capacity in 2014.

Territorial disputes, despite their drama, appear secondary to the continuing and productive cooperation of Morocco and Spain in countering terrorism, drug trafficking, and illegal

immigration. Morocco notably assisted Spanish authorities in the investigation of the March 2004 bombings in Madrid and this relationship continues. Moroccan soldiers have served under Spanish command in the U.N. stabilization mission in Haiti and Moroccan gendarmes have joined Spanish patrols to combat illegal immigration in the Strait of Gibraltar.

Middle East

The king chairs the Jerusalem Committee of the Organization of the Islamic Conference and supports international efforts to achieve a two-state solution to the Israeli-Palestinian conflict resulting in a viable, contiguous, Palestinian state with Jerusalem as its capital. He recognizes President Mahmud Abbas as the legitimate leader of the Palestinian people in Abbas's dispute with Hamas and urges Palestinian national unity in order to achieve their rights.

Morocco closed Israel's liaison bureau in Morocco and Morocco's office in Tel Aviv in reaction to Israel's conduct during the Palestinian *intifadah* (uprising) in 2001. The offices have not reopened. Morocco condemned Israel's conduct against Palestinian civilians during its December 2008/January 2009 military operation against Hamas in the Gaza Strip, and Moroccan political groups of all stripes held some of the largest rallies in the Arab world in protest. In October 2009, Mohammed VI called on "the international community ... to exert pressure on Israel to make it cease its oppressive practices directed against the helpless Palestinian people, and to compel it to return forthwith to the negotiating table, comply with UN resolutions."²⁹ In November, Foreign Minister Taieb Fassi Fihri said that normalization of relations with Israel was not on the table under current conditions and that Morocco continued to support that Arab Peace Initiative—which promised Israel full normalization of relations in exchange for its withdrawal from all Arab territories. The foreign ministry has denounced Israel's settlement activity in east Jerusalem and its attack on a flotilla attempting to deliver aid to the Gaza Strip in May 2010. In October 2010, Israeli President Shimon Peres cancelled a visit to Morocco for the World Economic Forum because he could not get a guaranteed meeting with the king.

However, the king and others had maintained contacts with Israeli officials until the current government took power in Jerusalem. In August 2005, he personally congratulated Prime Minister Ariel Sharon on Israel's withdrawal from the Gaza Strip. The bilateral link may be unbreakable because some 600,000 Israelis are of Moroccan origin, and about 25,000 of them travel to Morocco yearly. (There are about 5,000 Moroccan Jews still in Morocco.)

In March 2009, Morocco severed diplomatic relations with Iran, blaming it for "intolerable interference in the internal affairs of the Kingdom." The Foreign Ministry accused the Iranian Embassy in Rabat of seeking to spread Shi'a Islam in the 99% Sunni kingdom. It also charged Iranian officials with making unacceptable remarks following Morocco's expression of solidarity with Bahrain in the face of Iran's claim to Bahrain.³⁰ The situation rapidly deteriorated. Tehran charged that Morocco's decision harmed "the unity of the Islamic world" and the solidarity needed to support the Palestinian people. Rabat rejected the allegation and argued that, "Iran is not qualified to speak for the Islamic world.... Morocco does not need lessons from Iran or

²⁹ "King Calls for Pressure on Israel to Comply with UN Resolutions," *Maghreb Arabe Presse*, October 28, 2009, Open Source Center Document GMP20091028950071,

³⁰ Statement of Moroccan Ministry of Foreign Affairs and Cooperation, MAP News Agency, March 6, 2009, BBC Monitoring Newsfile.

anybody else to show solidarity with the Palestinian people.”³¹ Shortly after the dispute began, King Mohammed VI acknowledged the Holocaust in a speech read in his name at a ceremony in Paris, thereby indirectly answering Iranian President Mahmud Ahmadinejad’s Holocaust denials. It was said that the speech was the first time an Arab leader took such a stand on the Holocaust.³²

Relations with the United States

The United States and Morocco have long-term, good relations. Successive Administrations, of both political parties, have viewed Morocco as a steady and close ally and as a moderate Arab state that supports the Arab-Israeli peace process. In January 2009, King Mohammed VI congratulated President Obama on his election and seized the opportunity “to say how satisfied I am with the special strategic partnership between the Kingdom of Morocco and the United States of America.”³³ On April 8, after meeting Foreign Minister Fassi Fihri, Secretary of State Clinton said, “We are so committed to our relationship and have a very high regard for the extraordinary progress that has taken place in Morocco ... and we look forward to deepening and strengthening our relationship.”³⁴

Bilateral ties have been strengthened by cooperation in the fight against terrorism and improving trade relations. An FBI team helped investigate the 2003 Casablanca bombings, and the FBI and CIA Directors have visited Rabat for consultations. A free trade agreement (FTA) with Morocco (P.L. 108-302, August 17, 2004) came into effect on January 1, 2006. U.S. exports to Morocco totaled nearly \$1.5 million in 2009 and nearly \$1 million in the first nine months of 2010. Imports from Morocco were valued at \$426,000 in 2009 (almost half of those in 2008, in part due to the economic recession), and \$458,000 in the first nine months of 2010.³⁵

In 2004, President Bush designated Morocco a major non-NATO ally. Morocco is part of NATO’s Mediterranean Dialogue, has hosted and participated in NATO military exercises, and has joined NATO’s Operation Active Endeavor, monitoring the Mediterranean Sea for terrorists. In addition, bilateral U.S.-Moroccan military exercises are held regularly. Morocco also is cooperating in the U.S. Trans-Sahara Counterterrorism Partnership (TSCTP), a State Department-led, interagency program aimed at increasing North and West African states’ capacity to counter terrorism.

Morocco is seeking to diversify its arms sources, a program that is benefitting U.S. companies. Recent purchases have included 24 F-16 aircraft, 2 T6 training aircraft, 90 AGM-D Maverick air-to-ground missiles, 200 Abrams M1A1 tanks, and AN/AVS 9 night vision goggles. Advanced AM 120-C7 air-to-air medium-range missiles systems and 26 advanced M198 155 mm towed guns are on order, with delivery expected in 2011. Morocco also acquired a Gulfstream G550 aircraft for secure royal flights.

³¹ “Moroccan Government Spokesman on Reasons Behind Severing Ties with Iran,” *Al-Quds al-Arabi*, March 9, 2009, BBC Monitoring Middle East.

³² Alfred de Montesquiou, “Morocco Challenges Middle East’s Holocaust Mindset,” Associated Press, July 27, 2009.

³³ “King Congratulates Barack Obama on Investiture,” MAP news Agency, January 20, 2009, BBC Monitoring Middle East.

³⁴ Remarks with Moroccan Foreign Minister Dr. Taieb Fassi Fihri before their Meeting, April 8, 2009, <http://www.state.gov/secretary/rm/2009a/04/121509.htm>.

³⁵ U.S. Department of Commerce, Bureau of the Census, via Global Trade Atlas database.

U.S. Assistance

Morocco receives significant levels of U.S. development aid and benefits from security assistance and cooperation programs. The United States has increased aid to Morocco to assist with countering terrorism, democratization, fighting poverty, and the FTA. The Middle East Partnership Initiative (MEPI), a regional democracy-promotion program, administers some U.S. assistance funds, including programs to empower women, create jobs, improve education, build trade union capacity, enhance fiscal and trade policies, and further judicial and legal reform. Those directed at youth are intended to help prevent radicalization.

Table 1. U.S. Foreign Assistance to Morocco
(in thousands of dollars)

	FY2008	FY2009	FY2010	FY2011 Request	FY2012 Request
ESF	15,374	0	3,000	3,000	0
FMF	3,625	3,655	9,000	9,000	9,000
IMET	1,713	1,916	1,789	1,900	1,900
INCLE	496	1,000	750	3,000	3,000
NADR	1,119	625	1,200	Not Available	Not Available
DA	4,136	18,000	19,546	24,500	26,454
1207	-	5,080	-	-	-
Totals	26,463	30,276	35,396	41,400	To be determined

Notes: FMF=Foreign Military Financing, ESF=Economic Support Funds, IMET=International Military Education and Training, INCLE=International Narcotics and Law Enforcement, NADR=Non-Proliferation, Antiterrorism, Demining, and Related Activities, DA=Development Assistance. 1207 funds are appropriated for the Department of Defense and transferred to the State Department for "Stabilization and Security."³⁶

Source: U.S. Agency for International Development, Congressional Notification, July 13, 2010, U.S. AID FY2011 Congressional Budget Justification for Foreign Operations.

Millennium Challenge Grant

In August 2007, the Millennium Challenge Corporation (MCC) approved a five-year, \$697.5 million grant for Morocco to encourage economic growth by stimulating productivity and increasing employment levels. At the time, it was the largest MCC grant to date.

³⁶ For more on this program, see CRS Report RS22871, *Department of Defense "Section 1207" Security and Stabilization Assistance: Background and Congressional Concerns*, by Nina M. Serafino.

Table 2. Millennium Challenge Corporation Programs
(in millions of dollars)

Program	Amount
Fruit Tree Productivity	\$300.90
Small Scale Fisheries	\$116.70
Artisan and Fez Medina	\$111.87
Financial Services	\$46.20
Enterprise Support	\$33.50

Source: Millennium Challenge Corporation Announcement, October 12, 2007.

Note: The figures in the chart only total \$609.17 million.

Recent Congressional Actions

Some Members of Congress have, at times, sought to restrict U.S. assistance to Morocco in connection with the Western Sahara issue, related human rights concerns, or concerns over religious freedoms. In June 2010, the Congressional Tom Lantos Human Rights Commission held hearings on Morocco's expulsion of American Christians in March 2010. Representative Frank Wolf urged suspension of Millennium funding "to a nation which blatantly disregards the rights of American citizens residing in Morocco and forcibly expels American citizens without due process of law."³⁷

In an explanatory statement accompanying the FY2009 Omnibus Appropriations Act (P.L. 111-8, March 11, 2009), appropriators directed the Secretary of State to report on "steps taken by the Government of Morocco to protect human rights, and whether it is allowing all persons to: (1) freely advocate their views regarding the status and future of the Western Sahara through the exercise of their rights to peaceful expression and association; and (2) document violations of human rights in the territory without harassment."³⁸ A similar reporting requirement was included in the conference report accompanying the FY2010 Consolidated Appropriations Act (P.L. 111-117, December 16, 2009).³⁹ In January 2011, House Foreign Affairs Committee Chairwoman Ileana Ros-Lehtinen temporarily placed a hold on the U.S. grant transfer to Morocco of trucks valued at about \$1.34 million, citing concerns over human rights in the Western Sahara.

Previously, the FY2008 Consolidated Appropriations Act, P.L. 110-161, December 26, 2007, provided for the allocation of an additional \$1 million in Foreign Military Financing (FMF) for Morocco if the Secretary of State certified, among other things, that Morocco was allowing all

³⁷ Hannah Armstrong, "Christians Expelled, Morocco and US Spar over Religious Freedom," *Christian Science Monitor*, June 17, 2010. The Senate expressed its concerns on the issue in S.Rept. 111-237, July 29, 2010, to accompany S. 3676, State-Foreign Operations Appropriations Act, 2011. "The Committee on Appropriations directs the Secretary of State to submit a report not later than 45 days after enactment of this act, detailing steps taken by the Government of Morocco in the previous 12 months on human rights, including deportation of U.S. citizens in Morocco without due process of law, and whether it is allowing all persons to advocate freely their views regarding the status and future of the Western Sahara through the exercise of their rights to peaceful expression and association, and to document violations of human rights in the territory without harassment."

³⁸ Explanatory statement submitted by the Chairman of the House Committee on Appropriations "as if it were a joint explanatory statement of a committee of conference," February 23, 2009; Congressional Record, p. H2417.

³⁹ H.Rept. 111-366, Congressional Record p. H14356.

persons to advocate freely their views regarding the status and future of the Western Sahara through the exercise of their rights to peaceful expression, association, and assembly and to document violations of human rights in that territory without harassment. The original amendment (S.Amdt. 2738), proposed by Senator Patrick Leahy and included in the Senate version of the bill, would have allowed the appropriation of not more than \$2 million in FMF for Morocco until the Secretary of State certified that the government of Morocco had ceased to persecute, detain, and prosecute individuals for peacefully expressing their opinions regarding the status and future of the Western Sahara and for documenting violations of human rights, and provided unimpeded access to internationally recognized human rights organizations, journalists, and representatives of foreign governments to the Western Sahara.

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