Democracy and Governance Assessment of Morocco

Final Report

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The views expressed in the following assessment are those of the authors and do not necessarily reflect the opinions or policies of the U.S. Government.

Morocco
International boundary
Province or préfecture boundary
National capital
Province or préfecture capital
Railroad
Road or track
Province or préfecture names are the same as their capitals
0 50 100 Kilometers
0 50 100 Miles
SPAIN
Cádiz
Málaga
Mediterranean Sea
Algeciras
Gibralter (U.K.)
Tangier
Ceuta (Sp.)
Tétouan
Oran
Chechaouene
Al Hoceima
Melilla (Sp.)
Nador
Ghazaouet
Tlemcen
Ouezzane
Oujda
Taounate
Kenitra
Salé
Rabat
Fès
Taza
Meknès
Casablanca
Khemisset
Ben Slimane
Azrou
Boulemane
Al Jadida
Settat
Oued Zem
Khouribga
Khenifra
Bou Arfa
Safi
Beni Mellal
el Kelaa des Srarhna
Figuig
Ksar es Souk
Azilal
Béchar
Marrakech
Essaouira
ATLANTIC OCEAN
Quarzazate
Agadir
Tiznit
Tata
Sidi Ifni
Tan-Tan
Tarfaya
Tindouf
El Aaiún
WESTERN
ALGERIA
Oued Sebou
Oued Moulouya
Oued Oum er Rbia
Oued Dadès
Oued Sous
Oued Drâa
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Acronyms and Abbreviations

AIG	Association of Inspectors General
CCDH	Consultative Council of Human Rights
CDC	*Cahiers des charges*
CIACC	*Collectif Inter-Associatif contre la Corruption*
CIH	*Crédit Immobilier et Hotelier*
CNSS	*Caisse Nationale de Sécurite Sociale*
COA	Court of Accounts
CPS	Code of Personal Status
CSO	Civil Society Organization
DG	Democracy and Governance
DGED	*Direction Générale des Études et de Documentation*
DST	*Direction de la Surveillance du Territoire*
ED	Education
EG	Economic Growth
EIU	Economist Intelligence Unit
FES	Friedrich Ebert Foundation
FTA	Free Trade Agreement
IG	Inspector General
IGM	*Collège des Inspecteurs Généraux des Ministères*
IMF	International Monetary Fund
IRI	International Republican Institute
JAC	Justice and Charity
LDA	Local Development Association

MAP	Maghreb Arabe Press
MEPI	Middle East Partnership Initiative
MERT	Moroccan Ethics Research Team
MOE	Ministry of Education
MOI	Ministry of the Interior
MOJ	Ministry of Justice
MP	Members of Parliament
MPCD	*Mouvement populaire constitutionnel démocratique*
NGO	Nongovernmental Organization
OCI	Organization of the Islamic Conference
OMDH	*Organisation Marocaine des Droits de l'Homme*
ONEP	*Office National de Recherches et d'Exploitation Pertolières*
PJD	*Parti de la Justice et du Développement*
PM	Prime Minister
PPS	*Parti du Progres et du Socialisme*
SEC	Social and Economic Council
SO	Strategic Objective
TM	Transparency Maroc
TJF	Truth and Justice Forum
UAE	United Arab Emirates
USFP	*Union Socialiste des Forces Populaires*

Executive Summary

Morocco has historically been ahead of the curve in terms of democratization in the Middle East and North Africa. After numerous years of political liberalization, it is clear that Morocco's democratization may not be unilinear, but it has been sustained. The modern era of political adjustment that began in the late 1980s now spans a dozen governments and two kings. Milestone after milestone has been clocked as Morocco has amended its constitution, witnessed the according of key government Ministries and posts to opposition parties, and held the most free and fair national elections in the country's history.

The origins of Morocco's will to democratize lie in that country's vulnerability to conflict. Morocco initiated its democratization process as a means to avoid radicalization, instability, and violence. Key actors in Morocco are very much aware of the need to preserve the kingdom's reputation for tolerance and stability as its strategy for dealing with social change is, in large part, based on political liberalization. DG assistance programs therefore must be designed to help ensure that the openings that have taken place create tangible improvements in people's lives and do not provide an opportunity for extremist currents to destabilize the country.

Maintaining political stability in Morocco has been one of the most important priorities of the palace. The monarch has played the critical function of managing competition and conflict between the key political actors. Emerging above the fray, the king has relied on divide and rule tactics to selectively reward or punish different factions, leading to a competition among established interests for the favors of the palace. Using a mixture of co-optation and intimidation, the modern Moroccan monarchs have relied on both carrots and sticks to orchestrate the political fortunes of their subjects. The result of the careful management of competing interests done by the Moroccan rulers has led to one of the most stable and legitimate states in the region.

The king and his advisors are thus finely tuned to the potential for conflict, and Hassan II was known for making key adaptations when stability was threatened. During the 1980s, it became increasingly clear that the state was no longer able to function in the same fashion as before, posing structural constraints to the regime's ability to maintain stability. Driving Morocco's transition toward democratization was a conscious choice by the king to expand the participation of citizens in both the economic system and in political processes. The old orchestrated pluralism from above had become outdated by the new realities. The very context of stability that had been so carefully protected over the years enabled the monarch to engage in one of the most marked political openings in the Arab world.

However, several elements of Morocco's political dynamics have led to developments over the last few years that have demonstrated key constraints to the democratic transition that will be difficult to overcome. First is the divisiveness of the Moroccan political topography. The country's tradition of particularism has split the modernist and pro-democracy camps within civil society. The second key constraint to more rapid democratization has been the growing polarization of Moroccan society due to the relatively recent rise of the Islamists. Indeed, the replacement of the leftists by the Islamists as the regime's principal opponents is one of the most marked features of political change over the past five years. The U.S.-led war on Iraq has bolstered the popular appeal of the Islamists even further, and helped to undermine the credibility of the more secular modernists.

The rise of radical Islamists has provided the *poches de resistance* (forces of resistance) with the opportunity to resist the modernists' assault upon their positions of patronage and privilege. These established interests include the security forces, the army hierarchy, corrupted elements of the business elite, high levels of the bureaucracy, the parastatal managers, and the parties of the administration, who are the palace's clients. The poor performance of the Youssefi government of *alternance* further strengthened the hand of those established interests that oppose the consolidation of the rule of law, transparency, and accountability. The Youssefi government was part of a negotiated transition, where opposition parties were given some ministerial portfolios, but still had to accommodate vested interests in the interests of stability. The result was a discrediting of the modernist opposition forces in general, although this was largely unfair since the weak political parties of the *alternance* government did not adequately represent the larger pro-democracy camp.

Morocco is now coming to grips with the limits of liberalization without more fundamental change to the exercise of power in the kingdom. Over the past two years, there has appeared to be a slowdown in the pace of change, leading to some disillusionment among reform advocates. A distinction has become more marked between the sphere of government that is increasingly open to electoral processes and that which exercises more fundamental power, with the king at its apex. Ultimate authority in this system rests with the monarch as exercised through the *makhzen*.[1]

For the king and his men to allow the process of democratization to continue to move ahead, they must have confidence that further political liberalization will not usher in a period of instability characterized by Islamist radicals attempting to exploit the developmental gap through an extremist agenda. The Moroccan monarch and the *makhzen* are well aware of the need for change, and have indeed been responsible for leading the country as far down the path toward democratization as they have. At the same time, however, they have a responsibility to safeguard the stability of the kingdom. Consequently, there is an attempt to strike a balance between greater freedom and participation and the protection of existing interests. The greater activism by the "*poches de resistance*" indicates that the democratization process is beginning to have an impact on decision-making processes that are occluded through informal networks of clientelism.

In order to be sustained, the benefits of democratization need to become more tangible. Higher levels of private investment are essential to the economic growth needed to sustain the legitimacy of any political system. Globalization and integration with developed economies through such measures such as the pending Free Trade Agreement (FTA) with the United States will need more transparent, impartial, and accountable systems of democratic governance in order to succeed. Greater popular participation in the resolution of the country's developmental challenges is needed to pull the Moroccan people out of the mire of poverty. These goals can be achieved through the gradualist and incremental democratization that Morocco has chosen, but they cannot be taken for granted. While the king and the *makhzen* will continue to control the pace of change and safeguard the country's stability, there is still considerable room to improve the process of governance by making it more transparent, accountable, and equitable.

[1] The term *makhzen* refers to the individuals and institutions that carry out the king's rule. It is sometimes used synonymously with the central government, although it is more accurately described as a network of power rather than as a set of institutions. The origins of the term are in its literal meaning of granary, which symbolized the Sultan's command over fixed agricultural assets.

An examination of the five dimensions of democratic governance helps to identify existing progress that has been made in Morocco's democratic transition as well as problems that remain to be overcome. The political logic of the *makhzen* is rooted in the preservation of the status quo, so it has a strong interest in stability. While the political will for democratization has come from the top, this has been part of a calculated strategy to preserve the legitimacy of the state. The *makhzen* is not homogeneous on this matter—rather it is split between those that see democratization as a necessity and others who are opposed to relinquishing mechanisms of control. The *makhzen's* prior *modus operandi* was to counter the country's vulnerability to conflict by maintaining a strong grip at the local level and a decisive voice in regards to who can enter the various political arenas. For many in the *makhzen*, giving up some of their arbitrary aspects of decision making will not be palatable.

The democratic game thus takes place in relation to only a circumscribed portion of the Moroccan state. Consensus over the rules of the game is shared by a decreasing number as frustration has set in regarding the efficacy of participating in the representative system. Despite all of the progress made in regards to political opening, *Al-Adl wal-Ihsane*, the most popular Islamist organization, called for the boycott of the most recent parliamentary elections to protest the parameters that still surround the democratic field.

The progress made in increasing the means of competition within the political system has been one of Morocco's greatest accomplishments over the past decade and has put Morocco well ahead of the regional norm along this dimension of democratic governance. The spectacular development of civil society has been one of the most visible, although not only, indicators of the tangible opening of political space to express and explore alternative perspectives. There is competing and outspoken access to media outlets and a plethora of active political parties.

At the same time, there is still room for ongoing improvement, as seen in regards to the weak political parties. Political parties are particularly lacking in terms of their ability to channel competition effectively within the political system. Part of the problem with party development over the years has been a severe fragmentation that, in part, was the result of past divide and rule tactics by the regime. While the structural context may have contributed to the deficiencies of the political parties, their internal structures and dynamics have also inhibited their development and maturation despite Morocco's long history with multiparty pluralism. The parties tend to be internally undemocratic, there is little turnover, and there are no procedures in place for succession. Even more than their internal capacity, the leadership sclerosis of the parties has become an obstacle to them becoming more relevant or accessible to the new generations that already form the majority of the population.

Despite the shortcomings of the political parties, the growing competition of ideas in Morocco has become particularly striking. Political dialogue is increasingly rooted in a genuine intellectual discourse, having moved beyond the sloganeering of the parties and their media outlets in previous decades. Leading this change has been the relatively rapid growth of Moroccan civil society organizations that are increasingly championing the cause of democracy, human rights, and equity for women. Transparency and accountability are especially prominent in the agendas of newly created NGOs that have emerged on the scene.

The rule of law dimension of governance in Morocco provides a further clarification of how democratization efforts initially proceeded rapidly. They then encountered limits, however, as a result of running into the interests of actors who are heavily vested in the upper networks of power,

beyond the electoral sphere. The fundamental problem in the rule of law area is that the system is highly permeable to political influence. The judiciary is still far from being independent of the executive branch as well as other types of political pressures by well-connected individuals. The susceptibility of the justice system to uneven influence has been a significant deterrent to broader private investment. It also represents a hindrance to the ultimate success of the FTA (Free Trade Agreement) that is currently being negotiated with the United States.

Governance remains the most problematic democracy and governance (DG) area in Morocco. It is poor at all territorial levels—from the local level all the way to the central administration and the national political party scene. Serious shortcomings can be detected in all three key aspects of governance: effectiveness, accountability, and transparency of political and governmental institutions. Indeed, the structural deficiencies of these institutions, particularly the public administration and political parties, offer one potential explanation for why the palace still plays such a central role in setting the agenda for the country. The lack of capacity, legitimacy, and imagination of political parties and governmental institutions, as well as the lethargy and anachronisms they display, constantly raise the prospect of a dangerous vacuum, which non-democratic forces may be tempted to fill.

Given the context sketched above, it is critical that the United States step up its effort to help Morocco consolidate its democratic gains and pave the way for further progress. We therefore propose that assistance to Morocco's political reform process be a central component of USAID's 2004-2008 strategy. Ideally, that strategy would focus on three interrelated sectors: Economic Growth (EG), Democracy and Governance (D/G), and Education (ED). These three sectors mirror those on which the U.S.-Middle East Partnership Initiative (MEPI) is built. Indeed, Morocco should be seen as the poster child for MEPI. No country is better placed than the kingdom to play that critical role, and no other country in the region has demonstrated that it is more deserving of U.S. assistance.

The ambitious strategy we advocate would require significant additional resources, in both funding and management. It should revolve around three complementary, mutually reinforcing Strategic Objectives (SOs) in DG, EG, and ED. These three SOs may be seen as critical tools through which the United States can contribute to the following interrelated objectives in Morocco:

- Facilitate job creation and poverty alleviation;
- Enhance prospects for political stability;
- Contain radical, extremist currents (both religious and secular); and
- Make it possible for Morocco to develop into a modern, forward-looking society, open to the outside world and able to compete and thrive within it.

In short, the central objective of a DG SO in Morocco—particularly in the context of a broader USAID strategy centered on an FTA-driven EG SO—might be phrased as follows:

> Harness DG assistance to help Morocco progressively transition away from a political economy characterized by opacity and a significant degree of confusion between economic and political power to a more transparent system, based on stricter enforcement of existing laws and regulations, and in which the economic and political spheres operate independently, according to their own, respective logic.

Unless the kingdom makes the transition that has just been described (and which may be its greatest political challenge in the coming decade), it cannot hope to succeed in today's globalized world. Because the U.S. has a stake in Morocco's success, it also has a strong interest in helping it meet that challenge.

We suggest a broad-based DG SO that builds on Morocco's achievements in political reform, and aims to take advantage of the kingdom's momentum in tackling persisting problems in the areas of transparency, accountability, and equity. That DG SO would revolve largely on a handful of national-level interventions that are most likely to have the greatest impact on the kingdom's overall political dynamic. However, it also would involve a number of carefully selected regional and local-level activities that directly and explicitly address the issues of transparency, accountability, and equity. These activities should be carried out in regions and municipalities featuring a political environment conducive to relatively quick progress. The tangible advances made in those regions and municipalities could then be publicized to inspire similar initiatives elsewhere.

The strategy we advocate would consist of the following four mutually reinforcing components:

1. **A parliamentary development program**. The primary objective of that program would be to strengthen parliament's oversight and policy assessment capacity, as well as its ability to upgrade the legislation regarding critical transparency and accountability issues, including conflicts of interest, disclosure of assets (*déclaration du patrimoine*), public procurement contracts, privatization mechanisms, and delegated management (*gestion déléguée*). This program would enhance parliament's capacity to provide regular, professional assessments of public policies, in terms of both their effectiveness and their conformity with existing laws, procedures, and regulations. It would help parliament pass legislation that increases predictability in business transactions, levels the playing field among economic actors, and deters or sanctions fraud and mismanagement in public sector firms. Finally, it would strengthen the legislature's capacity to oversee public finances.

2. **A civil society program (with both national- and local-level activities)**. This program would rest on four pillars:
   - Assist civil society to promote a reform agenda based around issues of transparency in business.
   - Building on the parliamentary program outlined above, support avenues (workshops, roundtables, conferences, etc.) that enable Members of Parliament (MPs) to exchange ideas on issues of transparency in business with selected civil society groups.
   - Strengthen the capacity of selected local development associations (LDAs) to engage in advocacy on issues of transparency, accountability, and equity at the local level, and do so, as often as possible, by encouraging partnerships between municipal councils and LDAs.
   - Continue to support civil society activities aimed at promoting women's legal rights.

3. **A public administration program (with national, regional, and local-level activities).** We propose a public administration program built around carefully targeted interventions at the national, regional, and local levels:
   - USAID should step up its support for the Inspector Generals College.
   - USAID should explore supporting the Courts of Account (at the national level) as well as the new, regional courts of account.

- At the local level, we recommend that the Mission encourage the trend toward delegated management at the local level, while helping to set up the proper mechanisms needed to enable that process to take place in a transparent manner. This would be best achieved by supporting developmental public/private partnerships designed to overcome concrete and tangible challenges at the community level. It would involve both building up the capacity of elected officials to discharge their responsibilities in a way that increases transparency and accountability in such areas as budget drafting and approval, setting local priorities, and being responsive to the needs of local businesses and NGOs. It would also involve familiarizing selected presidents of "*communautés urbaines*" (a group of municipalities) with the role of city managers in the U.S. Finally, this component of the public administration program would provide technical assistance to help municipalities become more effective and transparent throughout the public procurement process.

4. **A small media program**, intended primarily to publicize the "success stories" achieved under the previous three programs, so as to create a demonstration effect and diminish the tendencies toward resignation and cynicism that stand in the way of Morocco's progress.

Section

1

Introduction and Background

Morocco has historically been ahead of the curve in terms of democratization in the Middle East and North Africa. During the 1960s, when single-party monoliths were the rule in the region, Morocco was founding a durable system of multiparty pluralism. Morocco's first national constitution of 1962 in fact explicitly prohibited a single-party system. Along with Lebanon, Morocco is one of only two Arab countries with unbroken multiparty politics since independence, which Morocco achieved in 1956. Its pluralistic party system is paralleled by relatively strong and competing labor unions as well as a vibrant press that presents alternative viewpoints. Morocco has a strong tradition of human rights activism that has contributed to a steady growth in civil society. Well before it was fashionable, Morocco was lauding and experimenting with decentralization and refining its structures of territorial administration.

Critics of the Moroccan regime have tended to dismiss this gradual transition toward democratic governance by pointing out that power still is concentrated in the palace despite the growing accoutrements of a constitutional monarchy. Legal provisions and constitutional texts give the king the power to roll back the DG (democracy and governance) advances at any time. There is skepticism by some that the political and economic spheres will not become easily disentangled and that the patterns of clientelism that have in the past underpinned the system will place certain limits on the democratization process. Every time there is a hint of gradualism in the palace's approach to reform, critics argue that their case has been proven and that Morocco's democratization has run its course.

This glass half-full/half-empty debate continues to take place as greater public liberties such as freedom of expression have contributed to an acute awareness of the limits on rapid change. If one's optic changes from the short to medium term, it is clear that the democratic openings that have taken place over the last 10 to 15 years have been nothing less than phenomenal. The pace of change has far exceeded the dire forecasts of critics who repeatedly in the past have questioned the regime's political will.

Setting aside speculation over the future course of events, some generalizations can be made with certainty regarding developments to date. After numerous years of political liberalization, it is clear that Morocco's democratization may not be unilinear, but it has been sustained. The modern era of political adjustment that began in the late 1980s now spans a dozen governments and two kings. Milestone after milestone has been clocked as Morocco has amended its constitution, witnessed the according of key government Ministries and posts to opposition parties, and held the most free and fair national elections in the country's history. A World Bank official recently publicly praised Morocco for strengthening democratic institutions, making progress in the rule of law, and safeguarding human rights. The Economist Intelligence Unit (EIU), which is considered an authoritative bellweather of political and economic trends by the international financial community, forecast in May 2003 that "Morocco is expected to continue its steady progress of democratisation

over the next two years, and it will consolidate its status as one of the most liberal countries in the Arab world."

Although its transition is not yet complete, Morocco has demonstrated that its democratization is ongoing, although it now must confront serious constraints to be fully achieved. Just as the structural adjustment programs that began in the 1980s encountered numerous points of resistance in implementation, so, too, the democratization process in Morocco will take time and will need to overcome resistance from vested interests to have its fully intended effect. Donors have an important role to play in supporting Morocco's democratization program as it reaches a critical phase.

The Middle East has been among the most resistant regions to the consolidation of democratic governance. The transnational spread of political Islam is helping strident opposition to established regimes be expressed and catalyzed. Across the region, it has become difficult for political leaders to democratize when Islamists represent a force that regimes fear precisely because of their ability to mobilize the citizenry in opposition to the established order.

In Morocco, the prospects for political liberalization are compromised further by the constraints to democratization posed by pervasive and widespread poverty and illiteracy, which are much higher than the regional average. About half of all Moroccans cannot read or write, with that figure up to 90 percent of rural women. Authorities and established interests are naturally wary of populism when large segments of the population are desperate and illiterate. For Moroccan democracy to succeed, it will have to survive a formative period filled with apprehension, risk, and second-guessing.

Morocco initiated its democratization process as a means to avoid radicalization, instability, and violence. Key actors in Morocco are very much aware of the need to preserve the kingdom's reputation for tolerance and stability as its strategy for dealing with social change is, in large part, based on political liberalization. DG assistance programs therefore must be designed to help ensure that the openings that have taken place create tangible improvements in people's lives and do not provide an opportunity for extremist currents to destabilize the country.

1.1 Background

1.1.1 Morocco's Vulnerability to Conflict…

The origins of Morocco's will to democratize lie in that country's vulnerability to conflict. Even dating back to the pre-colonial period, large parts of the sultanate were defined as lands of dissidence (*bled es siba*). Society was characterized by segmentary fragmentation and flexible tribal alliances. Rebellion or submission to the temporal authority of the sultanate by the tribes outside of the plains was not something to be taken for granted, and variability in the status of the political order was a regular part of the political landscape. Sometimes referred to as "the Wild West of the Middle East," Morocco had no roads for wheeled vehicles prior to the twentieth century. Cities were surrounded by high defensive walls that were put in place for a good reason. The Sultan and

his army moved around between four imperial cities, bringing back under his rule those tribes that chose dissidence and rebellion instead of paying taxes to the Sultan's *makhzen*.[2]

The military conquest of Morocco by the French colonialists took almost a quarter of a century before the country was fully "pacified." The French played on the Arab/Berber ethnic distinction to centralize control over the diverse and relatively decentralized Moroccan tribal agglomerations. A scant 20 years after the last rebel redoubt was conquered by the French, Moroccans were celebrating their independence.

Since Morocco gained independence in 1956, the country's political order has been violently shaken in 1959-1960, 1965, 1979, 1981, 1984, and 1990. In addition, there were two failed military coup attempts, one in July 1971 and the other in August 1972. Almost all incidents of widespread violent civil unrest have historically been associated with the aftermath of severe drought. The country's marked climatic variability has been particularly significant because, until recently, the majority of Morocco's population lived in the countryside, where they were dependent on rain-fed agriculture or grazing. Given the continued prominence of agriculture in the country's economy, periods of sustained drought continue to inflict hardships on the country's poor, who, over the years, have been flocking to the cities in search of opportunities to escape rural poverty.

While drought may have served as a trigger to violent unrest, Morocco has historically had a susceptibility and propensity for conflict. Resistance to central rule has long been a form of political contest that is resorted to as a means to negotiate improved conditions in exchange for submission to central rule. The acute potential for instability has led the Moroccan palace and people to recognize clearly the importance of maintaining a strong and legitimate political order.

1.1.2 …Leads to a Premium on Political Order

Maintaining political stability in Morocco has thus been one of the most important priorities of the palace. The monarch has played the critical function of managing competition and conflict between the key political actors. Emerging above the fray, the king has relied on divide and rule tactics to selectively reward or punish different factions, leading to a competition among established interests for the favor of the palace. Using a mixture of co-optation and intimidation, the modern Moroccan monarchs have relied on both carrots and sticks to orchestrate the political fortunes of their subjects. Although there was always a dark side of the *makhzen* for those who did not play by the rules, the result of the careful management of competing interests by the Moroccan rulers led to one of the most stable and legitimate states in the region. The Kingdom of Morocco has been known for its careful balancing act, maintaining an equilibrium between city and countryside, Berbers and Arabs, modernists versus traditionalists, and secularists versus Islamists. This pattern is even echoed in its international relations, where Morocco's strong alliance with the West is balanced by equally strong ties with the Arab and Muslim worlds.

The king and his advisors are thus finely tuned to the potential for conflict, and Hassan II was known for making key adaptations when stability was threatened. He consolidated his hold over the Interior Ministry after the drought of 1960-1961. The stipends of students were raised after the first

[2] The term *makhzen* refers to the individuals and institutions that carry out the king's rule. It is sometimes used synonymously with the central government, although it is more accurately described as a network of power rather than as a set of institutions. The origins of the term are in its literal meaning of granary, which symbolized the Sultan's command over fixed agricultural assets.

coup attempt of 1971. The minimum wage for industrial workers (SMIG) was raised after the 1972 foiled coup. The security forces began to be fattened up at that point as well, with their share of the national revenues becoming even more privileged with the embarkation of the war for Western Sahara.

The ability of the Moroccan rulers to manage conflict and instability through close attention to its sources has been one of the throne's most precious roles. It has created an image of stability and consensus in Morocco when, in fact, this virtue cannot be taken for granted and has required deliberate nurturing. The terrorist car bombings in Casablanca of May 2003 thus represent a menace to the highly valued stability in Morocco that will be taken very seriously by the regime rather than merely viewed as the actions of foreign-inspired extremists. The astute fashion with which King Mohamed VI's regime handled the Moroccan reaction to the recent Iraq war should not mask the fact that it is a turbulent time in the region and that hot sentiments are running deep. The anti-war demonstrations in Rabat drew an estimated 300,000 protesters, illustrating the depth of popular feeling. It is a testament to the regime's ability to channel mass protests that the demonstrations went off as peacefully as they did, although the tail end of the manifestations did have to be forcibly broken up when youths threatened to storm the McDonald's franchise in the downtown area. At the same time, an equally powerful statement was made when 60,000 demonstrators poured out in the streets to protest the Casablanca bombings of May 2003.

1.1.3 Economic and Political Adjustment

The Moroccan state was able to rely on the selective distribution of rewards through use of a centralized public sector that was tapped to provide for both basic needs and opportunity. This *etat-providence* was underscored with informal networks of patronage whereby personalistic access to those in power was the key to security and social mobility. This system was inherently financially fragile as population growth gradually outstripped the public sector's ability to fuel sufficient economic growth. At the time of independence, Morocco's population was around 10 million, whereas it is now estimated at over 31 million.

During the 1980s, it became increasingly clear that the state was no longer able to function in the same fashion as before, posing structural constraints to the regime's ability to maintain stability. This led to inauguration of an era of reform in both the economic and political domains. This economic liberalization was prompted by a growing imbalance between the needs and demands of a growing population and the limited financial resources of a centralist state. Morocco could simply no longer afford the public sector growth that was needed to sustain the systems that had maintained its cohesion until then.

The era of economic reform was launched in 1983 with the first structural adjustment program. The state sought to redress its slide toward bankruptcy by working out an agreement with the International Monetary Fund (IMF) that further constrained spending on the debt-ridden public sector. The austerity programs, however, were watered down and postponed as hoped-for private investment failed to materialize to the degree needed to jumpstart rapid economic growth. Unemployment continued to soar, reaching an estimated 22 percent of the work force in 1999. The growing pockets of poor in the *bidonvilles* that sprouted up around the large cities were a cause for concern as the state was increasingly unable to provide for their welfare. The urban and peri-urban poor and unemployed had the potential to be mobilized in opposition to the status quo.

The regime was faced with a demography that was more politicized, modernized, and urban than had hitherto been the case, and the state's traditional reliance on conservative rural notables to keep the peace was no longer as comprehensive as before. The international context further increased the pressures for reform, particularly given the regime's determination to deepen its economic integration with the West, even applying for membership in the European Union. The palace responded to the growing pressures with a strategy of political liberalization that was designed to increase both economic participation and political legitimacy through a process of democratization. The move toward a more liberal political system dates back to the participation of the opposition parties in the legislative elections of 1984. It was further marked in 1988 by the granting of legal status to the independent human rights organization, *Organisation Marocaine des Droits de l'Homme* (OMDH).

1.1.4 The Will to Democratize…

Driving Morocco's transition toward democratization was a conscious choice by the king to expand the participation of citizens in both the economic system and in political processes. The old orchestrated pluralism from above had become outdated by the new realities. The very context of stability that had been so carefully protected over the years enabled the monarch to engage in one of the most marked political openings in the Arab world.

King Hassan II showed a remarkable degree of adaptability over the course of his 38-year reign. He presided over a shift in the very relationship between state and society. The political opening began with a consultative phase characterized by the *Conseils Consultatifs*, in which broader elements of society were invited to participate in the dialogue over public policy and the reform movement. The king went on to oversee a release of political prisoners, constitutional reforms, and the inauguration of the principle of *alternance*, whereby the most popular opposition party was granted access to the post of prime minister in 1998.

Perhaps even more remarkable was that this pattern of liberalization was not interrupted by the accession of the young King Mohamed VI (born in 1963) to the throne in July 1999, upon the death of his father, Hassan II. In fact, the new king became affably known as "Speedy Mohamed," not only because of his penchant for jet-skiing, but also because the pace of reform continued to proceed so rapidly under his rule. His sacking of the Minister of the Interior, Driss Basri, seemed to mark the decline of the authoritarian side of the *makhzen*.

Several indicators demonstrate the extent of progress achieved on the path toward democratic governance. Greater freedom of association led to a burgeoning of civil society. This occurred in regards to both a relatively rapid maturing of civil society organizations (CSOs) at the national level and a flowering of developmental associations at the local level. These latter nongovernmental organizations (NGOs) sprang up in response to the political opening in order to help mobilize resources and initiative on the community side to fill the development gap that was growing as the financial underpinnings of the *etat-providence* gave way. Much greater freedom of expression led to the emergence of a diverse, provocative, and sensationalist press as red lines were eased and the boundaries of acceptable discourse pushed back. The human rights situation has vastly improved. The king even allowed the historically notorious opponent of the regime, Abraham Serfaty, to return to Morocco as well as the family of the deceased Ben Barka, the symbol of nationalist resistance to monarchic rule in the early years of independence. Lest observers conclude that the greater individual liberties applied only to opponents from another epoch, Mohamed VI also released from house arrest the Islamist leader, Sheikh Abdessalam Yassine, head of the outlawed

but popular *al-Adl wal Ihsahne* (Justice and Charity) organization. The general elections of September 2002, which went off smoothly, marked another milestone in Morocco's democratization. They were the first polls in the country's history not to have been rigged by vote stuffing or buying, and they were adjudged by observers to have been a legitimate expression of popular will.

1.1.5 …is Confronted by Key Constraints

However, several elements of Morocco's political dynamics have led to developments over the last few years that have demonstrated key constraints to the democratic transition that will be difficult to overcome. First is the divisiveness of the Moroccan political topography. The country's tradition of particularism has split the modernist and pro-democracy camps within civil society. This splintering perhaps is most pronounced in terms of the political parties, which have been unable to effectively pursue a reform agenda that paid concrete dividends to their constituents. Some of the party divisions reflect disagreements over strategy and tactics, others manifest personal rivalries over access to patronage, and still others are more structural, such as those that are based on Berber identity. The trade union movement is also deeply divided and therefore less able to act in a concerted fashion. The regime encouraged this divisiveness, where a balancing act of interchangeable patronage helped encourage competition for the favors of the palace. A decimation of the left wing opposition was coupled with co-optation tactics that affected the caliber of the politicians at the top of the party structures. The result has been a weakened capacity for effective representation through the electoral system. The immobilization brought on by the political divisiveness has helped to undermine the credibility of the promise held by the introduction of *alternance*.

The second key constraint to more rapid democratization has been the growing polarization of Moroccan society due to the relatively recent rise of the Islamists. Indeed, the replacement of the leftists by the Islamists as the regime's principal opponents is one of the most marked features of political change over the past five years. The fact that this fundamentalist and conservative movement has largely stolen the field from the leftist and secularist modernists as the voice of opposition has left Moroccans disagreeing over how best to deal with the Islamists.

Unlike the political parties or CSOs, the Islamists have been able to demonstrate great effectiveness in mobilizing grassroots support in urban and peri-urban areas. They are particularly strong in the cities of Salé, Rabat, and Casablanca, although in Marrakech, the leftists still hold some sway. The high rate of unemployment and the squalid conditions of the *bidonvilles* surrounding Casablanca help maintain the high support for Islamist organizations such as *Adl*. At the universities, the Islamists have emerged as the dominant political organization, whereas the *Union Socialiste des Forces Populaires* (USFP) used to lead in organizing teaching staff. The party-affiliated unions have lost almost all their credibility on the campuses. High schools, cultural centers, neighborhood groups, and even some trade unions are increasingly falling under the influence of the Islamists.

The U.S.-led war on Iraq has bolstered the popular appeal of the Islamists even further, and helped to undermine the credibility of the more secular modernists. These modernists, along with the regime, view the Islamists as a threat, but for different reasons. The state is wary of the Islamists because of their attempts and relative success at mobilizing the popular base in the urban areas. This type of mobilization has not been seen since the efforts by leftists to organize the workers in the 1970s, which led to them being viewed as a menace to public order at that time. The modernists are worried about the Islamists as a result of their strong social conservatism and emphasis on

conformity to Islamic precepts and law. Some are hoping that the modernists will be driven together by the perceived threat of the Islamists, but, to date, a common front has not materialized. Rather, the secular parties and CSOs remain split over how best to deal with the Islamists in the context of democratization. Some, such as the Yaghzi faction of the USFP and the *Parti du Progres et du Socialisme* (PPS), favor the Tunisian policy of repression and extermination of radical Islam, whereas others feel they should be permitted full participation in a democratic system.

Nowhere has the polarization of the political field been more apparent than in regards to the women's movement. Women's advocacy NGOs were among the most vocal of the 1990s, yet they have clearly been unable to consolidate the advances they were hoping for amidst the Moroccan mainstream. The famous counter demonstrations that took place in Casablanca and Rabat on different sides of the women's issue spoke volumes about the lack of consensus regarding the status of women. The stalling and even partial reversal of the movement toward greater gender equity is illustrative of the check that has been provided by the polarization of the political field by the rise of the Islamists. The palace is now engaged in an effort to balance these various perspectives on the women's movement, although it is difficult to see how an easy resolution will be achieved given the lack of fundamental consensus over the issue.

1.1.6 Established Interests are Still Strong…

The rise of radical Islamists has provided the *poches de resistance* (forces of resistance) with the opportunity to resist the modernists' assault upon their positions of patronage and privilege. These established interests include the security forces, the army hierarchy, corrupted elements of the business elite, high levels of the bureaucracy, the parastatal managers, and the parties of the administration, who are the palace's clients. The two most active forces in the resistance to democratization are the security/military and the segment of the business elite who rely on political access for economic leverage. Those responsible for security have been able to use the aftermath of September 11 to increase their dominance in the inner circles, and to play on fears that overly rapid democratization in such a polarized context will precede an outbreak of civil unrest and conflict, as in neighboring Algeria. The Casablanca suicide bombings of May 2003 will further favor the growing influence of those who have no interest in further political liberalization.

The poor performance of the Youssefi government of *alternance* further strengthened the hand of those established interests that oppose the consolidation of the rule of law, transparency, and accountability. The Youssefi government was part of a negotiated transition, where opposition parties were given some ministerial portfolios, but still had to accommodate vested interests in the interests of stability. Many of those individuals and parties that were given Ministries had little experience in actually running government agencies. The result of the weak coalition nature of the government combined with this lack of experience resulted in a certain immobilization, which led to a failure to deliver on the promises of an overly ambitious reform program. While Prime Minister Youssefi was up against tough odds, the *alternance* government was unable to promote the credibility of an effective democratic alternative to the more established patterns of domination by the *makhzen*.

The result was a discrediting of the modernist opposition forces in general, although, in large part, this was unfair since the weak political parties of the *alternance* government did not adequately represent the larger pro-democracy camp. The polls of 27 September 2003, however, reflected a general disenchantment with electoral politics, with only 52 percent of those eligible to vote actually showing up at the booths on voting day. The palace also seemed to have had its fill of

entrusting the head of government to the political parties, and the king appointed a non-partisan technocrat, Driss Jettou, to the premiership in the wake of the elections. It is certainly true that the results of the elections did not portend well for another government of *alternance*. There were 26 parties that ran for election, ranging from former leftist revolutionaries to the one legal Islamist party. The new system of proportional representation combined with the large number of parties produced a patchwork parliament, making it almost impossible to form an effective coalition with enough support to be able to move a reform program forward decisively. Jettou laboriously assembled a center-left coalition out of six parties, but considerable skepticism persists among political observers that this government will be able to escape the immobilization of the past. The current parliamentary opposition has become the Islamist *Parti de la Justice et du Développement* (PJD) party, which tripled its representation in the assembly by winning 13 percent of the seats. It is noteworthy that the PJD has publicly reaffirmed its commitment to stability, unlike many of the other Islamist organizations that are also calling for change.

1.1.7 …with Established Mechanisms of Control Still Potent

The mechanisms of control exerted by the Ministry of the Interior (MOI) are another means by which established interests have tempered the pace of democratization. This Ministry has been one of the principal instruments of the *makhzen*, and serves as the critical gatekeeper into the political process, as will be reviewed in the subsequent section of this document. The Ministry of the Interior is particularly vigilant in its control over the territorial collectivities, which reach down to the local level. They are charged by the palace with monitoring and balancing contending interests in local public administration. While they are known for their heavy-handed control, they have also been seeking means to increase participation in ways that will strengthen the legitimacy of the state at the local level. The most pronounced efforts in this direction by the Ministry have been in the area of deconcentration. The Ministry and palace for years have been aware of the need to move away from the centralized approach that was a legacy from colonialism that was reinforced during the 1960s and early 1970s. It has not been easy, however, to devolve power to elected bodies when they are composed of individuals with little experience or capacity to run local government. In addition, the past system of territorial administration is tied into a strong informal system of clientelistic networks through which the *makhzen* has managed to ensure stability by reinforcing local social hierarchies characterized by loyalty to the palace.

The government has sought to remedy the inefficiencies of centralism through a two-pronged approach. First, they have opened up greater political space from the bottom up, through elected councils. However, the powers accorded to these representative bodies have been limited, and what responsibilities they are given are stringently overseen through a system of *tutelle* (see below). Second, there has been a movement away from direct ministerial control through the creation of more intermediate territorial entities at a regional level. The strengthening of the elected communes is thus being preceded by the strengthening of *wilayas* and regions. Sixteen regions were created in 1997 in an attempt to counterbalance the central state in Rabat and be in charge of gradually transferring responsibilities to local collectivities. Regional assemblies have also been put in place, which are indirectly elected through the communal councils. There are now 39 provinces and 8 urban prefectures, with considerable power vested in the hands of the governors, who are appointed by the king through the Ministry of the Interior. The governors in the past tended to be closely tied to traditional structures of control, but King Mohamed VI has demonstrated his commitment to reform by appointing numerous representatives from a new generation of forward-looking governors. Several of the new governors, such as that of Haouz, are seeking means to pursue

decentralization through greater participation while still preserving Morocco's precious political stability.

Another auxiliary to the *makhzen* that has been in ascendance the last couple of years has been the country's domestic intelligence service, *Direction de la Surveillance du Territoire* (DST). This organization has gained a certain independence from the MOI since the Interior Ministry was stripped of its intelligence network along with its sole responsibility for Western Sahara. The DST is headed by General Laânigri, who is becoming more prominent than the new Interior Minister (Ahmad Midaoui) as the regime's new strongman since the firing of Driss Basri. The ascendancy by the DST since the events of September 11 has been marked by the persecution of the king's cousin (Moulay Hishem) for advocating a constitutional monarchy, a new spate of disappearances concentrated on Islamist activists, and the passage of a new law on terrorism, the ambiguities of which give the security forces considerable latitude to prosecute the crackdown on radical dissidents. Laânigri has been pushing for a stronger confrontation with the Islamists, and modernist forces are concerned that the impunity with which the security forces operate are likely to spill over into impeding democratic opposition and the rule of law.

The Ministry of Justice (MOJ) is yet another key institution through which established interests exercise their influence. Along with the MOI, it is one of the super Ministries (Ministries of Sovereignty) that retains a special relationship with the palace. Recent developments indicate that this Ministry remains complicit in the shadowy networks of informal decision making that underpin the rule of the *makhzen*. During the government of *alternance*, this Ministry was run by a nonpartisan human rights advocate, Omar Azzimane, who worked hand in hand with the king to try to modernize the country's judicial structures and systems without directly challenging established interests. However, after the new election, the head of that Ministry was given to a political hack, Mohammed Bouzoubaa, who gives every indication of running things according to the constellation of power rather than the impartial application of a rule of law. The challenges in the rule of law area are addressed in more detail in both Sections 2 and 4, below.

1.1.8 Dilemmas of Democratization

Morocco is now coming to grips with the limits of liberalization without more fundamental change to the exercise of power in the kingdom. Over the past two years, there has appeared to be a slowdown in the pace of change, leading to some disillusionment among reform advocates. A distinction has become more marked between the sphere of government that is increasingly open to electoral processes and that which exercises more fundamental power, with the king at its apex. Ultimate authority in this system rests with the monarch as exercised through the *makhzen*. The king can rule by decree or call for new elections at any time. He appoints the prime minister (PM) and after consulting with the PM also appoints the government. He presides over the Council of Ministers and may dismiss any Minister or dissolve the parliament at his discretion.

For the king and his men to allow the process of democratization to continue to move ahead, they must have confidence that further political liberalization will not usher in a period of instability characterized by Islamist radicals attempting to exploit the developmental gap through an extremist agenda. The Moroccan monarch and the *makhzen* are well aware of the need for change, and have indeed been responsible for leading the country as far down the path toward democratization as they have. At the same time, however, they have a responsibility to safeguard the stability of the kingdom, and so there is an attempt to strike a balance between greater freedom and participation and the protection of existing interests. The greater activism by the "*poches de resistance*" indicates

that the democratization process is beginning to have an impact on decision-making processes that are occluded through informal networks of clientelism.

The rise of the Islamists has greatly complicated the process of democratization in Morocco. On the one hand, many strands of the Islamist movement are pursuing many of the same values that the modernists are, such as equal justice before the law, accountability in government, and greater popular participation in the resolution of developmental challenges. On the other hand, other elements of the Islamist movement are susceptible to more extremist currents that have been sweeping through the region and which seek to overthrow the system altogether.

There is a clear need for the modernists to begin to overcome their divisiveness or risk becoming sidelined as the state decides how to deal with the multifaceted Islamist movement. The opening of political space that was so championed by the modernists has, in fact, been seized upon most readily by the Islamists in recent years, thereby fueling the concerns and dominance of the already strong security apparatus. The role of the new king in shepherding the process of change remains less clear than with Hassan II, as several mixed signals have been sent. After the initial commitment to liberalization displayed by Mohamed VI in 1999, there was a crackdown in 2001 on numerous media outlets, with newspaper editions confiscated, managers at television stations fired, and other press agencies censored for libel, national security violations, or offensive reporting.

In order to be sustained, the benefits of democratization need to become more tangible. Higher levels of private investment are essential to the economic growth needed to sustain the legitimacy of any political system. Globalization and integration with developed economies through such measures such as the pending Free Trade Agreement (FTA) with the United States will need more transparent, impartial, and accountable systems of democratic governance in order to succeed. Greater popular participation in the resolution of the country's developmental challenges is needed to pull the Moroccan people out of the mire of poverty. These goals can be achieved through the gradualist and incremental democratization that Morocco has chosen, but they cannot be taken for granted. While the king and the *makhzen* will continue to control the pace of change and safeguard the country's stability, there is still considerable room to improve the process of governance by making it more transparent, accountable, and equitable.

1.2 The Role of USAID

The dilemmas for democratization that have been posed by the ascendancy of radical Islam in Morocco are particularly pronounced for USAID as a result of the current international context. The use of symbolism during the war on Iraq by the Islamists has served to undermine American credibility in regards to both democratic governance and human rights. Support by USAID for political reform in Morocco is thus likely to be portrayed as foreign interventionism designed to subjugate the Arab and Muslim worlds. Overt support for the political agendas of certain parties or causes has the potential to backfire and end up tainting the recipients of such assistance. This could be the case for singling out certain political parties for support, and it is likely that many CSOs also will be more circumspect about receiving support from the USG.

At the same time, now it is more critical than ever for the United States to lend its weight to the democratic transition in Morocco. The anti-American sentiments of Islamist extremists in the broader region are tempered by the special relationship between the United States and Morocco. The Treaty of Peace and Friendship between the two nations that was signed in 1787 is the longest

standing treaty relationship in U.S. history. The longstanding friendship between the two peoples and the mutual respect of its leaders provide a solid and welcome foundation for bilateral assistance in the DG area despite the sensitivities associated with the current international environment. The current negotiation of the FTA between the two countries will bring the two countries even closer together. It is in the interests of the United States to see that Morocco's liberalization process is able to surmount the obstacles that it confronts.

The opportunities and prospects for a successful democratization process are perhaps the greatest in the region as a result of the progress already made and the initiatives shown by the Moroccans themselves. There is much to build upon and considerable momentum is already in place. The strategic approach that is most likely to succeed is one that will facilitate greater economic growth and one that focuses squarely on the areas where the political system is most vulnerable to criticism by the Islamists. Namely, as the subsequent analysis will demonstrate, a program based around the themes of transparency, equity, and accountability will be able to strengthen further the legitimacy of the state without undermining the Moroccan commitment to stability.

USAID can thus play a critical role in supporting the tentative but steady move of the kingdom toward political liberalization. Influential forces are afoot that will seek to curtail the democratization process and to maintain the special privileges that have been based on access to political power through personalistic and clientelistic relationships. It is time that the proponents of democratic governance are able to point to concrete and tangible payoffs that compensate for the risks of opening the political process to further participation. This assessment calls for a much more ambitious DG program than heretofore undertaken. It will require a significant augmentation of management resources available to the Mission, but the success of Morocco's political reform program is not only hanging in the balance but has regional implications beyond the borders of this one country.

This Democracy and Governance Assessment of Morocco is intended to provide an analytical framework that can help guide programmatic interventions according to their potential for success and impact. The assessment examines the essential characteristics of the DG challenge in order to identify the principal constraints that need to be overcome in furthering the transition toward democracy. It then evaluates the interests of the key political actors in order to develop an understanding of the forces that might favor or oppose reform efforts. The nature of the regulatory and institutional framework within which politics is played out is considered in order to provide a more in-depth image of the incentives that are likely to facilitate or constrain democratization. How to best integrate DG promotion within the broader Mission program will also be considered as programmatic recommendations are advanced.

Section

2

The Democracy and Governance Challenge

This section examines the Moroccan political system along the five analytical dimensions of consensus, competition, inclusion, rule of law, and governance. The state of consensus in Morocco is analyzed first, as this helps to further elaborate the analytical points made in the preceding section and will help explain the key dynamics of how power is exercised in the kingdom. It also indicates how consensus has actually become more problematic over the last two years. Then a review of the competition and inclusion dimensions demonstrates the areas in which Morocco has made the greatest progress. An analysis of rule of law demonstrates where some improvements have been made without changing some of the essential characteristics of the system. Finally, a diagnosis of the governance challenges that persist help to identify possible points of entry for USAID assistance in the areas of transparency and accountability.

2.1 Consensus

In Morocco, the degree of consensus over the fundamental rules of the game has varied significantly over time. During some periods, it has been very strong, as it was at the beginning of the *alternance* government in 1998. However, there is an old, well-established pattern of dissent and rebellion in Morocco. Historically, the Sultan's ability to rule on a consensual basis reflected constant negotiation and alliances with more localized strong men.

From pre-colonial times onward, consensus in the kingdom has never been something that could be taken for granted. While almost all Moroccans recognize the heritage of the Alaouite dynasty (which dates back to 1664) and the right of Mohamed VI to be king, for many years there has been a debate over what the appropriate prerogatives of the monarch ought to be. That debate, long conducted behind closed doors since it was not acceptable to question the extent of the king's authority in public, can now be seen in newspapers and magazines. Even though the king is acknowledged as the country's legitimate leader in Friday prayers throughout the country, there is not an immutable consensus regarding the extent of the temporal authority of the monarch.

Instead, consensus has been the subject of some negotiation over time. Some left-leaning political activists have long called for circumscribing further the powers of the king. They have advocated a system in which parliament and the cabinet wield more authority, and are more independent from the palace. Opposition groups or parties will either play by the *makhzen's* rules or withhold their participation within formal political arenas depending on whether they feel that the palace is moving, however gradually, to open more of the political process up to democratic processes. If they are not satisfied that the regime is according more room for meaningful participation, opposition groups will, at times, turn to the street and try to mobilize the base in protest. Such was the case previously with the leftists and is increasingly the situation with the Islamists, such as *Adl*, that have not been content with current structures.

Despite the ongoing nature of this negotiated transition, there was never a higher degree of consensus in Morocco's independent history than at the outset of the government of *alternance*. The period stretching from 1998 to 2000 represented the height of agreement over the rules of the game. Indeed, the very fact that the essential rules of the game were accepted by the key political actors, the king was freer to make concessions that gave representative institutions a greater role in the country's governance. However, as explained in greater detail below, the past two years have witnessed greater disagreements over some fundamental aspects of the rules of the game.

As a result of the democratization process initiated in the early 1990s, a sphere of political life has grown up that is subject to electoral mechanisms. This is the area in which the multiple party system flourishes, and the formation of governments in part results from mechanisms of representation. The greater freedoms and responsibilities accorded to the elected institutions are, to a certain extent, still consultative, representing a deepening of the process of increased consultation with advisory bodies that was begun under Hassan II. For example, the elected presidents of communes may still be stripped of their position by the Ministry of the Interior without recourse to the judicial system, according to the new communal charter. The parliament's powers also remain largely consultative as well, as seen in the case of the investigative commissions into some recent financial scandals involving public funds. King Hassan's gambit with democratization was that, by opening political space gradually and within limits, he would be able to consolidate the legitimacy of the state with the monarch at its head.

At the same time, key elements of state prerogatives remain that are off limits for negotiation and where national consensus is dictated by law and tradition. Such is the case with Islam as the national religion and a commitment to territorial integrity, including the Western Sahara. Roughly speaking, the political field is divided into a cloistered royal sphere on the one hand and a more competitive sphere on the other, the latter of which includes parties, unions, media, and parliament. The royal sphere exercises its power through the *makhzen*, which is a personalized network of individuals who are bound to each other and the palace through patronage, family ties, and an unbending allegiance to the throne. While the king hesitates from too direct an involvement in the details of politics, his will is carried out indirectly through the omnipresent *makhzen*, which distributes rewards and arbitration through control from above.

The king thus wears two hats: head of the modern state which Morocco inherited from the French, and head of the much older *makhzen*, which is rooted in Morocco's pre-colonial history. As head of state, Mohamed VI sits atop a complex bureaucracy and supervises the work of the cabinet, the legislature, and the judiciary. As head of the *makhzen*, he controls the informal and much less visible network of individuals and families that have been instrumental in ensuring the survival of the monarchy for centuries. Their loyalty is gained in exchange for the favors they receive from the palace and the power and status that their relationship to the throne confers upon them. Those that make up the *makhzen* perform essential political and security functions, such as information gathering, conflict regulation, policy implementation, and interest representation. Some of the individuals in the *makhzen* also work within formal governmental structures, so there is some overlap between the two spheres. One of the king's fundamental roles is to manage the competition between the contending elite of the kingdom—both those that operate primarily through the *makhzen* as well as those that rely on the more modern and democratic mechanisms of participation and representation.

The *makhzen* exercises influence through its control over several key leverage points. The Royal Cabinet is one key example of this. This cabinet is not in the constitution, but, in many respects, is more powerful than the Council of Ministers (the government cabinet). The Royal Cabinet is comprised of advisors and senior army officers that form the king's entourage at the apex of the Moroccan establishment.

The Ministries of Sovereignty constitute another linchpin of *makhzenian* power. These include the powerful Ministries of Interior, Justice, Foreign Affairs, and Religious Affairs. They remain the province of the king rather than the prime minister, answering directly to the monarch and Royal Cabinet. The Ministries of Sovereignty thus are not accountable to parliament, but to the king. The Ministry of the Interior has played a particularly strong role as gatekeeper for the political sphere that is accessible via democratic mechanisms, as described below in the section on competition.

Finally, the *makhzen's* influence also is derived from the significant wealth of the royal family and its close involvement in the country's private economic sector. For instance, the royal family is the dominant shareholder in the country's largest conglomerate, *Omnium Nord Africain* (ONA). The intertwining of the political and economic elite has created special privileges for a relatively small number that benefit from the patronage of the palace through preferential access to profitable economic opportunity. The effect this favoritism has in regard to equal treatment under the law has created a disincentive for private investors not already tied into the power structure.

The political sphere occupied by the government is thus overlaid by the more powerful network known as the *makhzen*. Its influence is exercised not only through formal means, but also through opaque decision-making processes, for which there are no written procedures. These informal and highly personalized relations are driven by trust, reputation, tradition, and family ties. The decision making often takes the form of backroom deals struck between well-connected individuals who often exercise their influence behind the scenes and who are not subject to accountability mechanisms. A popular Moroccan proverb states that "One must not play with water, fire, and the *makhzen*," which implies dangerous consequences of crossing the *makhzen*, which is expected to respond with impunity to perceived threats or antagonists. It is worth noting that the very term *makhzen* is derived from the root word *khazana*, one meaning of which is to hide. Bringing more of Morocco's political system under democratic governance will necessarily involve greater transparency in the exercise of power and in the allocation of resources.

The political logic of the *makhzen* is rooted in the preservation of the status quo, so it has a strong interest in stability. While the political will for democratization has come from the top, this has been part of a calculated strategy to preserve the legitimacy of the state. The *makhzen* is not homogeneous on this matter—rather it is split between those that see democratization as a necessity and others who are opposed to relinquishing mechanisms of control. The *makhzen's* prior *modus operandi* was to counter the country's vulnerability to conflict by maintaining a strong grip at the local level and a decisive voice in regards to who can enter the various political arenas. For many in the *makhzen*, giving up some of their arbitrary aspects of decision making will not be palatable.

The democratic game thus takes place in relation to only a circumscribed portion of the Moroccan state. Consensus over the rules of the game is shared by a decreasing number as frustration has set in regarding the efficacy of participating in the representative system. Particularly damaging to the confidence-building process was the *alternance* government not living up to the high hopes that prevailed when it was formed. The political parties are generally seen as more bankrupt than ever,

as they have not moved beyond playing musical chairs to calling the tune. That is, the parties tend to compete within existing parameters, without addressing broader issues relating to the rules of the game. Despite all of the progress made in regards to political opening, *Al-Adl wal-Ihsane*, the most popular Islamist organization, called for the boycott of the most recent parliamentary elections to protest the parameters that still surround the democratic field.

It is ironic that the opening of political space has provided greater opportunity for those who reject the rules of the game to voice and act upon their opposition, such as *Al Islah wa Attahid* and *Al-Adl*. Widespread poverty, high unemployment, and the failure of the political parties to adequately represent the population, has led to rapid popular mobilization by Islamists who reject the consensus over access to a limited sphere of the political domain. *Al-Adl*, which in a short time has become one of the largest political movements in the country, categorically rejects the monarchical system, the king's status as Commander of the Faithful, and refuses to participate in the formal democratic arenas.

The questioning of consensus has become more vocal as freedom of expression has increased at the same time that frustration with the lack of economic opportunity and growth has mounted. This questioning has even reached into areas that were hitherto very sensitive, such as the role of the monarch in a constitutional system. The call for limiting the extensive prerogatives of the king, both according to the constitution and in practice, has assumed new and unprecedented prominence as a topic of public debate around the country. The debate revolves around the notion of "*monarchie exécutive*"—that is, a king who routinely intervenes in the functioning of the executive branch, and is endowed with powers that many would like to see entrusted to the cabinet and its leader. For instance, it is the king who appoints the heads of the country's public enterprises—not the prime minister, or the Minister presiding over the various sectors of the economy in which those firms operate. Over the past two years, many have suggested that responsibility for those public sector appointments should be transferred to the prime minister or the relevant Ministers.

More generally, since 2000, the press has featured a flurry of articles bemoaning the fact that, because of the king's unchecked ability to intervene in the day-to-day functioning of the executive branch, the nominal head of the executive branch (the prime minister) is not its actual head (the king). The same voices suggest that, since the king cannot be openly criticized, the extent to which key executive decisions can be subjected to scrutiny and debate is limited. In short, for the first time in Moroccan history, some are openly challenging the longstanding Moroccan tradition in which all powers are actually the king's, who merely delegates some of them to individuals (including the prime minister), who operate under his supervision and on his behalf.

The debate over the king's wide-ranging powers is likely to become even more intense in the years ahead. It demonstrates how far Morocco has traveled on the road toward greater freedom of expression. By the same token, however, it raises new dangers of polarization between those who believe that the constitution should be amended to reflect a move toward a constitutional monarchy, and those who insist, instead, that the monarchy's prerogatives should not be curtailed—at least not in the short-to-medium term. In this latter camp, one finds many who feel that the king remains a desperately needed guarantor of stability and continuity at a particularly difficult historical juncture marked by uncertainty and perils, and in a situation where neither governmental institutions nor political parties are strong enough to fill the vacuum that would be left by a retreat of the palace.

The role of Islam in social and political affairs is also more openly discussed than in the past, and the debate has become more contentious. For the first time in Moroccan history, some political and civil society activities are urging a separation of state and religion, and are calling for an explicitly secular state. Others, of course, are calling for greater adherence to Islamic precepts, especially in regards to the judicial system. As the political field has opened up, it has exposed and deepened lines of conflict that had hitherto been muted.

2.2 Competition

The progress made in increasing the means of competition within the political system has been one of Morocco's greatest accomplishments over the past decade and has put Morocco well ahead of the regional norm along this dimension of democratic governance. The spectacular development of civil society has been one of the most visible although not only indicators of the tangible opening of political space to express and explore alternative perspectives. Advocacy CSOs have been allowed to push back the frontiers of public debate into areas that until recently were taboo, from corruption to domestic violence to the sexual exploitation of children. The progress in terms of elections has also been notable, as it has in regards to public liberties, such as the right to associate and freedom of expression. The Youssefi government worked hard and diligently to relax the regulatory Code of Public Liberties, which is a central building block in the competitive framework. The new code includes less restrictive laws on associations and the press, and revised provisions for public assembly. The liberalization measures met some resistance from the MOI and the MOJ, but the promulgation of the new code has confirmed that the democratization process is still ongoing despite recent security concerns associated with the rise of the Islamists in the context of the broader war on terror.

Morocco thus now has an increasingly vibrant competitive arena. There is competing and outspoken access to media outlets, a plethora of active political parties, and what is arguably the most dynamic civil society across the Arab world. There are certainly plenty of credible vehicles through which citizens may participate in the political arena. For example, the unemployed university graduates have formed their own association, which has emerged as a strong advocate for the improvement of opportunities available to their ranks, and which has numerous chapters throughout the country.

At the same time, there is still room for ongoing improvement, as seen in regards to elections. Although the September 2003 poll was hailed for its unprecedented degree of openness, the regime has always controlled the parameters of participation through a number of means. For one thing, they have either impeded the formation of some parties while creating others. The same is true for individual candidates, where hurdles are placed in front of individuals whom the regime does not feel comfortable in allowing to run for office. Gerrymandering is another mechanism by which electoral circumscriptions reflect political concerns. For instance, in cities where the Islamists and previously the leftists dominated the opposition, there are fewer seats directly elected than in the countryside, which has historically been more loyal to the throne. New changes in the electoral codes (as discussed below) also help inject an element of conservatism into the system so that populist currents do not lead to overly rapid change that has a destabilizing effect. The electoral lists are also subject to some manipulation, with some voters registering numerous times.

Political parties are particularly lacking in terms of their ability to channel competition effectively within the political system. Part of the problem with party development over the years has been a

severe fragmentation that, in part, was the result of past divide and rule tactics by the regime. In the spring of 2003, there were 37 distinct parties in a country of 31 million persons. The parties evolved in a context where they did not compete so much over ideas, but for the spoils of access to influence through accommodation with the palace. A growing alienation between the political parties and the electorate has emerged as a result of the shortcomings of parties in fulfilling the functions of interest aggregation and articulation. In a recent survey conducted by IRI (International Republican Institute), 50 percent of those polled said the parties did not reflect the needs and priorities of Morocco. The poor turnout in the September elections further confirmed the parties' lack of credibility.

While the structural context may have contributed to the deficiencies of the political parties, their internal structures and dynamics have also inhibited their development and maturation despite Morocco's long history with multiparty pluralism. The parties tend to be internally undemocratic, there is little turnover, and there are no procedures for succession. Even more than their internal capacity, the leadership sclerosis of the parties has become an obstacle to them becoming more relevant or accessible to the new generations that already form the majority of the population. The hold of older generations is very strong, and they are steeped in conservative patterns of seeking accommodations with the palace as a means to gain a bit of discretionary authority in the allocation of public resources. There is currently little ability for those under the age of 50 to have much influence in the traditional party hierarchies. Political party members currently only count for about three percent of the population. The political parties never effectively mobilized the urban middle classes, and those activists with reform agendas have turned to civil society organizations as a means of participation as an alternative to the parties.

An emerging exception to the deficiencies of the political parties appears to be the PJD, which provides some hope that room remains within the system for reform of the parties. Although the PJD remains a relatively small party, it has distinguished itself by its organizational strength and sophistication. It has party offices in smaller locations where other parties do not, and is well structured internally. The PJD is also doing more to develop a party platform than some of its competitors. It received about 500,000 votes out of 14 million in the last election, enough to give it a third place finish behind the USFP and the Istiqlal. It did particularly well in Casablanca, and political observers anticipate that the PJD will be a force to reckon with in urban and peri-urban areas in the forthcoming municipal elections.

Despite the shortcomings of the political parties, the growing competition of ideas in Morocco has become particularly striking. Political dialogue is increasingly rooted in a genuine intellectual discourse, having moved beyond the sloganeering of the parties and their media outlets in previous decades. Leading this change has been the relatively rapid growth of Moroccan civil society organizations that are increasingly championing the cause of democracy, human rights, and equity for women. Transparency and accountability are especially prominent in the agendas of newly created NGOs that have emerged on the scene.

The poignancy of the greater competition of ideas has been especially marked in regards to the public debate over the status of women. After years of activism by women's and human rights NGOs, there has been a major push for reform. At the heart of the public debate has been the *moudouwana*, which is the Moroccan Personal Status Code that defines women's rights. The *moudouwana* is based on a mixture of custom and Islamic law and places huge disadvantages on women, making them almost entirely subject to the control of their husband. Key issues that are at stake in the public debate include the splitting of assets in divorce, polygamy, the legal age of

marriage, and the nationality of children in the case of multinational marriages. Although the civil society activists succeeded in putting women's rights on the public agenda, there is little consensus over this sensitive issue, and a backlash has emerged from the Islamists and conservatives regarding the pace and extent of reform. The split in regards to this matter was driven home by two famous parallel but contrary demonstrations in March 2000. One was organized by women's NGOs in Rabat while the other was put on by Islamists and conservatives in Casablanca. The PJD has also weighed in with opposition to reform in the *moudouwana*, objecting to what they perceive as a westernization of the role of women in society. Meanwhile, the king has broken with tradition through much greater visibility for his young wife than had the spouse of Hassan II, who remained cloistered from public view. The government is attempting to control conflict that might arise out of this explosive issue by establishing a commission to study the issue further, which is seen by many as a go-slow approach. On the other hand, the establishment of women quotas in the September elections has been a major step forward in increasing the direct representation of women in parliament. While the active and vigorous nature of the public debate over gender equity has laid bare some of the fault lines in Moroccan society, it clearly indicates that competition over even sensitive ideas is quite genuine in that country.

The media is another key leg of the stool in the competitive dimension of democratic governance. Huge progress has been made in terms of freedom of expression and availability of information. Perhaps the clearest illustration of this is the fact that the press now openly discusses two questions which, as recently as 2001, were still considered off-limits. Namely, what should be the prerogatives of the monarchy, and should there be a stricter separation of religion and state if Morocco is to evolve into a fully modern democratic society? The partial liberalization of the press code has also stimulated more aggressive investigative and critical journalism. The fines and jail sentences for violations of the press code have been decreased, especially for defamation. Jail sentences for many infractions to the press code have been replaced by fines. The government is now required to justify before a court of law the seizure of, or ban on, a newspaper or magazine. Similarly, it is now the MOJ, rather than the MOI or the PM (Prime Minister) that has the authority to suspend newspapers.

Morocco is rapidly developing a corps of independent and responsible journalists who have done more to inject a new sense of freedom into the political sphere than they have done to debunk the system despite the often critical tone of their report. Even though the media now critiques even very sensitive subjects, the overall impression that is left is positive as it indicates a healthy competition over ideas that is tolerated by a state that has confidence in its own legitimacy. However, the quality of the press remains somewhat uneven, reflecting the rapidity with which political space has been opened. While there is now a strong, credible, and respected economic press (*L'Economiste*, *La Vie Economique*, etc.), there is also some yellow journalism and a party press that tends to lack standards of objectivity.

While the contributions of the media to the competitive dimension of governance have become much more pronounced and prominent, there remain certain mixed signals regarding the limits of freedom of expression. Since December 2000, there have been occasional but repeated crackdowns on those news outlets that have crossed the red lines. *Le Journal* (now *Le Journal Hebdomadaire*) and *Demain* have had newspapers seized when they were considered to have exceeded the limits of free press. Just recently the editor of *al-Ousbouu* newspaper, Moustafa al-Alawi, has been charged with spreading panic and misinformation after the newspaper published a radical group's claim to have carried out the Casablanca bombings. The perceived arbitrary nature of the clamp-downs have helped to promote self-censorship, with courts giving the impression that their judgements may be

influenced by political considerations. For instance, journalist Ali Lamrabet has been jailed for four years for slandering King Mohamed VI, and judges have refused to release him provisionally pending an appeal hearing.

Despite the improvements that have been discussed, the new press code retains several provisions that enable the authorities to ban, seize, or suspend publications for political reasons. Article 41 still allows for the prosecution of journalists who have made statements the authorities declare to have been harmful to the monarchy, Islam, "national integrity" (a reference to the Western Sahara issue), public order, and "the morale of the army." Since what might be considered "harmful" is not specifically defined, journalists can never be sure if they are in violation of the law. Article 41 therefore amounts to a sword that the authorities can invoke at any moment to silence editors and journalists. Reporting what the authorities may describe as having "undermined" the reputation of the monarchy or the armed forces, as having insulted Islam, or as having suggested that the Western Sahara is not an integral part of Morocco, still carries a potential three-to-five year jail sentence (compared to five-to-twenty years under the old press law).

Overall, the relaxation of controls on the press has been extraordinarily positive despite continued criticisms by journalists and human rights groups regarding the ambiguities that remain. The next step in the opening of political space for greater media freedoms is already underway, with the upper house of parliament approving a draft law to end the state monopoly over broadcasting and to allow for commercial radio and television stations. The bill will soon go before the lower house and there have already been more than 30 applications for radio and television stations. There may even be a specialized channel in parliamentary affairs. The new broadcasting sector is expected to be regulated by a Higher Council for the Audiovisual, a largely independent body. In a country where half the population is illiterate, the opening of the broadcasting medium will represent a significant step forward.

Morocco's experience with increasing competition within the system is symptomatic of the steady yet cautious approach toward democratization in general. The royal sphere remains beyond the realm of accountability, but there is a second sphere which is increasingly subject to competition which includes the parties, unions, media, associations, and parliament. The MOI plays a key gatekeeper function in regulating entry into the open competitive arena as, for example, in the case of associations. Associations now have much greater financial autonomy, being able to raise money both through dues and through funding by foreign donors. There are relatively stringent reporting requirements that allow the regime to keep track of these financial influences, but associational life is much more viable in the wake of the new codes. The sanctions for violating the code on associations has also been reduced. However, some uncertainties remain in the registration process, where temporary receipts of declaration are required to operate, and obtaining these receipts continues to give the MOI some measure of discretion in allowing access to the associational sphere.

The improved handling of elections has been further characteristic of the gradual democratization that is steadily taking place. The much greater freedom in the implementation of elections has indicated that Morocco's cautious approach toward political reform is possible while still making forward progress. In the past, the state would engage in a variety of mechanisms to influence the outcome, which included flooding the party scene with men close to the king and more heavy-handed tactics at the ballot boxes. The regime, however, has now adopted sophisticated electoral techniques that have allowed for a built-in conservatism that permits the further opening of space for genuine competition. For example, the new system of proportional representation has placed

certain limits on radical swings associated with populism. The voting for parliament is done by party lists. Previously there was one seat per district, but now there are larger districts with three to five seats per district, which are distributed on a proportional basis according to the number of votes received by each party. Voting for the parties in this manner has had the effect of protecting the traditional parties from a crushing defeat as a result of their decline in credibility. Unfortunately, it has also accentuated the elitist nature of the results, since the party elite determined the content of the party lists through their respective Political Bureaus. In addition, the new electoral system inhibits any party from emerging with a majority or strong coalition, with the proportional representation system encouraging a fragmentation of parliamentary composition. By requiring a complex coalition to govern, the parties of the center are given more influence as their participation tends to be needed to form a governing coalition. In addition, the gerrymandering of electoral districts has tended to dilute the impact of the urban vote, which is where the Islamist opposition tends to be most heavily concentrated.

The implementation of electoral mechanisms to curb potentially radical swings in the outcome of voting will also be in evidence in the forthcoming local elections. In urban circumscriptions of more than 25,000 persons, a proportional representation system will also apply, whereas in smaller districts and towns the more traditional uninominal (single seat) balloting will take place. The local collectivities also provide a good number of the members of the upper house of parliament, with one-third of them being new, and over half of those indirectly elected via the local councils. Consequently, while the Islamists may be expected to gain some additional influence as a result of the first local elections since 1997, their gain in influence is expected to be muted since most of the collectivities are from the countryside where the *makhzen* is still more dominant.

In sum, the competition dimension has been thriving and growing in Morocco in recent years. At the same time, however, the limits on the sphere of politics open to competition and the exclusion of certain elements (especially *al-Adl wal Ihsahne*) through a gatekeeping process has kept the pressures on for greater change.

2.3 Inclusion

Inclusion is another dimension of democratic governance in which great strides have been made in Morocco. While some problems persist, they may be better understood when put in the context of Morocco's priority on stability and the country's vulnerability to conflict. The Moroccan regime has sought to balance the promotion of greater participation with a suspicion regarding the judgement of the masses, which remain relatively uneducated and are perceived as potentially susceptible to destabilizing influences.

One of the most pronounced schisms in Moroccan society is socioeconomic. Alongside the wealthy and powerful, there are large numbers of poor illiterates, especially in the countryside. Some 12 million Moroccans live in poverty, with half of them uneducated. Approximately 60 percent of those eligible to vote cannot read or write, leading to some distrust over their ability to make informed decisions. Votes are sometimes sold for as little as 20 dirhams, and in a recent IRI poll, eight percent admitted that someone had tried to offer them a personal reward in exchange for their vote. Two-thirds of the population is under the age of 25, further increasing their potential for radicalization, especially in light of the paucity of economic opportunity.

The regime has always been wary of the masses and of attempts to mobilize them. The leftists used to try to tap into this silent majority, albeit relatively unsuccessfully. The Islamists have been more successful in tapping into discontent that is encouraged by inadequate material conditions in urban areas, and this has helped to reinforce the regime's distrust of populism. The *makhzen* views the common people as generally incompetent or dishonest, and so mechanisms to provide meaningful channels for participation by the poor are not encouraged. At the same time, the king has recognized the dangerous potential for increasing alienation by the youth, and accordingly met one of the longstanding demands of the left wing parties when he lowered the voting age from 20 to 18 in December 2002. The monarch officially justified that decision as necessary to enable "the Moroccan youth to overwhelmingly join our project of a modern, democratic society." However, young Moroccans feel disenfranchised by their inadequate representation by the political parties, as reflected in their low and decreasing participation in elections. Unless the gap between the official party scene and the youth population is narrowed, it is likely to be filled by radical voices, particularly of an Islamist bent.

One means by which the king has sought to reduce and dilute the disenchantment by the poor is by giving more attention to disadvantaged regions. He made a much publicized visit to the poor northern region, and established an agency for the development of the northern region, which is supported by EU (European Union) funding. The palace has also sought to give increased priority to the development of the Western Sahara, to which the king made a controversial tour in 2001, the first by a Moroccan monarch in over a decade. An ambitious expansion of the port at Laayoune is also currently underway and there has been an agency established for the development of the Saharan provinces. The state is further seeking to expand its social inclusion projects toward which end it has established the *Agence de Développement Social*.

The principal current exclusion is the case of *al-Adl wal Ihsahne*. This organization began as an association founded around charitable works. It then became increasingly political in nature and active in universities. It now has the structure and functional differentiation of a political party, complete with a political bureau (*cercle politique*) and a newspaper, which has been confiscated by authorities. It is now outlawed even as an association, but remains one of the more potent organized political forces outside of the government. It is most active in the popular neighborhoods of Casablanca, Rabat-Salé, Oujda, and the north. It is stronger organizationally than it is ideologically, and is quite opaque in terms of its financing.

The state has coupled its outlawing of Adl with several steps to curb the growth of Islamism. It has shut down unauthorized mosques and bookshops selling Islamist texts and audiocassettes. It also has ordered police officers to shave their beards and prohibited female officers from wearing hijabs, or head scarves. For its part, Adl has likewise rejected attempts at accommodation with the state, which it has proclaimed as illegitimate and un-Islamic.

The regime has adopted a policy of bringing more moderate Islamist groups, such as the PJD, into the political system while suppressing more radical groups, partly under cover of the war on terror. Morocco is one of the few Arab countries that have made the strategic choice of trying to integrate the moderate, legalist wing of the Islamist movement into the formal political arena, instead of relying merely on an undifferentiated exclusion and repression of all Islamists. Not only was the PJD allowed to run in the 2002 parliamentary elections, but it did extremely well, capturing the third largest number of seats (42 out of 325). That impressive performance (merely eight seats below the party that received the most votes, the social-democratic USFP) turned the PJD into the

core of the parliamentary opposition to the government formed by PM Driss Jettou in October 2002.

The third major inclusion issue relates to gender. Women tend to be excluded in an indirect fashion, as a result of socio-cultural patterns and prejudices. Gender-based inequalities are particularly pronounced in regards to illiteracy and educational opportunities. While about 40 percent of men are illiterate, almost two-thirds of all women cannot read or write. It is estimated that three million rural children, mostly girls, do not attend school, and that of rural girls aged 7-15, about 55 percent have never attended school.

Arguably the major problem faced by Moroccan women is a legal framework that condemns them to the status of perpetual minors. The Moroccan Code of Personal Status (CPS), or *moudouwana*, which regulates family matters, sharply restricts women's rights in such critical areas as marriage, divorce, and inheritance. Dating back to 1957, the CPS is based on Islamic law, and allows for such practices as polygamy and repudiation (a husband's right unilaterally to divorce his wife and force her out of the conjugal home, without going to court). The reform of the *moudouwana* has been a highly sensitive issue in Morocco, as discussed above. While it has been on the country's public agenda for the past decade, it has been resisted staunchly by traditionalists and Islamists. The regime must walk a fine line to balance the concern of those powerful voices against those of secularists and modernists. The latter have been relentless in their call for the modification of an anachronistic legal status for women that both violates basic conceptions of human rights and retards Moroccan development.

The impediments against the effective participation of women in the political process are reflected in their under-representation in formal political structures. There are only two women (less than 1 percent) in the 270-seat upper chamber (Chamber of Councilors). No woman has ever been appointed wali, governor, or minister (though in the past five years, several have held the rank of Deputy Minister or "*Secrétaire d'Etat*"). In the most recent municipal elections of June 1997 (the next ones are scheduled for June 2003), less than 6 percent of all candidates (1,651 out of more than 30,000) were women, and they fared very poorly: only 83 women (or 0.034 percent of the 24,000 members of municipal councils nationwide) are women. No woman has ever been elected president of a municipal council.

The Moroccan commitment to democratization, however, is again evident in a series of measures to increase the representation of women in public institutions. The most marked of these changes has been the introduction of a quota system for the lower chamber of parliament, whereby 30 seats were set aside for women. Following the September 2002 parliamentary elections, the number of women in the lower chamber increased from 4 to 35, out of 325 members. Of all Arab countries, therefore, Morocco currently has the largest representation of women in the legislature.

Since the 1993 elections the representation of women in the lower chamber has evolved as follows:

Prior to 1993	1993	1997	2002
0	2	4 (1.23%)	35 (12%)

In addition, since the king appointed the new members of the Consultative Council on Human Rights in December 2002, the presence of women within that institution increased to 20 percent.

One of the king's key economic advisors, Amina Benkhadra, is a woman. She is also Director of the powerful public firm *Office National de Recherches et d'Exploitation Pertolières* (ONEP). Other women who, in the past three years, have reached positions of significant influence include Zoulikha Nasri, head of the Fondation Mohamed V and a key advisor of the king, as well as Aïcha Belarbi, a prominent member of the USFP, whom the king appointed in July 2000 to be Morocco's Ambassador to the EU. Women are also assuming more prominent roles in the professions and the business world. Women investigative journalists such as Narjis Rerhaye and Hinde Taarji have taken on powerful political figures and delved into sensitive subjects. In the past five years, the hosts of some of the most influential political personages on television also have been women (such as Samira Sitaïl and Malika Malak).

The king's determination to elevate the status of women has been a major theme of several of his speeches. It has been reflected as well in the manner in which the monarch has handled several key public events, including his own wedding to 24-year-old Lalla Salma Bennani in late March 2002. It was significant, for instance, that the press was allowed to publish the name and photographs of his bride (neither King Mohammed's own mother, nor King Hassan's other wife, were ever seen in public, and their names were not an appropriate topic of discussion in the press). Furthermore, unlike her predecessors, King Mohammed's wife has been given an official title: Princess Lalla Salma (the title of queen does not exist in Morocco). Princess Lalla Salma's professional background—she is a computer specialist and holds a degree in engineering—is also viewed as an indirect way for the king to underscore his desire to see women play an increasingly prominent role in social and economic affairs.

Despite these positive developments relating to the role of women, the Islamists have actually been able to tap into the general exclusion of women to increase their broad-based appeal. They have done so by making space that is more effective for women within their organizations than other traditional political organizations, such as the mainstream political parties. Women have found that they are being given access to decision-making positions within Islamist currents, which, in part, has served to undermine the popular appeal and credibility of modernist women's NGOs.

The Berbers represent an area of ethnic sensibility iin which great progress has been made in terms of inclusion. During the colonial era, the Berber/Arab divide was exploited for political order, and the priority placed on maintaining political order in the countryside meant that it was a taboo subject for much of Morocco's independent history. In recent years, however, there has been considerable opening to Berberism as a cultural identity, in part as a counterbalance first to the leftists and then the Islamists.

King Mohamed VI has taken several important steps—some symbolic (but symbolism matters a great deal here), other substantive—to satisfy the cultural demands of Berber activists. Hassan Aourid, the king's spokesman, is a longtime Berber activist himself. The monarch often speaks of Morocco's cultural diversity, and is keen to underscore the contribution of Berber culture to the national heritage. One of his most dramatic moves shortly after ascending the throne was a well-publicized tour (during the fall of 1999) of the predominantly Berber Rif region in the north. This region had been ignored deliberately by his father throughout his reign because of an insurrection there back in 1958. In 2000, the palace announced that Berber languages would be taught in primary schools and that research centers devoted to Berber studies would be set up in several universities. Even more importantly, the king established the Royal Institute for Amazigh Culture

(*Institut Royal de la Culture Amazighe*) in October 2001, and appointed longtime and respected Berber activist Muhammad Chafik to head that institution.

In sum, Morocco continues to demonstrate tangible progress along the dimension of inclusion. While certain problems remain, the situation is neither stagnant nor regressive. The key to long-term progress will be in overcoming the deep-rooted obstacles to greater participation that have resulted from economic underdevelopment, gender inequity, and the country's vulnerability to conflict.

2.4 Rule of Law

The rule of law dimension of governance in Morocco provides a further clarification of how democratization efforts initially proceeded rapidly and then encountered limits as a result of running into the interests of actors who are heavily vested in the upper networks of power, beyond the electoral sphere. The most marked progress to date has been in terms of individual security. The extent to which one is protected against the arbitrary use of power and authority by officials is much higher than ever before, although much remains to be done, particularly in more remote, isolated communities. There is an active human rights movement that has become better organized at the national level and which has steadily grown more influential over the last decade.

The Consultative Council of Human Rights (CCDH)—created back in 1990, and which deals with sensitive issues related to past human rights abuses, the promotion and protection of human rights, and the deepening of the rule of law—recently has been strengthened and made more representative. Changes have taken place both in its composition and in its prerogatives. The CCDH's new members, appointed by King Mohamed VI on December 10, 2002, include several civil society activists who long have been involved in the struggle for human rights. The CCDH's new president, former Justice Minister Omar Azziman, enjoys a credibility that had eluded his predecessor, Driss Dahak. Even more significant was the appointment of Driss Benzekri as the CCDH's new Secretary General. Benzekri, who was a political prisoner for 14 years during the 1970s and 1980s, was the founder and former Secretary General of the "Truth and Justice Forum" (TJF). An advocacy group created in 1999, the TJF was instrumental in calling for Morocco to face up to the legacy of past human rights abuses. It also helped to expose the involvement of key personalities connected to the inner circle of power in those abuses.

In the wake of a new royal *Dahir* concerning the CCDH, that institution now enjoys a degree of administrative and financial autonomy it did not have before. Furthermore, now, on its own initiative, it can examine specific cases of human rights violations and formulate recommendations to the relevant authorities. In short, over the past year, the regime has made a deliberate effort to endow the CCDH with a degree of legitimacy and with the skills and resources that should allow this institution to become more effective at discharging its functions. (More information on the CCDH can be found on its new web site at www.ccdh.org.ma.)

Despite the progress made in respect to individual liberties and human rights, however, justice in Morocco continues to be perceived as being based on a differential access to power that is not regulated by an independent and impartial rule of law. The rule of law dimension represents a key area in which the credibility of the regime with the population remains weak and where potential investors continue to feel vulnerable in the absence of a level playing field. While strong political will appears to exist at the top in terms of combating corruption, the deficiencies in the rule of law

area create blockages to effective accountability and due process. It is widely recognized, for example, that the public procurement process needs to be systematized and rendered more transparent. In addition, parliament needs to be further empowered in its attempts to hold the executive branch accountable in its management of public funds.

The fundamental problem in the rule of law area is that the system is highly permeable to political influence. The judiciary is still far from being independent from the executive branch as well as from other types of political pressures by well-connected individuals. Telephone justice remains a problem. Judges lack guarantees that they will not be punished for issuing rulings that threaten powerful vested political and economic interests. The mechanisms through which judges are appointed, promoted, sanctioned, and dismissed leave them vulnerable to political retribution.

The susceptibility of the justice system to uneven influence has been a significant deterrent to broader private investment. There is little sense of a guarantee that the economic sphere is insulated from the political. The combination of a stringent labor code combined with the shortcomings of the judicial system serve as a further disincentive to investors. It is hard to hire and fire workers, who are also given a constitutional right to strike as well as indemnity payments in case of group dismissal. The problems in the rule of law area represent a hindrance to the ultimate success of the FTA (Free Trade Agreement) with the United States that is currently being negotiated.

The close linkage between the MOJ with the palace as a Ministry of Sovereignty places certain structural limits on the independence of the judiciary, as discussed in the subsequent section on institutional arenas. The experience of former Justice Minister Omar Azziman indicates that for Ministers to be effective, they need to work closely with the king and his advisors. As a result, the key operative principle in regards to the administration of justice is instrumentalization rather than independence or autonomy. The courts of account do not have any jurisdiction over Ministers either, and the links between the courts of control and the MOJ are not yet institutionalized. While parliament could represent a key in terms of further developing oversight mechanisms to ensure impartiality, it is dependent on the MOJ to follow up any investigations or inquiries that the legislature might carry out. Within the last two years, a new civil society organization called *Association Marocaine pour l'Independence de la Justice* has been founded and is symptomatic of frustrations with the continued malleability of the judiciary.

The instrumental nature of the justice system has also permitted the security forces to operate with a sense of impunity, despite the broader improvements in human rights. Morocco has not been immune to the negative impact on human rights and the rule of law of the international context in the post 9/11 era. Since spring 2000, over two dozen radical Islamist suspects have been detained by the security services. They have been held for interrogation at unknown locations, in several cases for months in a row, being denied due process and access to lawyers. A few of them remain missing, and others allegedly have been tortured. Human rights activists, who cannot be accused of sympathy for Islamists (many of them are left-leaning activists), have denounced the phenomenon as a return to some of the practices of the 1960s, 1970s, and 1980s. They believe it sets a dangerous precedent that could inspire a broader crackdown on critics of the regime.

In 2003, the government introduced a new anti-terrorism bill that was unanimously passed by the House of Representatives (with one abstention) in March. The bill is intended to reinforce the means by which the public authorities may legally crack down on suspected terrorists. It regulates searches and opens the door for greater monitoring of telecommunications conversations and contacts. It also enables the public prosecutor to have access to information about suspected funds

circulation. It also establishes penalties for acts defined as terrorist crimes, including advocating terrorist acts through preaching public statements and threats, publications and leaflets, public postings, and various audio-visual and electronic means. The bill also contains provisions regarding cooperation with foreign countries in the fight against terror. The bill is currently slated to go to the Chamber of Advisors for approval.

The draft law, however, defines terrorism in very general terms (as acts that endanger the "safety of society," or that are intended to create fear and discord within it). Consequently, it is open to abuses, and has been denounced by media outlets, political party leaders, and civil society activists. Those critics argue that the Moroccan legal system already includes enough extremely severe provisions to prosecute and punish those who engage in terrorist acts, and that the new law merely undermines the building of a true state of law. In the wake of the May 2003 terrorist bombings in Casablanca, such debates are likely to intensify. Those who advocate protecting security at all costs, even at the expense of civil liberties, as well as those who cynically invoke the specter of terrorism to constrain political freedoms that would threaten their vested interests, have become more likely to carry the argument.

The sanctity of the rule of law suffered a further blow when the government arrested 14 young musicians as Satanists in March 2003. The youngsters were members of heavy metal groups and their fans. Civil society and human rights groups condemned these arrests as politically motivated as an attempt to prove the regime's credentials to conservatives and Islamists. Over 5,000 protested in front of court in Casablanca, and 11 have since been acquitted with the sentences of the remaining three reduced to 45 days from one year in prison. However, the incident served to make a mockery of Moroccan justice, further undermining the reputation of the Moroccan system of justice.

In sum, a technical fix will not be enough to remedy the current problems in the rule of law area. Led by Moroccan reformists within the MOJ itself, there have already been steps taken to improve the administration of justice (see below, under institutional arenas). The key problem, however, is more fundamental in that the current rule of law system reflects power rather than transparent and impartial procedure. Indeed, the problems with the justice area is one of the key areas around which Islamists have been able to center their complaints about the system of governance. It also remains one of the central items on the reformist agendas. There is a widespread and pronounced lack of confidence by the populace in regards to police and the justice system. For the DG transition to deepen and make essential progress, there is a need for those at the top to place more faith in transparent institutions rather than in connections and personalistic influence.

2.5 Governance

Governance remains the most problematic DG area in Morocco. It is poor at all territorial levels—from the local level all the way to the central administration and the national political party scene. Serious shortcomings can be detected in all three key aspects of governance: effectiveness, accountability, and transparency of political and governmental institutions. Indeed, the structural deficiencies of these institutions—particularly the public administration and political parties—offer one potential explanation for why the palace still plays such a central role in setting the agenda for the country. The lack of capacity, legitimacy, and imagination of political parties and governmental institutions, as well as the lethargy and anachronisms they display, constantly raise the prospect of a dangerous vacuum, which non-democratic forces may be tempted to fill.

The essential problem is that the effectiveness of governance is hindered by a lack of transparency and accountability in the sphere of government that is dominated by the palace and *makhzen*. This problem has an impact that permeates public and territorial administration. It will need to be overcome in order to enhance the higher levels of political participation and private investment upon which the regime is counting to meet Morocco's development challenges.

For example, even the prime minister is not able to hold the governors to account, since they answer to the palace. The same goes for the Ministries of Sovereignty. So while the government of the PM may make public policy in many areas, their influence over the key Ministers and the public administration relies upon the support of the palace and its attendant Ministries of Sovereignty. Similarly, the large public enterprises such as CNSS or the Office des Phosphates also enjoy a large autonomy when it comes to oversight by elected or independent bodies. They, too, answer directly to the palace. Thus, there is a multiplicity of influences in governance in which the elected bodies generally do not predominate. Consequently, the elected bodies are unable to effectively play an oversight function ensuring greater responsiveness and effectiveness on the part of the administration. In fact, they remain seen as largely consultative in nature.

The mechanisms and institutions required to provide for accountability and transparency often are not in place. When they are, they lack capacity and/or the ability to provide redress for violations of the law. For instance, only the MOJ is empowered to act on the reports of control and audit institutions (i.e., only it can trigger an official investigation and legal action once wrongdoings have been determined). The MOJ, however, remains subject to extra-judicial interference, and it lacks independence from powerful vested interests. That situation may allow (and has allowed) serious wrongdoings to go unpunished. Thus far, rarely has the MOJ launched legal action against powerful individuals who have come under suspicion following initial investigations by control and audit agencies.

In general, the principle according to which all government officials should be held accountable for the actions in which they engage as part of their official duties is implemented neither rigorously nor systematically. For instance, the existing legislation does not subject Ministers to strict auditing procedures on how they spend, or have spent, public funds. Consequently, a Minister may engage in serious irregularities, step down or not be re-appointed, and never liable to be prosecuted for financial wrongdoings while in office. The law must generalize the principle of accountability to all government officials. While it still needs improvement, the legal framework is not the primary impediment to transparency and accountability. Instead, a discrepancy remains between the legal and regulatory framework, which is usually adequate, and the reality, which lags far behind what the texts provide for.

Part of the reason for the gradual nature of Morocco's democratic transition is that the authorities do not yet fully have faith in the competence or integrity of those who come to power through elections. Indeed, the territorial authorities are vociferously advocating improved systems of control, transparency, and accountability on the part of elected officials. This has been particularly the case as the state has moved to transfer greater responsibility to more regional and local entities, and as it seeks to contract out increasingly the provision of services and public goods. Local authorities are increasingly encouraged to work with local associations and technical committees which involve both state and community representatives.

To a large extent, the shortage of public resources at the local level is responsible for the state's seeking to enhance the role of local development associations (LDAs) and of other such organizations such as the neighborhood associations (*Associations de Quartier*). The regime has accepted the concept of public/private partnerships in the resolution of community needs, and a new generation of governors is experimenting with the most effective means of implementing such partnerships, as is the case of the innovative Governor of Haouz. The dilemma for the governors and the MOI is how to transfer more authority and discretion to the representative officials and bodies while not abandoning their responsibilities for public order.

The decentralization process began back with the promulgation of the Communal Charter of 1976, which was enlarged in 2002. This *Dahir* transferred some of the competences of the *caids* and *pashas* to elected officials, but at the same time the powers of the Governors to oversee the elected officials was increased. The governors now are responsible for overseeing public order, associations, unions, all public liberties, and elections. In addition, the decentralization measures were accompanied by establishment of a system of *tutelle*, where decisions by elected representatives must be approved by the MOI's territorial administration. The system of *tutelle* operates both in regards to administrative and financial decision making, and reflects the lack of confidence the state has in local capabilities.

Consequently, there is currently an opportunity to improve systems of transparency and accountability at the local level since both state and society are calling for such reform, although for different reasons. Those on the side of the MOI and territorial administration are advocating improved systems of control since they question the ability of elected representatives to be responsible for the management of public resources. Those on the civil society side are calling for greater transparency and accountability since they advocate reducing the arbitrary discretion of decision makers. At the heart of this mutual mistrust is a system of clientelism which tends to go hand in hand with preserving stability and the status quo—two distinct objectives which are often confused in practice.

At the national level, the problems with governance are exacerbated by both certain aspects of the institutional arenas (see Section 4, below) and by the weaknesses of the political parties. In particular, the two chambers of parliament tend to cause inefficiencies and immobilization through the need for too many negotiations and compromise. The bicameral system currently consists of a directly elected 325 member lower House of Representatives and a 270 seat upper Chamber of Advisors that is indirectly elected by an electoral college. There is a widespread feeling that the second chamber does not serve a useful purpose and that it merely slows down the legislative process and adds little value. It is also seen as expensive and will become even more redundant once the long-promised Social and Economic Council (SEC) is eventually established. However, it is unlikely that the second chamber will be done away with soon as one of its principal functions is to provide a check against populist currents leading to demands for overly rapid reforms emanating from parliament. Another problem with the parliament is that the number of parties and the electoral system have led to a patchwork effect that makes for unstable coalitions. In the last election, 22 different parties on seats in parliament, with the biggest winner, the USFP, only holding 50 of the 325 seats.

Another governance challenge emanates from the failure of the political parties to perform adequately the functions of interest aggregation and articulation. As discussed earlier in this section, the parties are not very representative as a result of internal structures. This has contributed to a lack

of confidence on the part of growing numbers of Moroccans, especially among the youth, in the elected sphere of government.

Civil society, though, is increasingly able and has continued its steady growth and maturation in recent years. Moroccan civil society now represents a reservoir of human resources and social organizations that can be tapped through enhanced democratic governance. Right now, however, collective action on the part of civil society remains stymied because of the weaknesses of the political parties, which have left CSOs to act in greater isolation than might otherwise be the case. Hence, although civil society is increasingly coming to grips with the challenges of democratization, they do not have many effective points of entry into the political process. In this regard, the further reform and strengthening of parliament might offer some hope for improvement.

2.6 Distilling the DG Challenge

Evaluating the status of Morocco's transition toward democracy along the five dimensions of democratic governance clearly highlights the tremendous progress that has been made. Not only has Morocco's democratic transition been sustained and ongoing, but progress has been consolidated in many areas. As a result, parliament is emerging as a more credible forum for further progress, and civil society has become an actor with its own authenticity and roots in the Moroccan political economy.

Yet at the same time, the liberalization and opening of political space that has occurred has increased room for mobilization by Islamists. Some of these Islamists are seeking to work within the system. Others remain on the margins due to both their rejection of the legitimacy of the state and government suspicions regarding potential extremist tendencies (see Section 3 on Political Actors, below). The Moroccan state's engagement in the war on terror has in fact caused some mixed signals to be sent regarding its democratic trajectory.

Persisting governance problems therefore risk contributing to greater conflict and volatility if they are not addressed. There is currently a need for the regime to demonstrate continued political will regarding the transition toward democratic governance. While generally it is accepted that gradual change is the Moroccan way, there needs to be some more signals and concrete signs that change is ongoing.

Morocco's governance-related problems can be traced back to a variety of factors, including lack of skills and resources (particularly at the local level) and the devastating legacy (particularly at the national level) of decades of repression, co-optation, and intimidation tactics. The team believes that, in light of USAID's limited resources and comparative advantage, it would be most effective for the Mission to act on the accountability and transparency side of Morocco's governance deficit. Section 5 elaborates on the rationale for, and the specific implications of, such a conclusion.

Section

3

Key Political Actors

This section zeroes in on three key actors in Moroccan political life: King Mohamed VI, the security-military apparatus, and the Islamists. Prompting us to concentrate on those three actors were the following considerations:

- Pre-existing DG documents on Morocco (which cover other actors, often extensively, but provide insufficient, or insufficiently up-to-date, information on the actors analyzed below);

- The critical transition from one king to another, in July 1999, and the need for a preliminary, brief political assessment of King Mohamed CI's first four years on the throne;

- Repeated descriptions (by those whom we interviewed) of the military-security establishment as the second most significant political player in the country;

- Claims that the influence of that establishment over political decision making has grown in recent years;

- The need to piece together scattered information about senior military officers and intelligence personnel in a way that provides a succinct but coherent picture of their influence on Moroccan politics;

- The equally important need for a better understanding of the Islamists and their role in the political system, in light of the following developments: The September 2002 parliamentary elections and the emergence of the PJD as the main opposition party; repeated descriptions of the Justice and Charity movement (*al-Adl wal Ihsahne*) as the strongest political force in the country; and the Casablanca bombings of May 16, 2003, which will have major ramifications for Moroccan politics in the years ahead (including, perhaps, by increasing even more the power of senior army and intelligence officers); and

- Most importantly, the centrality of all three players—the monarchy, the security-military apparatus, and the Islamists—to the issues of accountability, transparency, and corruption that constitute the main themes running through this report, and which provide the basis for the recommendations offered in the concluding section.

3.1 King Mohamed VI

On July 23, 1999, Morocco's longstanding monarch, King Hassan II, died suddenly, at age 70, after a reign that had stretched over 39 years. By then, King Hassan was the longest-serving ruler in the Arab world, and he enjoyed great international respect, as was shown by the long list of prominent foreign dignitaries (including President Clinton) who attended his funeral.

At home, King Hassan's widely recognized political skills had earned him the grudging respect of even many of his critics. Though targeted repression of the palace's opponents and serious human rights abuses had played a key role in ensuring the survival of the monarchy in turbulent times, King Hassan also was able to reinvent himself in the late 1980s as a liberalizing monarch. He proved far-sighted enough to understand that, for the monarchy to remain predominant in the political system, and for Morocco to compete in an increasingly globalized world, the country would have to be governed differently. That was when King Hassan consequently embarked on a careful political experiment aimed at a more inclusive, competitive, and participatory political system, involving greater respect for human rights and the rule of law.

King Hassan was succeeded by his eldest son, Crown Prince Sidi Mohammed, in what turned out to be a particularly smooth transition of power. What follows, a brief analysis of King Mohamed VI and his role in the Moroccan political system, will proceed in four separate steps:

1. First, an overview of the first few months of the new king's reign is provided. This critical transition phase, from one monarch and one leadership generation to another, was characterized by considerable optimism and a succession of dramatic liberalizing decisions.

2. We then turn to a brief discussion of the past three years, during which the limits on Mohamed VI's ability to reform the Moroccan polity, or to his readiness to do so, have become increasingly clear. This subsection highlights the central political dilemmas faced by the king, and underscores some key questions frequently raised by observers of the monarchy in Morocco.

3. A brief summary of the king's extensive powers is then offered.

4. Finally, Mohamed VI's main advisors are introduced.

3.1.1 The Honeymoon (July 1999-ca. April 2000)

When he ascended the throne on July 23, 1999, the young king (he had not yet turned 37) was largely an enigma. He had grown up in the shadow of his father, who, for the most part, had deliberately refrained from involving him in the decision-making process. (By contrast, when Hassan II inherited the throne in 1961, at the young age of 31, he already had occupied the formal offices of prime minister and chief of the armed forces.) Furthermore, when he was Crown Prince, Mohamed VI had granted only a handful of interviews (two to the French weekly *Paris Match* and one to the Spanish *El Pais*)—unlike his father who, prior to 1961, had interacted regularly with the foreign press.

What was known about Mohamed VI in July 1999 consisted mostly of rumors and speculations. He had been described as uncomfortable with the more archaic and "neo-feudal" aspects of his father's rule, and was believed to favor a more modernist, progressive image for the monarchy. It was said that, upon ascending the throne, he would seek to distance himself from his father's autocratic style. His personality also appeared significantly different from his father's. As Crown Prince, he had come across as self-effacing and reserved—many said shy—and had seemed uncomfortable with the pomp and ceremony of the palace. He certainly had shunned many of the trappings of a regal lifestyle. Much had been made of the facts that he drove his own car and stopped at red lights, that he liked to jog and jet-ski, and that he came across as simple and caring—

certainly less disdainful of his own people than his father was known to be. The Crown Prince was also known to have a profound dislike for Driss Basri, his father's longstanding and powerful Interior Minister. In the end, however, as Mohamed VI accompanied his father's coffin followed by heads of state from all over the world, no one really knew what to expect from the new monarch.

That would change rapidly. Mohamed VI soon surprised observers by the rapidity with which he moved to make his own mark on the country, and by the audacity and self-confidence that he displayed in those early days of his reign. His proactive approach to the position he had inherited was reflected in a multiplication of dramatic initiatives with which the political class found itself struggling to keep up, and that contrasted sharply with the impression of ineffectiveness and paralysis conveyed by the Youssoufi government.

Part of the enormous popularity that the new king was able to build for himself stemmed from the simple, unpretentious style that came to be seen as one of his hallmarks. Mohamed VI made it clear that he had no particular fondness for royal protocol and for the kind of extravagant festivities that his father often encouraged. Significantly, shortly after ascending the throne, he reduced the size of the palace staff.

Far from keeping at a safe physical distance from ordinary Moroccans, he also quickly made a point of reaching out to them during the trips he took to various parts of the kingdom. Whereas his father had been seen as cold and distant, Mohamed VI came to be perceived as genuinely warm and approachable. While King Hassan had treated his people as subjects, Mohamed VI seemed bent on approaching them as citizens. This style created an almost immediate bond between Mohamed VI and the population for three related reasons: because it gave the monarchy a human face; because it contrasted so sharply with not-so-distant memories of his father's rule (which often had been associated with ostentatious displays of wealth and other excesses, as well as a love of pomp and ceremony); and because it was consistent with qualities particularly valued in Moroccan culture, such as modesty and sincerity. Many commentators came to observe that while King Hassan had been feared and revered—but not liked—by his subjects, his son had become an object of adulation and respect. Critical to the new king's ability to capture the imagination and love of his people was his apparent concern for the poor, the disabled, and the underprivileged. Also significant was the widespread popular perception that he truly cared about the less fortunate and was capable of real empathy (which was not seen as one of his father's qualities).

Even more important than the new image Mohamed VI imparted on the monarchy were key decisions he made during the fall and winter of 1999. It was those decisions that soon led him to be presented, both in Morocco and overseas, as one of the leading representatives of a new generation of younger, reform-oriented Arab leaders.

- A highlight of fall 1999, during which Mohamed VI multiplied dramatic gestures, was his decision to allow the unconditional return to Morocco of Abraham Serfaty, once the most famous critic of the regime. Serfaty, a former communist leader, was exiled to France in 1991, after spending 17 years in the king's jail for having denounced Morocco's annexation of the Western Sahara. After he returned to Morocco, a villa was put at his disposal, courtesy of the king. (A year later, on September 1, 2000, the king appointed Serfaty—a mining engineer by training and once a Director of Studies at the Mohammedia School of Engineering—as an advisor to the Director of the National Office of Oil Research and Exploration).

- Also allowed to come back to Morocco in the fall of 1999 were the families of former leftist leader Mehdi Ben Barka, believed to have been kidnapped and assassinated in France at the king's order in 1965, and of General Oufkir, mastermind of the military coup attempt of August 1972.

- Another early sign of the new king's desire to reach out to many of those who had suffered under his father's rule was a speech he delivered on throne day (August 20), less than a month after the passing of his father. In it, Mohamed VI broke an important taboo by referring to "those who were subjected to arbitrary detention"—which amounted to an implicit recognition of the responsibility of the state in the unlawful incarceration of numerous critics of the regime from the 1960s through the mid-1980s. That period had seen many opponents of the monarchy "disappear," often after being arrested by the authorities. Those opponents were widely presumed to have died in detention, often after undergoing torture. Their families had never been notified of their fate, and talking about "the disappeared" had always been a sensitive topic in Morocco. In this context, the new king's frequent references to the subject was an important symbolic break with the past.

- Mohamed VI did not limit himself to recognizing past wrongdoing by the state. In his first month on the throne, he oversaw the creation of a commission entrusted with reviewing the cases of disappeared persons and victims of arbitrary arrest and detention, and of setting compensation for them or their families. While the commission would move slowly in reviewing and settling cases, it nevertheless represented yet another critical step toward allowing Morocco to come to grips with some of the darkest pages in its history.

- Even more dramatic was the king's highly publicized, historic visit to the Rif, Morocco's long-neglected northern region. Hassan II was known to have despised the north and to have sought to punish it for rebelling against the central government in 1958-1959, when he was still Crown Prince. At the time, Hassan II had personally supervised the crushing of the revolt—which was also the last time that he had set foot in the region. Largely ignored by successive development plans, the Rif had been in a state of permanent economic depression. By the early 1990s, it was known primarily for being a main source of illegal emigration to Europe, a region rife with smuggling and contraband, and a base for the cultivation of kif (a form of hashish). In this context, it was highly significant that King Mohamed VI chose the Rif to be the destination of his first major tour within the kingdom. The population of that region could not have responded more favorably to the king's offer of reconciliation with the monarchy. Throughout Mohamed VI's 11-day tour of the north, hundreds of thousands of Moroccans lined up to catch a glimpse of their new king. His subjects cheered as, day after day, he plunged into crowds to shake hands, on several occasions in the rain.

- In a highly publicized speech delivered on October 12, 1999, and attended by Morocco's most powerful civil servants (*walis*, governors, and senior palace officials), the king called for a "new concept of authority, reminding those in attendance that they occupied their positions to serve the population, not the other way around. This speech, as well as the king's increasingly frequent references to the need to "moralize public life" was largely interpreted as a commitment on his part to make state institutions more transparent and civil servants more accountable for their actions.

- Perhaps the most dramatic indication of the king's desire to break with the more corrupt and heavy-handed policies associated with his father was his sacking of Driss Basri on November 9, 1999. Basri had served as Interior Minister for over 20 years. A pillar of "the old system," he had been described as the second most influential person in the kingdom under King Hassan. To many Moroccans, he embodied the darker side of King Hassan's rule, and was hated (as well as feared) almost universally by his countrymen. Consequently, his dismissal was widely interpreted as a strong signal that Mohamed VI was willing to confront the old guard, and that he would seek to dismantle some of the vested interests associated with the Makhzen system. That decision was also viewed as an attempt by Mohamed VI to unburden himself of some of the most negative aspects of the system bequeathed to him by his father. "The King Finally Buries His Father" was the title of the column in which Abubakr Jamaï, editor of the outspoken *Le Journal*, presented his analysis of Basri's sacking. Another commentator of Moroccan affairs observed that "the reign of Mohamed VI began on November 10, 1999." It did not go unnoticed that the new monarch had chosen the tenth anniversary of the fall of the Berlin Wall, which marked the advent of democracy in Eastern Europe, to show Driss Basri the way to the door.

- Following his forced retirement from public life, Driss Basri watched helplessly as the extensive network of governors and other high officials which he painstakingly had created over two decades was purged by the new king. Replacing many of Basri's aides and clients were individuals known for their integrity and professionalism.

- Important as well was the government's decision to release Islamist leader Abdeslam Yassine on May 17, 2000. Seventy-two year old Yassine heads Morocco's largest Islamist group, *the al-`Adl wa'l-Ihsane* (Justice and Charity) movement. He had spent 11 years under house arrest and in late January 2000 he had released a very irreverent, 35-paged memorandum addressed to Mohamed VI. The document was remarkable for its sarcastic and disrespectful tone. It implicitly described the king as a lightweight who, without realizing it, was prisoner of the system he had inherited. It had broken the long-held taboo on discussing the royal fortune. In addition, it had described the ceremony of allegiance to the king (*bay`a*) as "an abomination." Such a diatribe would never have been tolerated in the past. Indeed, for publishing in 1974 an open letter in which he had castigated King Hassan for being "forgetful of the obligations of Islam," Yassine had been committed to a mental institution for three years, before being sent to jail until 1980. This time, however, the new king preferred to ignore Yassine's memorandum, and instead made him, once again, a man free to move as he pleases. Yassine's release was all the more significant that, since the return of Abraham Serfaty to Morocco, his continued detention often had been described as the outstanding human rights issue in the country.

3.1.2 Back to Reality (Since ca. April 2000)

Beginning around April 2000, the heavy constraints on the king's ability to reform the Moroccan political system, as well as the limits on how far he seemed willing to go toward transforming that system into a more democratic one, became more evident. From then on, liberalization efforts slowed down. While the trend remained positive, significant setbacks were encountered. For instance, a series of measures directed at the media (the suspension of several weeklies, the expulsion of the Bureau Chief of *Agence France Press*, the temporary detention of a French television team, and the conviction of prominent editors for label and defamation) made it clear that certain "red lines" on acceptable political discourse would still be enforced, though inconsistently.

On several occasions as well, the police resorted to what many observers argued was excessive force to break up peaceful demonstrations. More ominously, the king appeared unwilling or unable to confront powerful interests known to oppose further democratic reforms. By 2001 already, it was clear that Mohamed VI had become far less proactive than during the first 10 months of his reign, less capable of setting the agenda, and more absorbed by the ceremonial aspects of his position—raising suggestions that conservative forces had succeeded in "reining in" the young monarch.

These and other developments fueled growing apprehension about the fate of Morocco's democratization experiment. By the spring of 2001, the euphoria that had followed the advent of Mohamed VI's reign had been replaced by serious concerns about the pace of political change. Moroccans had become far more likely than a year earlier to acknowledge the weight of inertia, the intractable nature of many of the country's problems, as well as the strength of influential forces aligned against a reformist, forward-looking project. This new realism dampened earlier, excessive expectations regarding the monarchy's capacity to transform the country overnight.

During the past three years, serious questions about the king—his leadership qualities and work habits, his true goals, and his freedom of maneuver relative to vested interests—have become more pronounced. That situation reflects the fact that the king himself has been sending mixed signals about his reformist intentions. Questions which observers of the monarchy often raise, and the answers to which will shape the fate of democratization in Morocco, include the following.

- **Is the king ready to oversee the transition from one king of political economy to another? Is he willing to break with the logic of the system he inherited from his father? Is he inclined to throw his considerable weight behind a genuinely modern, democratic, and forward-looking political and societal project?** Some analysts contend that the king would like to usher in a new system, but that he is held back by a variety of forces that force him to move more cautiously than he would like. Others, however, believe that, following an initial period of reformist zeal, the king fell back on a more conventional approach to his role—one that does not fundamentally stray from the old methods of the *makhzen*. He did so, these analysts suggest, because it was easier, more convenient, and more consistent with his own personality; because it did not raise the kind of dangers associated with a more ambitious approach; and because he was progressively hemmed in by conservative forces around him that are inimical to real (as opposed to cosmetic) democratization. What is clear is that since ascending the throne, Mohamed VI has shown no inclination to give up the broad powers that the constitution gives him. Indeed, in some areas, he has proven to be more interventionist than his father.

- **Even if the king has the will to bring about a more democratic Morocco, does he have a clear vision of the country's future? Does he have a blueprint for taking Morocco from where it is now to where it needs to be in 20 years?** Some analysts believe that the king does have such a roadmap. Others, however, claim that he lacks a long-term, coherent project, and that he is he just trying to accommodate competing pressures and interests. Yet, if that is true, and the king is merely engaged in multiple short-term balancing acts, does he do so out of necessity or, as some have suggested, by inclination (i.e., because day-to-day political maneuvering is easier than strategic planning)?

- **If the king has both the will to transition to a new system and a general plan for doing so (which many observers doubt), how free is he to implement his strategy? How much political space does he truly enjoy?** Many analysts fear that Mohamed VI's scope for independent action is, in fact, far more limited than discussions of the monarchy's extensive prerogatives might lead one to suspect. They point in particular to the resistance that the king faces from powerful forces opposed to structural political and economic reforms. Many of those forces (such as key military and security figures) sit by the king's very side, and Mohamed VI knows that he may have to rely on them to face up to potential challenges to his authority. Because they represent an important lever through which the king wields authority, Mohamed VI cannot easily disregard their wishes or dispense with them. That is why, some argue, these forces have the power to foil or defeat the monarch's plans, a situation of which Mohamed VI is keenly aware.

Other observers disagree with this line of reasoning. They believe that, the strength of vested interests notwithstanding, the monarchy has much room within which to maneuver, and that the king easily could assert his authority relative to those interests. They claim, however, that Mohamed VI has failed to do so for one or more of three possible reasons: (a) because accommodating the "pockets of resistance" is consistent with Mohamed VI's own views of the monarchy's fundamental interests; (b) because it is an easier and less risky course of action; or (c) because Mohamed VI lacks the skills needed to prevent powerful forces from flexing their muscles and derail reform efforts.

No matter what Mohamed VI's true intentions, independence of action, and leadership skills are, his ability to press for a democratization agenda is inherently constrained by the limitations of Morocco's modernist, pro-democracy sector, and by a much broader failure of the country's political and economic elite. The lack of political courage, initiative, and civic-mindedness of large segments of the elite, and their inability to provide genuine leadership for the population, remain one of the kingdom's greatest tragedies. The economy suffers from the paucity of real entrepreneurs and the prevalence of rent-seeking behavior. It is undermined by powerful forces that have enriched themselves through drug trafficking, smuggling, and the informal sector. For its part, the political system is paralyzed by the irrelevance of political parties and their leaders to the concerns of average Moroccans.

To a large extent, this situation is a legacy of King Hassan's policies. For at least three decades, King Hassan's mixture of repression, co-optation, and intimidation tactics aimed at thoroughly de-politicizing society. The successful implementation of this strategy decimated the ranks of what might have constituted an elite truly dedicated to the country's well being. It also promoted what a Moroccan sociologist has described as a "culture of organized irresponsibility," in which no one is willing to take any major initiative that does not have the explicit blessing of the "supreme authority." Over time, it created a vacuum that the country now finds hard to fill—hence the propensity to wait for the king to take charge. Indeed, the failure of the elite and political institutions explains why every single time an important or sensitive issue arises, every one expects the monarch to show the way. It is also why, when he does not take the lead, critical issues remain unaddressed.

In a way, the king is damned if he does, and damned if he does not. If he does not step into the vacuum created by the failures of the elite and governmental institutions, the country runs the risk of being left adrift—with no one setting the agenda and imparting a clear sense of direction.

Extremist or anti-democratic forces may take advantage of the situation. If the king plays too active a role in governmental and political affairs, however, he easily can be accused of undermining elected, representative institutions, and, therefore, of failing to deliver on the promise of democratization (which presumes that those representative institutions should play a more central role in decision making). The apathy, passivity, or inertia displayed by political and governmental institutions also puts pressure on the king to involve himself in areas from which the monarchy has little to gain. Even those who expect Mohamed VI to show the way seem acutely aware of the costs associated with his intervening directly in day-to-day policymaking, and with his being constantly asked to settle controversial political issues. Such a situation forces the king to spend precious political capital on questions that are not of paramount importance. It also can pressure him into assuming a very visible and prominent role in making unpopular decisions that will alienate key constituencies, thus leaving the palace more isolated and exposed to criticism.

3.1.3 The King's Powers

Ultimate political authority is still vested in the monarchy. The king's supremacy is clearly established, both in the constitution and in practice.

- Under the constitution, the king is accountable to no one but God. He stands above, and presides over, all branches of government. The cabinet, the legislature, and the judiciary are all subordinate to the king. In addition, the king is the supreme commander of the armed forces.

- The constitution underscores the king's religious status as Commander of the Faithful (*Amir al-Mu'minin*). Consequently, the king's authority is not only temporal, but spiritual as well. Religious leaders (*ulama*), heads of Sufi brotherhoods, descendants of the Prophet (*chorfa*), and the population at large are expected to abide by the king's interpretation of religious doctrine.

- The king presides over the Council of Ministers. He chooses and appoints the prime minister, as well as the Ministers of Interior, Foreign Affairs, Justice, and Islamic Affairs. He appoints all the other members of the cabinet. Under the constitution, the prime minister selects the members of his or her cabinet, before they are formally appointed by the king. In practice, however, the monarch must approve of the prime minister's choices. At his discretion, the king may dismiss the prime minister or any other member of his cabinet.

- The king is constitutionally empowered to dissolve parliament, call for new elections, and rule by decree.

- The king also appoints the heads of the country's public firms, as well as all ambassadors, *walis*, and regional governors.

- Above all, the king sits at the apex of the *makhzen*. Although it is mentioned nowhere in the constitution, that system of government plays, as was shown earlier, a critical role in the way Morocco is governed. The king's closest advisors, both civilian and military, typically wield more influence than do members of the cabinet.

Through his speeches and by issuing royal decrees, the king sets policy priorities and articulates the philosophy that is expected to inspire the cabinet's actions. The monarchy announces and orchestrates all major political and economic changes in the country, both in domestic and foreign policy. It also performs the role of referee, guaranteeing that political actors abide by the rules of the

game and by the agreements (explicit and implicit) that they have struck with the monarchy, or with each other (in the latter case, often at the urging and under the supervision of the monarchy).

3.1.4 The King's Entourage

Within the inner circle of Mohamed VI, and to simplify a somewhat more complex situation, one may distinguish between the "old guard" and the "young guard." The former consists of longstanding members of the political-military establishment whom Mohamed VI mostly "inherited" from his father (though some of them, particularly Hamidou Laânigri, were actively promoted by the new king). They are usually in their sixties or seventies. The second category consists primarily of friends of Mohammed VI, who were educated with him at the *Collège royal*, the palace school (which educates, up to grade 12, the royal children as well as a handful of the brightest students from around the kingdom, irrespective of socioeconomic background).

Within the "old guard," two separate groups stand out: senior army officers and security officials (who will be discussed in the next section), and a handful of civilian figures such as André Azoulay, who for years had been King Hassan's main economic advisor. (Azoulay is Jewish, and has served as Morocco's link with Jewish communities worldwide. He also has an extensive network of international contacts, and enjoys great credibility in Western capitals, including Paris and Washington.)

In addition to Prince Moulay Rachid, the king's younger brother (born in June 1970), the young guard revolves around former childhood friends and classmates of the king. A few of them are believed to wield special influence:

- Mohamed Rochdi Chraibi, the king's *chef de cabinet* (chief of staff, or personal secretary), and thus his most powerful aide on day-to-day matters. Chraibi takes care of a host of logistical issues and helps make sure that the king's directives are circulated throughout the upper echelons of the bureaucracy, as well as passed down the various levels of the *makhzen*.

- Fouad Ali al-Himma, the former *chef de cabinet* of Mohamed VI, when the latter was still Crown Prince. Al-Himma remained in that role until the firing of Driss Basri in November 1999. Thereafter, he was appointed secretary of state in the Interior Ministry (i.e., the de facto number-two person in that Ministry). Al-Himma's main responsibility is to make sure that the palace remains well informed of key developments within the MOE.

- Hassan Aourid, the king's spokesperson (the position of spokesperson for the Royal Palace did not exist under Hassan II). He writes or oversees the writing of the king's speeches, and gives interviews to the media. Born in 1963, Aourid is a young Berber intellectual. From a modest background (his father was a primary school teacher), he was recruited into the College royal, where he became particularly close to Crown Prince Mohammed VI. At the university, his doctoral thesis was devoted to Berber and Islamist opposition movements. He then embarked on a diplomatic career that included a stint as councilor at the Moroccan Embassy in Washington. In 1998-1999, he wrote several columns in *Le Journal*, and in 1998, created the *Centre de recherche Tarek Ibn Ziad sur la société marocaine* in Rabat. He was appointed spokesperson for the new king in July 1999.

- Yassine Mansouri, the head of the official Press Agency, the *Maghreb Arabe Press* (MAP).

Within the Royal cabinet, responsibilities are not usually clearly defined. Advisors, or groups of advisors, are entrusted with specific tasks as they arise. None of the advisors discussed above appears to play the central role that former advisors of King Hassan—such as Driss Basri, Ahmed Réda Guédira, or André Azoulay—once played.

3.2 The Military and Intelligence-Security Apparatus

The monarchy has long relied heavily on the military (the Royal Armed Forces, or FAR) and on an extensive internal security and intelligence apparatus to maintain public order and domestic security, to monitor the activities of known opponents of the regime, and to eliminate threats to the monarchy and its pre-eminence in the country's political system. Consequently, senior army officers and intelligence chiefs stand at the king's side, and wield considerable influence in the country.

While the military and the security-intelligence apparatus constitute two key pillars of the Alawite throne, they do not form a homogenous, cohesive force. There are longstanding institutional and personal rivalries between senior army officers on the one hand, and security and intelligence chiefs on the other. Today, for instance, it is well-known in Morocco that Lieutenant Colonel Hamidou Laânigri (the head of the domestic intelligence service known as the DST) and General Hosni Benslimane (the chief of the Royal Gendarmerie) maintain very tense relations with each other. In classical divide-and-rule strategies, the palace has encouraged those rivalries, as well as those between the heads of the various agencies or units that compose the military and the security-intelligence apparatus. It is also clear, as will be shown below, that there is much overlap in the portfolios of the various services entrusted with domestic intelligence-gathering responsibilities—prominent among which are the DST, the DGED, and the *Sûreté Nationale*. (Within the FAR, the so-called *Deuxième Bureau* and *Cinquième Bureau* also discharge important internal security-related functions.)

Why the military remains a sensitive topic is not hard to understand. It is still potentially the single most important threat to the regime's survival. After all, the monarchy already has been the target of three coup attempts (in July 1971, August 1972, and January 1983), and the possibility of a new military plot cannot be ruled out. Since the mid-1970s, the military has been significantly strengthened by the campaign in the Western Sahara. It can bring the regime down or, alternatively, it can be that regime's ultimate savior. It is also difficult to discuss publicly matters related to the military because responsibility for that institution is seen as part of the king's "reserved domain." Significantly, after the failure of the second military coup attempt against him, Hassan II abolished the position of Minister of Defense. Significantly as well, during the negotiations and discussions that preceded the formation of the Youssoufi government in 1998, the king rebuffed the new prime minister's attempt to appoint a Minister of Defense. Still, the influence of senior military figures appears to have risen under Mohamed VI, especially after the new king promoted some of them (including Laânigri) to top leadership positions in the intelligence and internal security apparatus. Until then, those positions had been reserved for civilians.

Sensitive questions regarding the military—corruption among senior officers, the involvement of some of them in past human rights abuses, and the extent to which the military may present a threat to the monarchy—are now occasionally discussed in the press and during public conferences or workshops. Similarly, back in January 2001, the *Association Marocaine des Droits de l'Homme* (AMDH) published an open letter which accused the chiefs of the Royal Gendarmerie

(Benslimane) and domestic intelligence (Laânigri) of having been implicated in the disappearances of political prisoners during the 1970s and 1980s. Even more dramatic was the letter's call for an investigation into the roles of Benslimane, Laânigri, and several other senior officers in past human rights abuses. Such public questioning of influential military figures never would have been allowed in the past.

Still, whenever raising the subject of the military, one has to tread carefully, and remember that under the Press Code, "undermining the reputation of the armed forces" or "damaging the morale of the army" carry a potential three-to-five-year jail sentence. Members of the military have to be particularly careful. Back in 1999, an Air Force captain named Mustapha Adib was convicted for violating the Military Code and libeling the military when, in the course of an interview with a journalist from the French newspaper *Le Monde*, he denounced alleged trafficking and corruption by the commander of his unit. He was expelled from the military and sentenced to two years in jail (he was released in September 2002).

3.2.1 The Royal Armed Forces (FAR)

The FAR consist of four separate branches: the army, the air force, the navy, and the Royal Gendarmerie. These branches not only are entrusted with protecting the country against outside threats, but they also share in the burden of maintaining domestic security and regime stability. In fact, although it is technically attached to the military, the **Royal Gendarmerie** is essentially a police organization. Its primary responsibility is to maintain order in the countryside. In addition, while technically responsibility for the king's personal security lies with the Royal Guard, the Royal Gendarmerie is heavily involved in protecting the king.

For over two decades, the Royal Gendarmerie has been headed by **General Hosni Benslimane**. Under Hassan II, Benslimane was often regarded as the single most influential figure within the military and security-intelligence apparatus. He was seen as a rival of Minister of Interior Driss Basri, with whom he competed for the confidence of the king and for carrying out sensitive missions. Many analysts believe that, under Mohamed VI, Hamidou Laânigri (see below) has displaced Benslimane as the dominant military figure. Attempts by outside observers to gauge the relative influence of senior army and security-intelligence figures, however, have been found wanting in the past, and it would be a mistake to downplay Benslimane's influence today. In fact, the more Laânigri's star appears to be rising, the more King Mohamed VI may need to rely on others as counterweights to Laânigri.

During the past few years, there have been rumors of increasing discontent among the rank-and-file and by junior officers within the armed forces. In mid-October 2002, an unidentified "Committee of Free Officers" within the FAR released a communiqué in which the highest echelons of the military hierarchy were openly criticized by name. The composition, size, and even existence of that committee were never established. It remains unclear whether that committee reflected growing unrest within the armed forces—possibly among young, more politicized officers operating clandestinely; whether the communiqué instead was an attempt by Algeria to discredit and destabilize the Moroccan military; or whether it was an effort by some members of the Moroccan elite to justify a purge of key senior officers. Most analysts assumed that, if it existed at all, the committee's membership was limited to a handful of junior officers. Some even speculated it consisted of a single disgruntled person, whose communiqué was then skillfully exploited

(through the media) by others bent on settling accounts with the most prominent military figures in the country.

What was sure is that the communiqué immediately became a hot topic among political analysts in the kingdom. This was not surprising, considering its virulent tone and its explosive content. The communiqué indeed included an explicit questioning of the ability or willingness of King Mohamed VI to put an end to corruption among senior officers; a demand that oversight mechanisms be established to prevent abuses and corruption by senior officers; and a call for sending into retirement the five most influential military figures in the country (Hamidou Laânigri, the "boss" of the DST; Housni Benslimane, who heads the Royal Gendarmerie; Abdelhak Kadiri, General Inspector of the FAR; Abdelaziz Bennani, Commander of the FAR in the "southern zone," which includes the Western Sahara; and Mimoun El-Mansouri, who heads the Royal Guard. The following excepts from the communiqué illustrate those points:

> *"Today, after several years of silence, we no longer can tolerate being quiet and have decided to reveal to our fellow citizens, as well as to the entire world, the abuses perpetrated within our army, following the passing of His Majesty Hassan II.*
>
> *We had hoped that the situation would change, but, unfortunately, it only has worsened. The action of the Commander-in-Chief of the FAR [the king] has merely strengthened the power of the generals and of some senior officers, by drawing even more into the coffers of the various branches of the military. All of that to the detriment of the troops and the rank-and-file, who have suffered from a constant deterioration of their standards of living in the barracks. Those generals are not worthy of belonging to the FAR.*
>
> *We know that no improvement can be anticipated; therefore, we have decided to resort to direct action. We … beg His Majesty Mohamed VI to take our demands into consideration for the sake and the future of the FAR. We demand the following:*

1. *That the following generals be retired: Abdelaziz Bennani; Housni Benslimane; Abdelhak Kadiri; Mimoun el-Mansouri; Bouchaib Arroub; Ahmed Boutaleb; Hamidou Laanigri.*

2. *The establishment within the FAR of a special oversight agency aimed at detecting various types of abuses;*

3. *The reorganization of the central administration of the agency in charge of social relief within the military, as well as a strict control of expenditures within that agency;*

4. *The improvement of the standard of living of all the members of the FAR (housing, health, and social services);*

5. *The release, as well as the reintegration into the military, with proper compensation, of those officers who have dared denounce the abuses carried out in their respective units."*

In the past two years, a handful of commentators have dared to warn the king publicly against the devastating effects of corruption within the army, urging him to engage in a major "clean-up operation," for the country's as well as the monarchy's sakes. In October 2002, for instance, well-known editorialist Khalid Jamaï (a maverick, dissident Istiqlali and father of Boubker Jamaï, the Editor of *Le Journal Hebdomadaire*), wrote the following:

> "Your Majesty, we have heard voice in the military asking you to put an end to the corruption that reigns within that institution. They are not the first ones to do so. And they will not be the last ones if you do not act."

This barely disguised criticism of the king's indecisiveness toward corruption in the military was unheard of. Not only does it constitute one more indication of the new freedom of expression that Moroccans enjoy, but it also shows how damaging to the national interest and to stability corruption within the FAR is believed to be.

3.2.2 The DST (Domestic Intelligence)

The *Direction de la Surveillance du Territoire*, or Office for Territorial Surveillance (DST), is Morocco's most powerful domestic intelligence agency. It was established by Royal Decree in January 1973, in the wake of the second failed military coup attempt against Hassan II. It reports directly to the king, and since September 1999, it has been headed by a military figure, General Hamidou Laânigri.

Until September 1999, the DST was under the authority of longstanding Interior Minister Driss Basri. Shortly before King Mohammed VI fired Basri, however, he stripped the Interior Minister of his control over the DST, turning that agency over to Laânigri, then a senior officer in the Gendarmerie.

Laânigri therefore is a relatively new man within the top echelons of the security apparatus. Indeed, his "second-tier" standing in 1999 may account, in part, for his rapid promotion by King Mohamed VI. For several years, he had been responsible for the personal protection of the head of state of the United Arab Emirates (UAE). When he returned to Morocco, in the early 1990s, he first served at the DGED (see below), before moving to the Gendarmerie.

Today, Laânigri is seen as the most influential of all military figures. He is believed to favor a tough line toward all Islamists. He has long argued that they pose a threat to the kingdom's stability and that they cannot be accommodated within a democratic framework.

Much of Laânigri's power rests on his ability to mobilize an extensive network. He has direct access to the king, and under his leadership, the DST has become increasingly independent from the Ministry of Interior. He has powerful allies in the business world, as well as in politics—from the so-called "*partis de l'administration*" (right and center-right parties) to the parties of the left. Among the latter, for instance, Laânigri is said to be close to the USFP's second-in-command, al-Yazghi (who controls the party machine); to Mohamed Labrini (the editor of the influential daily al-*Ahdath al-Maghribiya*, who is also an ally of Yazghi, and a fierce critic of such other USFP or former USFP figures as Sassi, Lahlimi, and Youssoufi); and to Nabil Benabdallah of the PPS (former Editor of al-Bayane and current Minister of Communication and Spokesperson for the

Jettou government). Laânigri also is close to prominent civil society figures such as the founder and former President of Alternatives, Abdelali Benamour.

Laânigri's clout was evident in the campaign he is said to have orchestrated in 2001 against Prince Moulay Hisham, the king's cousin. Moulay Hisham has long advocated a parliamentary monarchy. Even more worrisome to such senior officers as Laânigri, the "Red Prince" (as Moulay Hisham is sometimes called in Morocco) is known to have criticized Mohamed VI's heavy reliance on the advice of a few military figures, as well as the undue influence that those senior officers reportedly exercise on decision-making. Laânigri is believed to have played a key role in convincing the king that Moulay Hisham was a threat; in spreading rumors and allegations aimed at discrediting the Prince and tarnishing his image; as well as in having him followed by the police. It is hard to envision other senior officials daring to attack so publicly and virulently a member of the royal family.

3.2.3 Other Domestic Security and Intelligence Forces

Attached to the Ministry of Interior are two main internal security forces: the *Sûreté Nationale* and the Auxiliary Forces. Both share with the Royal Gendarmerie responsibility for maintaining public order.

Like the Royal Gendarmerie, the ***Sûreté Nationale*** patrols highways and, together with the army, it monitors the country's borders. Through a unit within it known as the *Renseignements Généraux*, it is also engaged in domestic intelligence services, a responsibility that it shares with the DST and the DGED (see below). Among those core institutions entrusted with internal security and intelligence-related responsibilities, the *Sûreté Nationale* is the only one not headed (until now at least) by a senior officer. Its boss is Abdelhafid Ben Hachem.

The **Auxiliary Forces** is sometimes described as Morocco's equivalent of the National Guard. It is composed of both the *Administrative Makhzani* and the *Mobile Makhzani*. The former is staffed by plainclothes policemen with limited training, who are recruited from the local areas in which they operate. Their primary duties include guarding buildings and sensitive installations, patrolling markets, and arbitrating local disputes. They also carry out various logistical tasks related to the maintenance of public order. The *Mobile Maghzani* is a more sophisticated and better-equipped paramilitary force. It consists of several companies staffed with men well versed in the art of riot control. Deployed throughout the country, particularly in or near the largest urban centers (rural areas, as mentioned earlier, are covered primarily by the Royal Gendarmerie), the *Mobile Maghzani* serves as a deterrent to those who might be tempted to disrupt public order, and it can be called upon to put down riots and rebellions.

The **General Office of Research and Documentation**, known as the **DGED** (*Direction Générale des Études et de Documentation*) is in charge of domestic counter-intelligence. From the mid-1970s until 1983, it was headed by Commander General Ahmed Dlimi, the most influential military figure at the time. (In 1983, after rumors he had been plotting against the monarchy, Dlimi died in a suspicious car crash.) In 1983, Colonel **Abdelhak Kadiri** became director of the DGED, a position he retained until July 2001, when Mohamed VI appointed him head of military intelligence, and when he was replaced by his Deputy, **General Ahmed El-Harchi**. Like the head of the DST, the director of the DGED reports directly to the king.

3.3 Islamists

1. Islamists may well represent the strongest force on Morocco's fragmented political scene. However, they do not constitute a single, homogenous block, but instead fall into three main categories:

- The authorized **Justice and Development Party (PJD)**. Formed in 1998, the PJD competed under another name in the 1997 elections, and emerged as the main winner of the September 2002 elections to the lower house. The PJD is a "loyalist" party that accepts to play by the rules of the Moroccan political system.

- The **Justice and Charity (*al-`Adl wa'l-Ihsan*) movement**, which is officially banned, though in practice some of its activities are tolerated by the authorities. Unlike the PJD, Justice and Charity (JAC) does not recognize the legitimacy of the Moroccan political system, and it for instance regularly boycotts elections. Though it condemns violence, JAC is radical in both tone and philosophy. It is Morocco's largest Islamist movement, and it may well be the political movement with the broadest base of support in the country overall.

- One also finds in Morocco a variety of **much smaller, but far more radical groups that espouse violence**. Some of them are tied to influential independent preachers known for their anti-Western, particularly anti-American views. Many of those groups also engage in a variety of criminal activities that do not appear to be driven by a clear politico-religious agenda.

2. The PJD and JAC enjoy four significant advantages over other political forces in the country:

- **They are widely credited with having a clear societal project—**unlike the non-Islamist political parties, which are seen as driven by opportunism and personal ambitions.

- **Widespread public hostility to U.S. policies in the region constantly boost the position of Islamists**. The greater the outrage generated by U.S. policies, the greater the human rights abuses committed by Israel in the West Bank and Gaza Strip, the more the United States is perceived as unwilling to restrain its "Israeli client," the more indifferent Washington appears to be to Palestinian suffering, the more the Bush administration engages in what a majority of Moroccans see as gratuitous and unnecessarily provocative rhetoric, and the more it adopts what they view as a simplistic, "black-and-white," and "might makes right" approach toward the region, the stronger Islamists in general become.

- Both the PJD and JAC display **far stronger organizational skills**, and **communicate with their natural constituencies far more effectively**, than non-Islamist political parties.

- More than any other political force, **Islamists have been able to capitalize on widespread resentment of corruption in high places**, and on the perceived unwillingness of senior decision makers to confront this phenomenon head-on.

3. Over the past six/seven years, the regime has followed a threefold strategy toward the Islamists:

- It has relied on the PJD to integrate "moderate Islamists" into the formal political game, consciously using the PJD as a counterweight to the more radical strands of Islamism in the country;

- It has monitored very carefully the activities of the banned JAC movement, repeatedly intimidating and harassing its members; and
- It has been very proactive—particularly since early 2002—in tracking down and repressing violent Islamist fringe groups, a policy that is likely to intensify in the wake of the May 16, 2003 terrorist bombings in Casablanca.

3.3.1 The PJD (Hizb al-`Adl wa'l-Tanmiya)

The PJD is a relatively new political party in Morocco. While it was established formally in 1998, its birth actually can be traced back to the regime's strategic decision to allow moderate Islamists to compete in the November 1997 elections to the Lower House. For the first time in Moroccan history, Islamists were to take part in an election as a separate political force. Having made that decision, the regime needed to find a vehicle for the participation of Islamists. What it did was to allow—indeed facilitate—the takeover of an old, decrepit, and tiny political party, the *Mouvement populaire constitutionnel démocratique* (MPCD) of Dr. Abdelkrim al-Khatib, by the largest "moderate" Islamist group in the country, the so-called Unification and Reform Movement (*Harakat al-Islah wal-Tajdid*). Al-Khatib had founded the MPCD back in 1965, when he left the *Mouvement Populaire*, following disagreements with its leader, Mahjoub Aherdane. By the 1990s, however, the MPCD existed only on paper, and its merger with the Islamists of *al-Islah wa'l-Tajdid* had the effect of turning it into a viable political force overnight. When the election was finally held in November, what had been an (almost) empty shell for many years had become Morocco's first recognized Islamist political party.

The MPCD won nine seats in the November 1997 elections. A few months thereafter, it changed its name to PJD, and by 2002, another five MPs had joined the PJD's ranks. At first, the PJD supported the government of *alternance* which Abderrahmane Youssoufi formed in April 1998 (the PJD's official position was one of "critical support"). By 2000, however, the PJD had left the parliamentary majority and had become increasingly vocal in its denunciation of Youssoufi's policies. A watershed in this transformation was the PJD's agitation against the government's "National Action Plan for the Integration of Women in Development" (*Plan d'intégration de la femme au développement*). Indeed, together with JAC, the PJD was one of the two main organizers of the March 12, 2000 demonstration in Casablanca that brought at least 200,000 persons—and perhaps as many as 400,000 (estimates varied greatly)—in an impressive display of opposition to the government's project.

The PJD represents the "legalist," "loyalist," and "moderate" face of political Islam in Morocco. Concretely, that means the following:

- The PJD is not only allowed by the authorities, but in some respects it is encouraged by them as a "safe vehicle" for the expression of a large segment of the population that is Islamist-inclined, and which might support other, more radical forces if the PJD were not in existence.

- The PJD publicly accepts the monarchy's political pre-eminence and the king's status as Commander of the faithful. It is, in effect, a "royal Islamist party"—an organization partially designed to bring together "the King's Islamists." The PJD's 85-year old Secretary General, Dr. al-Khatib, has long been close to the palace (he is also a family relative of General Benslimane). PJD spokespersons miss few opportunities to emphasize their loyalty to the throne.

- The PJD is content with operating within the parameters of the existing political system, and condemns the resort to violence.

The PJD emerged as the main beneficiaries of the September 2002 parliamentary elections, during which it tripled the size of its contingent in the Lower House. With 42 members, it currently represents the third largest force in the Lower House, not far behind the USFP (50 seats) and the Istiqlal (48 seats), and ahead of the center-right RNI (41 seats). It currently forms the single most important component of the parliamentary opposition to the cabinet of Driss Jettou.

The actual strength of the PJD in the country is the subject of much speculation. On the one hand are those who argue that, of all political parties, the PJD has the broadest base of support. They point out that in September 2002, the PJD deliberately decided to compete in only 56 out of 91 districts. This was in an effort to avoid a massive electoral victory that would have scared too many Moroccans, and could have created a backlash against the party (as happened in Algeria in December 1991-January 1992). Some analysts even suggest that throughout the electoral process in September 2002, PJD leaders were engaged in behind-the-scenes negotiations with the authorities to make sure that the party's official results would not cross a certain threshold. They suggest that in a truly free and fair election—one in which the PJD would not impose certain limits on itself—that party would emerge as a clear winner, ahead of the USFP and the Istiqlal.

Other observers, however, insist that the PJD's strength should not be overstated. They note that:

- The PJD's 42 seats only represent 13 percent of all seats in the Lower House.

- The party did not run in more than about 60 percent of all districts because it lacks a territorial base of support broad enough to allow it to do so. The PJD is still a relatively "small" party that does not cover the entire territory. It is very strong in some areas—the poorer districts of the larger cities (popular quarters, slums, and peri-urban areas), especially Casablanca, Tangiers, Tetouan, Salé, and Fez. It is not particularly active elsewhere, however, especially in the countryside. In general, the PJD is weak in the southern and eastern parts of Morocco, and stronger in the north.

- The party received only about 500,000 votes out of nearly 14 million eligible voters (the USFP and the Istiqlal received, respectively, about 700,000 and 550,000 votes).

- The PJD failed to win any seat in 22 of the 56 districts where it ran, and did poorly in many of the other districts where it presented lists. Over 20 percent of its MPs come from the Greater Casablanca region.

As suggested earlier, the PJD draws much of its popular support from its skillful exploitation of certain issues—particularly the Palestinian question and corruption in high places. During the 2002 elections campaign, for instance, much of the PJD's rhetoric revolved around those two themes. To discredit the USFP and the left more generally, the PJD distributed in the north pictures of former Prime Minister Youssoufi shaking hands with an Israeli labor leader during a meeting of the Socialist International. In addition, the PJD displays clear advantages over other political parties:

- It is better organized than most—if not all—of its competitors. It is supported by a grassroots social movement, the association *Al-Tawhid wa'l-Islah*. It benefits from the sympathy of

numerous mosque preachers across the country, who help the party spread its message and can be particularly helpful in securing votes for the party during elections.

- It is very effective and savvy in its communication techniques—both with the media and with the population at large (one of its better-known leaders, Hussein Karroumi, was previously in charge of public relations at the *Société chérifienne du pétrole*).

- It is much closer to its natural constituencies than other parties.

- Unlike them, it has a real vision, as well as a long-term strategy.

- Many of its cadres are relative newcomers to Moroccan politics. They stand in sharp contrast with most key leaders of other political parties, who have been active on the Moroccan political scene for decades, and whose faces Moroccans are tired of seeing. Ironically, the PJD has promoted more women to decision-making roles than other parties (one of its top leaders is a woman, Bassima Hakkaoui).

- The PJD operates in a more transparent manner than other parties. Its leaders are usually more accessible. Even its critics concede that it displays a greater degree of internal democracy than its rivals, including those on the left.

- MPs affiliated with the PJD come across as better prepared to discuss the details of policy issues than do the representatives of other parties. PJD leaders "do their homework," and most of them are seen as capable, dedicated, conscientious, and hardworking.

While it is still too early to know how the May 16, 2003 terrorist attacks in Casablanca will affect the PJD's long-term political future, it seems clear that, for the time being, the party's image and standing have been hurt by that horrific event. It is true that the PJD was quick to condemn the bombings, and that it did so in unambiguous terms. The President of its parliamentary group, Moustapha Ramid, described the suicide attacks as a "savage terrorist crime," adding "we condemn it as we condemn its authors and those who ordered it." Nevertheless, moderate Islamists have experienced a backlash. The PJD's rivals have been keen to exploit for political advantage the sense of horror and revulsion created by the first significant terrorist incident in Morocco. Prior to May 16, the PJD was widely expected to do extremely well in the local elections initially scheduled for June and postponed to September in early May. The PJD's prospects look less promising as the time of this writing.

*3.3.2 The Justice and Charity (*Al-`Adl wa'l-Ihsan*) Movement*

Most observers of political Islam in Morocco agree that the largest Islamist organization in the country is not the legalist, "tame" PJD but the outlawed Justice and Charity (JAC) group. JAC is led by a charismatic former school inspector, 77-year old Sheikh Abdeslam Yassine.

For nearly three decades, Yassine has been Morocco's most famous and influential dissident. He first made a name for himself in 1974, after sending Hassan II an open letter in which he had dared describe the king as someone who was "forgetful of the obligations of Islam." Yassine had urged Hassan II to "redeem himself" and ensure both his own and Morocco's salvation by going back to "true Islam." Most importantly, he had questioned the king's claim to the title of "Commander of

the Faithful," and called for the immediate implementation of the *shari'a*. In response, Hassan II had him committed to three years in a psychiatric hospital, following which he was sent to jail. Freed in 1980, Yassine created JAC, which was never legalized. Placed under house arrest in 1989 (he lives in Salé), Yassine spent the 1990s coordinating the activities of a rapidly expanding and increasingly well structured movement, and writing several books that articulate its philosophy. In May 2000, King Mohamed VI ordered his release from house arrest.

Yassine and his followers still deny any religious authority to king. While they refrain from calling for the use of violence, they do not recognize the legitimacy of the political system, and refuse to participate in its institutions. Yassine has argued that Morocco automatically will become a true Islamic state once JAC has gained a sufficiently strong following. While the PJD is content with working within the confines of the existing political system, and merely seeks to increase its influence within it, JAC can be described as a true opposition force to the regime.

Within JAC, Yassine is the object of a real cult of personality. His followers distribute audio- and videotapes of his sermons throughout the country and among Moroccans abroad (who provide an important source of funding for the movement). JAC is led by a seven-member Council (*Conseil général d'orientation et de direction*) presided by Yassine, who can veto its decisions. When Yassine dies, his successor (who must be a man) is expected to be either the senior member of that council or the person whom Yassine will have designated prior to his death. Yassine's daughter, Nadia, is the movement's most influential and best-known mouthpieces. Married to Abdallah Chibani, one of the leaders of JAC, she has displaced in that role the official spokesperson for JAC, Fathallah Arsalane. She may well be Morocco's most prominent female politician. A graduate in political science from a Parisian university, Nadia Yassine is as self-assured in front of the cameras as when she meets with members of foreign embassies or the occasional academic conducting research in Morocco.

JAC is believed to have become the dominant force on university campuses, but its influence can be felt in all sectors of Moroccan society—from the shantytowns to the professions. Though tolerated by the authorities, its activities are closely monitored by Moroccan security services. Its publications are regularly banned, as is the access to several of its Web sites. JAC has denied any links to violent groups such as *Salafia Jihadia*, *Sirat al-Mustaqim*, or *Takfir wa'l-Hijra*.

3.3.3 The Radical, Violent Fringe

Perhaps as many as a dozen small, radical Islamic groups advocating violence also operate in Morocco. Not much is known about them, or about the extent to which they have been able to establish roots within the more underprivileged strata of Moroccan society. In some cases, their names are merely labels which individuals who engage in violence or crime invoke to justify or rationalize their actions. One can point, however, to the existence of those groups, to the Casablanca bombings of May 16, 2003, and to the Moroccan origins and connections of many Al-Qaeda militants arrested in the past two years from Italy to Afghanistan, as clear indications that, contrary to what used to pass for the conventional wisdom, Morocco has not been spared by the phenomenon of radical Islam.

Indeed, one of the casualties of the Casablanca bombings was the notion of "Moroccan exceptionalism" in matters related to radical Islam. Previously, many analysts had contended that, given the king's status as "Commander of the Faithful," because of the pluralistic nature of

Moroccan political and social life, and considering the kingdom's reputation for tolerance, openness, and moderation in all things (politics, religion, and societal matters), Morocco was an unlikely candidate for significant radical Islamic activity. That reasoning now has proven to be overly optimistic. Nevertheless, the significance of the May 16 events should not be exaggerated. Radical Islamic cells in Morocco still have little support. They do not amount to a well-structured movement, with a clear political strategy, and the ability to overthrow the regime.

The Casablanca bombings also revived a longstanding debate in Morocco: are violent, radical Islamists who operate in the kingdom manipulated from the outside (as the Moroccan authorities are keen to emphasize), or do they constitute a homegrown phenomenon? Were those who carried out the attacks part of an Al-Qaeda "sleeper cell," or did they belong to indigenous radical groups? Whatever the answer to that specific question may turn out to be, the dichotomy between indigenous radical groups and foreign ones is largely a false one. The reality is that radical Islamists with foreign connections find it easier to operate in Morocco because the kingdom provides a general environment, as well as a pre-existing network of radical cells, that are conducive to their activities and make it possible for them to find allies and complicity. Social exclusion, abject poverty, the loss of moral compass, hopelessness and despair among young people deprived of any meaningful future, and the erosion or disappearance of the old societal checks against deviant behavior create a dangerous combination. They may be exploited by a handful of radical preachers or zealots inspired or manipulated by outsiders. Alternatively, they may create an environment in which radical ideas from abroad can find a receptive audience. In this context, small Moroccan radical Islamic networks such as Salafia Jihadia and Assirat al-Mustaqim can establish ties (and vice-versa) to foreign-based organizations, or merely be inspired by their example, and follow their calls for violent action. It bears remembering that in February 2003, a recording of one of Osama bin Laden's speeches identified Morocco—together with Jordan, Saudi Arabia, Yemen, Pakistan, and Nigeria—as one of those Muslim countries that are ruled by "apostate regimes, subservient to America."

What also seems clear is that, since the spring of 2002, violent radical Islamist groups have been in the news in Morocco. On May 11, 2002, the Moroccan authorities arrested three Saudis and seven Moroccans accused of having been part of an Al-Qaeda "sleeping cell" that had plotted suicide bombings against U.S. and British warships crossing the Straits of Gibraltar. In addition, they were charged with having planned attacks against tourist buses and the bombing of a café at the Djema el-Fna public square in Marrakech. When the trial of the accused finally took place, many observers were struck by the paucity of evidence against them. This fueled speculation that the entire episode had been largely a political operation orchestrated by the authorities, with two goals in mind: (a) to magnify the danger posed by radical Islam in the country, with a view to discrediting the moderate Islamists of the PJD prior to the September 2002 parliamentary elections; and (b) to impress Washington with Morocco's importance and usefulness in the worldwide hunt against Al-Qaeda.

More generally, during the spring of 2002, the Moroccan authorities began to crack down on radical Islamist circles, in particular the so-called Salafi Jihadi movement. In the months that followed, many arrests were made, and individuals suspected of involvement in radical Islamic organizations were picked up and detained, often without due process. Since the May 16, 2003 bombings, the authorities' efforts to track down and dismantle radical Islamist cells in the country have accelerated.

Among the small radical groups that are often mentioned as part of a radical Islamist "nebula" or "cluster" in Morocco, one should single out the *Salafia Jihadia*, or *Combat Salafiste*. That group is believed to consist of a few hundred bin Laden supporters, some of whom took part in the Afghan Jihad before returning to Morocco. More than a formal organization, *Salafia Jihadia* seems to represent a tendency, a label claimed by small cells that operate largely independently from each other, as do the dozen-or-so emirs who are sometimes described as its leaders. The most important of these leaders is believed to be Abdelwaheb Rafiki, also known as Abu Hafs, a cleric in Fez. Back in July 2002, Abu Hafs was condemned to three months in jail, on charges of having "incited violence" and assaulted the imam of a mosque. Shortly thereafter, however, he benefited from an amnesty. In mid-February 2003, he was held and interrogated by the police for over 20 hours. He was arrested again in mid-March 2003, shortly before the outbreak of the war with Iraq.

Members of *Salafia Jihadia* want a"return" to the founding principles of Islam. They urge a "pure," "unadulterated" Islam, as they allege it was practiced at the time of Prophet Muhammad and his immediate successors. They believe in a literal interpretation of the Quran, and argue that society should be governed by those Quranic rules (i.e., they want a strict implementation of the *shari'a*). Yet, *Salifia Jihadia* is as much a criminal movement as it is a group driven by a clear political-religious agenda. Its members often engage in racketeering, kidnappings (for ransom), and extortion. In the slums, shantytowns, and popular quarters where it is active, individuals affiliated with it take it upon themselves to enforce their own understanding of Islamic morality. They physically aggress those whom they denounced as guilty of "un-Islamic behavior" (women who do not wear the veil, prostitutes, people who drink alcohol, etc.). Members of *Salifia Jihadia* have been responsible for several murders across the country.

In addition to *Salafia Jihadia*, the radical Islamist fringe in Morocco includes groups such as *Assirat al-Mostaqim* (The Right Path), *al-Takfir wa'l-Hijra* (Excommunication and Withdrawal), the Armed Radical Wing, and *Jound Allah* (God's Soldiers).

A handful of independent preachers whose sermons display a sharp political edge and strong anti-American rhetoric are more or less closely tied to the radical fringe of political Islam. Several are known to have expressed sympathy for bin Laden following 9/11. The security services closely monitor their activities. The authorities periodically arrest them on various charges, including preaching an Islam that is not consistent with Morocco's Malikite rite, being involved in illegal activities, and having ties to groups that condone the use of violence for political purposes.

One such preacher is Hassan Kettani, from Salé, who is known for his virulent anti-U.S. rhetoric, and is believed to be (together with Abu Hafs) a leader of *Salafia Jihadia*. Together with other like-minded preachers, Kettani signed a fatwa that criticized the multi-denominational ceremony, which the Moroccan authorities organized after 9/11 to condemn the attacks on New York and Washington, and to express solidarity with the United States. (Held in Rabat's cathedral, the ceremony had been attended by U.S. Ambassador Margaret Tutwiler and representatives of Morocco's political and governmental elite, including then-Prime Minister Youssoufi.) Both Kettani and Abu Hafs were arrested in March 2003.

Interestingly, when in early March 2003 the police ordered Kettani to turn himself over to the authorities (which alleged Kettani's involvement in the organization of an Islamist training camp), Kettani was at the home of PJD Secretary General Abdelkrim Al-Khatib. Initially, al-Khatib refused to surrender Kettani to the police. He eventually did so, but only after he was informed that

the order had come directly from the palace. Even then, Al-Khatib insisted on going with Kettani to the police headquarters, together with several other leaders of the PJD. The entire incident can be seen as one of many indications that ties exist between at least some individuals affiliated with the legalist PJD and others involved in the radical Islamist nebula, though the exact strength of those ties and their significance can be debated.

Section

4

Institutional Arenas

For a more detailed exposition of the structures of the principal institutional arenas, see the prior DG Assessment of Morocco of 1998 along with the update of 2001. This assessment puts the focus on the political implications of institutional configurations and practices in light of the dynamics elaborated in the previous sections.

4.1 Constitutionalism and the Rules of the Game

The regime's willingness to modify the constitution as part of its ongoing democratic transition is a testament to the adaptability that has helped to preserve stability in Morocco. The country for some time has been undergoing a gradual process of constitutional reengineering. The Moroccan constitution was amended in 1970, 1972, 1992, and 1996. Originally it was adopted by popular referendum in 1962, and was modeled after the French constitution of 1958, which accorded President Charles De Gaulle considerable powers. In the case of Morocco, the constitution accords sweeping powers to the king while still providing for free legislative elections. As discussed earlier, the king appoints the prime minister and the cabinet, and can dissolve the legislature. Thus, both the government and the legislature have lines of accountability that run through the palace. In 1996, the constitution was revised to increase the representative nature of the parliament by providing for direct election of the entire Lower House. The introduction of bicameralism, however, still provided for a check on populist trends rapidly becoming dominant in the Chamber of Representatives. The king also appoints the governors and the heads of administrative provinces, the secretaries of state for each Ministry, the directors of public enterprises and agencies, judges, and the heads of the Ministries of Sovereignty.

As the state has moved to open political space for greater participation, it has simultaneously enacted constitutional changes to complement more liberal practices. What the reforms of the rules of the game have had in common is a shepherding of the democratic transition. They introduce an element of conservatism in order to ensure stability while simultaneously opening political space. The introduction of bicameralism has allowed for the direct election of all the members of the Chamber of Representatives by putting in place an upper Chamber of Councilors that can check the Lower House and censure the government, in case they are taken over by populist currents which are seen as threatening the establishment or political order. The changes in the electoral code as discussed earlier in this document (see Section 2.2 on Competition) have allowed the palace and *makhzen* to free up the electoral process from heavy-handed interference. The electoral changes have shown a sophistication in adapting the rules of the game so that the rapid rise of Islamism will not lead to the eclipsing of the traditional parties, but will oblige the multiple parties to engage in compromise and accommodations to help develop and maintain governing coalitions. The reform of the Code of Public Liberties still leaves the regime with the means to engage in a selective review of the content of public associations and expression, while overall becoming considerably more liberal, as attested to by the vibrancy of associational life and the media. As decentralization and the espousal of public/private partnerships at the local level have evolved, the role of elected

bodies is slowly increasing even though the competencies of such bodies is viewed with doubt by the regime. In order to shepherd the gradual transfer of responsibilities without losing control, the regime has increasingly relied on governors and the new regional territorial entities to help monitor the decentralization process. As a result, progress has been more rapid in areas where enlightened governors preside, which will hopefully have a demonstrative effect in promoting positive changes elsewhere.

The constitutional reengineering that has taken place in Morocco indicates that the rules of the game are not viewed as immutable, which is a favorable feature of the environment for democratization. Constitutionalism is valued in Morocco, and changes in the rules of the game continue to be advocated from numerous quarters, including from within the government. For example, there are increasingly vocal and widespread calls for greater regulation and transparency in the public procurement process. As mentioned earlier, growing dialogue about sensitive topics as the role of the monarch is even becoming part of the public discourse, as pressures are growing to consolidate the constitutional part of the constitutional monarchy. The king himself has entered the debate over political structure and process by introducing a new concept of authority that was based on respect for individual liberties, the rule of law, and the preservation of social stability. In a speech on October 12, 1999, King Mohamed VI stated that "Authority is based on the protection of public services and local affairs, individual and collective liberties, the preservations of security and stability, and the management and maintenance of public and social peace." The statement was highly consistent with Morocco's expansion of public liberties within a context of political order.

4.2 Legal and Judicial Sphere

Moroccans currently tend to view the rule of law as epitomizing the limits of the transition toward democratic governance. This is the case with the Ministry of Justice (MOJ), the mainstay of the legal system, which is based on French and Islamic law and French legal procedure. This Ministry of Sovereignty remains susceptible to political influence and despite some progress in developing its internal capacities remains a weak point in the credibility of the country's democratic transition.

The MOJ greatly benefited under the tenure of Justice Minister Omar Azziman and his able Secretary of State, Ahmed Ghazali, who were appointed in 1997 and served until 2003 (Ghazali has continued in his role under the new Minister). During the stewardship of these independent reformists, the MOJ made considerable progress in the administration of justice. In particular, substantial progress has been made in the rationalization of the management of the internal administration of the MOJ. Working conditions have improved for magistrates and court clerks, and judges have benefited from an updating and broadening of their training. Commercial and administrative tribunals have been established and integrated into the Moroccan judicial system, and their personnel have been trained. Prison conditions have improved, and key pieces of legislation have been modernized.

Yet although the justice system is being rendered more efficient, it remains somewhat compromised by its proximity to the palace. The lines of accountability within the system means that it has remained sensitive and responsive to the will of the king's men. Promotions and discipline are enforced by a body that is largely appointed by the palace, namely the *Conseil Superieure de la Majistrature*. Half of the members of this body are appointed by the king and the Minister of Justice and the other half is elected by judges. Past instrumentalization of the judicial

system has left a legacy of subordination to the influence of the powerful, in both the political and economic domains.

Two things have recently happened that point to continuing constraints to the enhancement of the independence of the system of justice. The first is the crackdown on the Islamists, and the growing impunity of the security forces, as described previously. The second related development, which is seen as a step backward by many, is the recent appointment of Mohammed Bouzoubaa as Minister of Justice in place of former Minister Omar Azziman. The new USFP Minister is widely regarded as a political hack from the old guard, and has been a stalwart of working with the palace to gain a toehold in partisan competition. Whereas Azziman's past credentials were in the human rights domain, those of Bouzoubaa arise from his skills at seeking favoritism from the *makhzen* and palace. A compliant Minister in charge of the MOJ will be critical as human and legal rights are likely to be rendered secondary to the growing security concerns over the extremist fringes of the Islamist movement.

In sum, while the more fundamental issues related to the independence of the judiciary will take more time, the regime does show continued interest in improving court procedures and capacities in the commercial and administrative areas. Commercial courts tend to suffer from a lack of specialized judges, but have been developing some pilot cases in regards to improved caseload management. The administrative tribunals show some promise in terms of eventually providing greater recourse to citizens who feel that they have been treated unfairly by the public administration. The administrative tribunals, established in 1993, regulate all legal disputes in which public administration is involved. However, vested interests are likely to resist greater insulation of the Ministry of Justice from political influence. This is likely to be most pronounced with respect to the security apparatus. Given the ongoing war on terror, the *makhzen* is not likely to give up its primordial influence over this key Ministry. Secondly, business elite with close ties to power are also likely to resist fundamental change as their economic dominance has been closely linked to political leverage.

4.3 Governance Sphere

4.3.1 Legislative Arena

Parliament has certainly showed signs of improvement since the constitutional revisions of 1996. Some good opportunities for further strengthening are emerging although some problems remain, such as a huge amount of absenteeism. The two chambers are quite different, with the direct elections of the Lower House leading to more dynamism in public debates than had previously been the case. Investigative commissions have been energized, and press coverage is on the increase. The public image of the legislature has been helped by question time, which is televised, although committees remain closed and have not sufficiently drawn on specialized experience in their investigations or the review of legislation.

Although the improvements in parliament remain ongoing, it has always been in a subordinate position to the monarchy in terms of constitutional arrangements and its oversight role has been limited. Although it has some ability to bring the government of the prime minister down, it is not able to play much of an oversight function in regards to the exercise of power by those close to the palace. The increasing vigor of investigative commissions, though, have increased the parliament's credibility and reduced the impressions of subservience to the inner circles of power (see below).

The Moroccan parliament does offer a representative and participatory forum, which is becoming increasingly dynamic. Parliamentary debate is showing much greater vitality, and the experience of the *alternance* government have renewed the interest of party leaders in regards to this institution instead of simply looking to the palace as a means to gain influence. The solid showing by the PJD in the recent elections has served to enhance both the public interest in the institution and the quality of the debate, which has become more acute as the PJD represents the growing Islamist opposition. This party has distinguished itself from the old crowd through an internal organization that is more effective than many of the more established parties.

The new quota for women has also enhanced the representative character of parliament. There are now 35 female MPs, up from two in the previous parliament. Thirty of them were elected as part of the new quota, with five gaining their seats as part of the regular slate. As a testament to the representative nature of the new female MPs, the women parliamentarians do not form a homogeneous bloc but include around five Islamists as well as individuals from what might be termed the establishment. Although the women's NGOs did not fare well enough in elections to be strongly represented in parliament, the presence of more women MPs provides the advocacy NGOs with an opportunity to develop their advocacy functions in regards to the legislature.

Bicameralism and the changes in the electoral rules have combined to provide some checks on parliament getting too far out ahead of the democratization process by too rapidly promoting reform. By the same token, however, the checks have allowed the regime to grant the institution as a whole greater independence and discretion, and the legislature now increasingly provides an opportunity for vigorous debate over and investigations of public policy. The most notable of the recent investigations were the *Crédit Immobilier et Hotelier* (CIH) and the *Caisse Nationale de Sécurite Sociale* (CNSS) investigations, both of which revealed scandals in the management of public monies, some of which reached into the inner circles of power. The CIH investigation involved public credit for hotel construction while the CNSS related to misuse of the national fund for social insurance. While these investigations did much to demonstrate the growing spirit of independence and integrity of the parliamentarians, they also indicated a need for greater professionalism and access to expertise by committees. They also have further weakened the credibility of the MOJ, which has failed thus far to follow up adequately on the substance of the allegations revealed through the investigations.

4.3.2 Executive/Administrative Sphere

The Moroccan state is encumbered by a legacy of a heavy public administration. This is due to a combination of centralized rule that dates back to the French colonial era and the effect that clientelistic patterns of patronage have in bloating the centralized bureaucracy. Public administration remains one of the weak points in Morocco's governance, as it is both inefficient and compromised by the use of the public sector to differentially reward or punish various actors.

The country has, however, been experimenting for several years with efforts to render public administration more transparent and accountable. The reform of the *douane* or customs agency is one of the best known successes in this regard. Another positive development has been the creation of an Inspector General's College and the attachment of Inspector Generals to each Ministry. In general, the principles of transparency and accountability are increasingly accepted and offer a promising foundation on which to build. There is strong interest and positive political will in developing more regularized and transparent public procurement processes on the side of both the government and private entrepreneurs.

Rapid reform of public administration will not be easy, especially at the local level, where it is still dominated by the MOI, with its inherent penchant for control. Middle-level bureaucrats are likely to resist giving up some of their discretionary power, which has helped enhance their intermediary role between state and society. The next section further examines how these political dynamics are playing out in regards to local governance.

4.3.3 Local Governance

The situation of local governance provides a fascinating perspective on the interplay of two distinct priorities of the Moroccan state. On the one hand, it reflects the strong priority placed on maintaining order and stability at the local level. The state is especially vigilant about containing and impeding potentially disruptive forces that might mobilize the population in opposition to the regime. There is a latent vulnerability for conflict arising from the stark socioeconomic cleavages that have left large portions of the population in conditions of poverty that have not benefited from what economic growth has taken place. On the other hand, another priority of the regime has been to encourage citizens and communities to take more responsibility for filling the development gap. There is a conscious effort on the part of the state to establish and promote partnerships with associations in the provision of public services. The gradual increase in the roles of elected officials and councils is a means to encourage communities to take greater responsibility for resolving their developmental challenges, rather than simply relying upon a centralized state.

The strengthening of *wilayas* and regions have preceded the transfer of greater power to communes, reflecting the Moroccan priority on maintaining order during the decentralization process. Some prerogatives have been transferred to these entities from the Ministries. The appointment of younger more dynamic governors under Mohamed VI has helped further experimentation with the decentralization process and counter the tendency of local administration to distrust elected officials. Press reports and audits have made it clear that elected local bodies are sometimes subject to corruption and not immune to mismanagement and embezzlement of public funds.

Central to the gradual transfer of greater responsibilities has been the system of *tutelle*, which takes place in regards to both administrative and financial decision making. The *tutelle* system provides the MOI with the final word on all key decisions and reflects both a distrust and recognition of the weak capacities of local elected bodies. There are increasing calls for the *tutelle* to be limited to *post teori* review, rather than the *a priori* determination of budgets that currently dominates. The practice of *tutelle* reflects both a lack of financial autonomy and a technical dependence. In essence, the elected bodies still function as elected auxiliaries to the territorial administration of the MOI. It thus far has been a process whereby some administrative responsibilities are being devolved gradually, but political means of control remain at the disposal of the regime.

The problem with this transitory situation is that popular perceptions regarding the arbitrary and selective nature of decision making by the authorities continues to represent a constraint to greater community involvement in the resolution of developmental challenges. Likewise, the arbitrary power of decision making by local authorities still impedes the creation of an enabling environment conducive to greater private investment. To reduce these constraints, the process of control and oversight needs to be removed from the monopoly of the MOI by also being placed under the scrutiny of a public disclosure process. This does not mean that the MOI will not continue to play the key role in regulating local affairs, but that decisions are made on a regularized, transparent

basis. This will encourage greater participation in community development that will lead to tangible benefits from improved local governance.

4.4 Civil Society

The civil society arena in Morocco has been dynamized by several factors during the modern reform era, leading to vibrant growth. First, the opening of political space combined with the lack of credibility of the political parties served to push a generation of modernist reformers to turn to associations to pursue their agendas. At the national level, an abundance of CSOs has sprung up. They are distinguished by remarkably high human resources at their leadership, although they are not strongly bound to the grassroots. In part, the wealth of talent is because this generation of political thinkers did not find adequate vehicles for political participation through the established party structures. Instead, they turned to activism through civil society to join the public discourse over democratization.

Secondly, civil society also was spurred on at the local level by the encouragement of associational life by the authorities in order to facilitate popular participation in overcoming community development challenges. These local associations were built on a tradition of self-help organizations that had long existed, but now such efforts are officially sanctioned. Many of these developmental associations have sprung up, especially in regions with progressive governors, where the state has actively encouraged their emergence.

Civil society in Morocco is thus home grown and authentic. While civil society has benefited from the interest and support of international donors, it differs from that of many other developing countries in that it was not the creation of the donors, but derived from Morocco's own internal dynamic. While still struggling to generate greater interest among the larger population and to find points of access in the political system, civil society has sprung up in response to the liberalization of the enabling environment. Previous USAID assessments detail the changes in the regulatory framework that have led to this release of social energy.

Once again, the MOI remains the gatekeeper into the associational arena even though the entry requirements have become much more relaxed than previously. While most associations do not have broad appeal, the NGO that has had the greatest success in mobilizing at that grassroots across a wide area has been the Islamist *al-Adl wal Ihsahne*, which is now formally outlawed. As in the other arenas, Morocco's genuine moves to democratize are coupled with safeguards against schisms that could contribute to conflict and instability. Civil society is itself coming to grips with the polarization of society that has resulted from the opening of political space and which has the potential to lead to a backlash and a reduction of collective freedoms.

Civil society organizations are currently frustrated by two other factors. The relative impermeability of the political parties to their input has left them on the sidelines of the electoral process despite the advances made in the conduct of the recent elections. Parliament, however, could conceivably serve as an institution where CSOs could contribute to deliberations over public policy both by lobbying legislators and by helping them with the provision of useful information and expertise.

The other current source of frustration for civil society is the result of the mixed signals sent by the security forces flexing their muscle under the rubric of the war on terror. Moroccan civil society has a strong background and affinity with human rights, and so is faced with a dilemma. On the one

hand, the CSOs tend to be secularist and modernist, and many of its leaders are concerned about the rise of conservative Islamism, especially in regards to women. On the other hand, the CSOs are generally committed to principles of liberal democracy, and so they are worried about a potential restriction of the political space in which they have flourished. Finally, civil society leaders support democratization, but the contemporary trends of populism are currently favoring the more conservative Islamist forces. The CSOs in the past have tended to view the regime as the obstacle to greater liberalization while now the greater threat to secular modernism may actually come from other quarters within society.

The media is another area of civil society that has enormously benefited from the relaxation of the red lines, as described in previous sections. However, ambiguities in the regulatory framework persist and the *makhzen* continues to retain its ability to sanction for content. Now is a critical time for the media to further improve its credibility by developing its professionalism, integrity, and ethics. By continuing to mature, the independent media can further gain the confidence of both the people and the state regarding the contribution it can make in the provision of the public information needed for the democratization process to continue to proceed.

4.5 Filtering in Institutional Considerations

The above considerations of the institutional arenas make it clear that Morocco has continued to deepen the democratization process despite the fact that doing so has opened a bit of a Pandora's box. The regime has thus far successfully balanced the need for change with its priority on maintaining stability. Society itself, however, is increasingly split between the majority who cherishes the country's stability and an increasingly vocal minority calling for fundamental changes in the political order. While the regime's reaction to this dilemma has sent some mixed signals of late, the overall liberalization of the regulatory frameworks for the institutional arenas in large part bode well for the consolidation of the gains made to date.

Across most of the institutional arenas, it is evident that positive experiences have resulted from the openings made thus far. Security concerns over the transnational implantation of extremist tendencies, however, have led to the restriction of efforts by some to fuel populist discontent with the state. It is critical that the democratization process gain credibility as a means of mitigating the seeds of potential conflict that are sprouting. In particular, it is imperative that the principles of equity, transparency, and accountability become more systematically enshrined in the exercise of authority in the kingdom.

This assessment has laid bare the areas in which decision making continues to reflect the strong remnants of the old system of opaque patronage and personalistic influence. For Morocco's public institutions to become more accountable, they must develop ways in which the application of laws, regulations, and standards becomes more transparent. The following section provides some strategic and programmatic recommendations toward this end.

Section

5

Programmatic Implications and Recommendations

5.1 Opportunities and Challenges for Political Reform in Morocco

Over the past decade, Morocco has made important strides in the area of political reform. In fact, within the Arab world, the kingdom is the country where the process of political liberalization has been sustained for the longest period of time. Elsewhere, as in the smaller Gulf States of Bahrain and Qatar, a genuine political opening was not initiated until well into the 1990s. Meanwhile, in Algeria, Yemen, and Jordan, promising political reforms begun in the early 1990s stalled or were reversed later in that decade. Not so in Morocco where, despite the difficulties that have been encountered (and notwithstanding some setbacks along the way, especially in the past two years), the political opening launched in the late 1980s has survived the test of time.

While the trend in Morocco's reform process remains positive, it is not irreversible. One may be pleased at Morocco's progress, and optimistic about the possibility of further democratic gains in that country, but one should not be complacent.

- Severe and persisting social and economic problems pose challenges for the consolidation of political reforms. Absent significant reductions in poverty and higher rates of economic growth, the political achievements of the past decade may be rolled back. Those political forces that tend to benefit from acute social problems and anemic economic growth are also those that are least well-disposed toward the transformation of Morocco into a modern, democratic society.

- Below the surface, many battles are raging that will determine the kingdom's political course. Future-oriented, forward-looking forces are pitted against traditionalists and self-declared champions of "cultural identity" who remain fixated on the past. Actors committed to genuine political and economic reforms face stiff resistance from status-quo forces whose vested interests are threatened by steps toward democracy and a more level playing field among economic actors.

- Moreover, in Morocco as elsewhere, 9/11 has had a chilling effect on prospects for further liberalization. It has made it easier for those who oppose reforms to justify their position by invoking "security considerations" and the need to contain a rising "Green peril." By the same token, within decision-making circles, September 11 has strengthened the hand and heightened the influence of security and intelligence forces.

In this context, it is not surprising that many of those we interviewed believed that the past 20 months have not been kind to reformist forces in the kingdom.

- One feels among those forces a palpable sense of apprehension, trepidation, and fear about the future—far more so than could be detected two years ago, or, for that matter, four or five years ago, at the beginning of former Prime Minister Youssoufi's tenure. There is real concern about where Morocco's transition is headed, particularly in light of a regional and international

environment that is seen as inimical to further progress, and which, overall, is believed to work to the advantage of those forces that oppose significant changes in the country's political economy.

- The dominant perception is that, since 2001 at least, there has been a reassertion of vested interests that previously were on the defensive. It was reported to the team on several occasions that those interests are becoming bolder and more forceful in their opposition to reforms.

- Many liberal, modern-oriented Moroccans feel increasingly caught between "Islamic fundamentalists" on the one hand, and "security fundamentalists" on the other. The latter deliberately play up the "Islamist threat" to justify being given a freer rein, to defend their vested interests, to secure support from foreign sources (including the U.S.), and to oppose a broadening of political space. Meanwhile, "Islamic fundamentalists" pose as the only genuine opposition in the country—and ironically, as the defenders of human rights and civil liberties under attack by the security apparatus, and as the main critics of U.S. policies that are the source of much resentment and anger.

- Many Moroccan analysts expect the war in Iraq to boost the position of the Islamists and, therefore, to complicate further the task of modern, democratically inclined elements in society. If that happens, the security apparatus might assume an even more prominent and visible role in decision making, and might become even more inclined to flex its muscles. Security forces might limit themselves, for the most part, to clamping down on Islamist activity—in which case, the curbs on political freedoms would affect primarily Islamists (which would not make such curbs legitimate or devoid of broader, long-term political dangers). The crackdown, however, might extend to other forms of dissent and opposition. In such an environment, significant political backsliding—particularly in the areas of competition and civil liberties—might take on a negative momentum of its own.

In short, the outcome of Morocco's remarkable political opening is by no means pre-determined, whether in light of persisting problems or considering the new challenges that lie ahead in the aftermath of the war in Iraq and the U.S.'s ongoing "war on terrorism."

- Further democratic reforms is certainly an option. If that option materializes, reforms are likely to continue being implemented in a gradual and incremental manner, both because the path of reforms is fraught with dangers, and because of the need to accommodate some vested interests. Difficulties and setbacks will continue to be part of the picture, but, overall, the trend will remain positive, even though dramatic breakthroughs are unlikely in the short- to medium-term.

- Unfortunately, more pessimistic scenarios cannot be ruled out. One such scenario is a stalling of the reform process. The kingdom proves unable to capitalize on, and deepen, past advances. Vested interests succeed in preventing further democratic reform. Morocco remains stuck in the "gray zone" between an old order that is never quite transcended, and a "new order" that remains elusive. Even more worrisome scenarios involve various degrees of political regression.

5.2 Implications for the United States

Given the context that has been sketched above, it is critical that the United States step up its effort to help Morocco consolidate its democratic gains and pave the way for further progress.

- The United States cannot afford to let Morocco's promising political experiment fail. To do so would be letting down a loyal friend and ally—one that has stood by the United States in difficult times, and that has been a voice for moderation and reason in a region in which emotions and tensions run high. The U.S. has long relied on Morocco as an intermediary, a facilitator, and a regional mediator. It once again may need to rely on the kingdom if and when Israeli-Palestinian negotiations resume in earnest.

- Failure by the United States to assist Morocco in its courageous reform efforts would signal to the youth—not only in the kingdom, but also elsewhere in the region—that it does not pay to heed Washington's advice on political and economic matters.

- At a time of turbulence in U.S.-Arab relations, Morocco is well-positioned to help us prove that cooperation between an Arab-Muslim country and the U.S. is possible, and that Washington is committed to supporting tolerant, moderate, and forward-looking Muslims in their quest for development, progress, and freedom. If Washington does not provide Morocco with the assistance the kingdom has proven it deserves, the already widespread skepticism toward the United States' stated commitment to supporting democratic reforms in the region may become even more pronounced. By contrast, stronger relations with Morocco—one of the founding members of the Organization of the Islamic Conference (OCI), and a country known for its tolerant and flexible approach to religion—will give credence to Washington's insistence, in the wake of 9/11, that the U.S. is eager to cooperate with moderate Muslim countries, and that the war against terrorism is not a war against Islam.

- Looking at Morocco's performance relative to other countries in the region, at the quality of its cooperation with the United States on issues we say are important to us (the fight against terrorism, regional stability, peace between Israel and the Palestinians), and at its sustained pace of political and economic reforms in the past 15 years, one can only be astonished that Morocco is not receiving more recognition and concrete, tangible support from Washington.

While the bilateral relationship between the kingdom and the U.S. remains strong, there are critical aspects of that relationship that do not receive the attention they deserve from Washington. One such aspect is the strength of the Moroccan experiment with political reform. It is significant, for instance, that the September 2002 parliamentary elections in the kingdom were held on schedule, despite the high level of tensions in the region; that the elections by and large were clean and transparent; and that Islamists were allowed to run and do well in them, receiving the fourth largest number of seats in the lower chamber. The elections spoke more deeply about the Moroccan regime's commitment to a process of political reform, and to its confidence in the cohesion and stability of the country's body politic. In light of such developments, Morocco is not receiving the attention and credit that it deserves from Washington as a potential model for the very economic and political reforms that other Arab countries so badly need, and which our diplomats are now urging on the rest of the region.

5.3 Outlining the Proposed Strategy

We therefore propose that assistance to Morocco's political reform process be a central component of USAID's 2004-2008 strategy. Ideally, that strategy would focus on three interrelated sectors: Economic Growth (EG), Democracy and Governance (D/G), and Education (ED). These three sectors mirror those on which the U.S.-Middle East Partnership Initiative (MEPI) is built. Indeed, Morocco should be seen as the poster child for MEPI. No country is better placed than the kingdom to play that critical role, and no other country in the region has demonstrated that it is more deserving of U.S. assistance.

The ambitious strategy we advocate would require significant additional resources, in both funding and management. It should revolve around three complementary, mutually reinforcing Strategic Objectives (SOs) in D/G, EG, and ED. These three SOs may be seen as critical tools through which the United States can contribute to the following interrelated objectives in Morocco:

- Facilitate job creation and poverty alleviation;
- Enhance prospects for political stability;
- Contain radical, extremist currents (both religious and secular);
- Make it possible for Morocco to develop into a modern, forward-looking society, open to the outside world and able to compete and thrive within it.

To encourage synergies between the three SOs, and to make it easier to identify specific activities capable of making a significant contribution to the goals pursued in all three sectors, we suggest a theme of "Enhancing Transparency, Accountability, and Equity." This overarching objective itself breaks down into two separate components:

- Promote the **principles** of Transparency, Accountability, and Equity—with equity having two primary dimensions: gender equity (to reflect the importance for Morocco to make further progress in the area of women's rights) and social justice (because of the latter's importance in a country characterized by widespread poverty and striking social inequalities, and because the call for equity and justice resonates deeply with the population, and is a theme on which Islamists capitalize);
- Strengthen existing **mechanisms** and **institutions** that can contribute to greater implementation of those principles in the business world (link with the EG SO), government and politics (link with the D/G SO), and the educational sector (link with the ED SO).

If resources allotted to Morocco prove insufficient to support the optimal strategy that is outlined in this report, USAID's strategy will end up revolving around a single EG-centered SO, itself driven primarily by the Free Trade Agreement (FTA) Morocco expects to sign with the U.S. by early 2004. Under that scenario, a number of D/G activities aimed at improving transparency, accountability, and equity would still be justified, as would a number of such activities targeting the education sector, on the grounds that such activities would be those most likely to contribute, within their respective sectors, to creating the environment required for Morocco to seize the economic opportunities offered to it by the FTA.

However, should the resources be substantially augmented as strongly recommended, it is imperative that the Mission's management resources be concomitantly increased. The overarching nature of the transparency, accountability, and equity theme requires that the various programs be targeted and focused rather than comprehensive. Additional management resources are not only essential to maximizing synergies within the Mission's own broader program, but in also contributing to the most productive and catalytic dialogue with Moroccan counterparts.

Both analytical and program-oriented considerations point to a Strategic Objective (SO) of Enhanced Transparency, Accountability, and Equity as the most effective way through which USAID might contribute to Morocco's democratization process.

5.3.1 Analytical Justifications for the DG Strategic Objective

The crosscutting theme of transparency, accountability, and equity is based on three interrelated problems that were consistently underscored by those whom we interviewed:

- The pervasive feeling that key political and economic decisions in Morocco are still made in the shadows, by politically connected individuals who are not held accountable for their actions. (Hence, in part, the constant speculations and rumors about the alleged power struggles going on behind the scenes, and about which factions or segments of the elite happen to have the upper hand at any particular point in time.) Opacity of decision making (especially regarding the most sensitive issues facing the country) and impunity (for many of those who do not abide by the law) are still seen as the norm—even though our interviews also suggest that the political will and momentum to tackle those issues are greater today than they ever have been in Morocco.

- The intertwining of political and economic interests. The worlds of politics and business still do not constitute two separate spheres that operate according to their own, respective logic. Instead, political interests continue to exercise undue influence over economic life. The consensus among those with whom we spoke is that much remains to be accomplished to create a level playing field among economic actors. Fortunately, encouraging steps have taken place in the past decade to make the economic sphere more impervious to political pressures, and success in the business world more independent from political access and clientelistic considerations. Still, powerful, well-entrenched interests reaching all the way to the inner circle of power in the kingdom continue to resist the creation of a level playing field that would result in a significant reduction of their influence.

- The broader perception that, in Morocco, "the game is rigged," and individuals do not enjoy equal opportunities. It is widely acknowledged, for one, that, on average, life is much harder for men than for women, and that the gender gap remains far too wide in the kingdom. Women do not enjoy the same educational opportunities as men. They are more likely to be deprived of certain elementary rights, and they are still insufficiently represented in senior decision-making positions, be it in government, politics, or business. More generally, many of the team's interviewees tended to view their country as governed by a self-perpetuating political and economic elite. They felt that birthrights and personal connections remain far more decisive than merit and achievement, and that "who you know" is still much more important than what you do or how hard you try. It is that situation which creates the feeling among so many young Moroccans that they have no future in their own country, and that a better life passes through the securing of a visa at a foreign embassy. It is one of the key reasons why so many of them

drown, each year, seeking to reach Europe by swimming across the Straits of Gibraltar, in a desperate bid to escape a life that no longer holds any hope for them.

These findings point to the themes of transparency, accountability, and equity as natural, logical foci for a D/G SO in Morocco. **That would be the case irrespective of the other components of the Mission's strategy, but it becomes particularly appropriate considering the EG, FTA-driven SO, and the need for any D/G SO to be closely connected to, and supportive of, that EG SO**. Indeed, it is hard to envision that Morocco can seize the greatest opportunity offered to it by the FTA (that is, the prospect of increased foreign investment) absent further progress toward transparency and accountability, a greater insulation of the business world from political influence and pressure, as well as a more independent and effective judiciary. Continued improvements in trade laws and business regulations—and, especially, a more systematic enforcement of the legal and regulatory framework—are critical. The opacity of business regulations, as well as the inconsistent and often arbitrary manner in which they are applied, remain major impediments to private investment, both domestic and foreign. Economic actors are often uncertain about which sets of often conflicting regulations apply to their operations. Meanwhile, potential investors find it hard to determine how many documents are required to open a business, or from which tentacles of a labyrinthine bureaucracy these documents can be secured. That situation has to change for FTA-related benefits to materialize for Morocco.

By the same token, steps toward greater equity will foster the stable political and economic environment which foreign investors demand. Improvements in women's rights will enable Morocco to become more effective at tapping the potential of half of its population. Measures that reduce the sense of impunity and provide for greater social justice will diminish the appeal of demagogues, radical voices, and populist ideologies. They should help restore a sense of hope and confidence among the kingdom's new generations.

In short, the central objective of a D/G SO in Morocco, particularly in the context of a broader USAID strategy centered on an FTA-driven EG SO, might be phrased as follows:

> Harness D/G assistance to help Morocco progressively transition away from a political economy characterized by opacity and a significant degree of confusion between economic and political power to a more transparent system, based on stricter enforcement of existing laws and regulations, and in which the economic and political spheres operate independently, according to their own, respective logic.

Unless the kingdom makes the transition that has just been described, and which may be its greatest political challenge in the coming decade, it cannot hope to succeed in today's globalized world. And because the U.S. has a stake in Morocco's success, it also has a strong interest in helping it meet that challenge. While Morocco has made impressive progress in undertaking its democratic transition, USAID support at this time could be critical.

5.3.2 Programmatic Justifications

"Enhancing Transparency, Accountability and Equity" not only reflects Morocco's greatest needs in the D/G area, but it also presents clear advantages from the Mission's perspective.

- **It makes it much easier for the Mission to prioritize and focus**. Much can be accomplished under each of the three potential SOs (EG, D/G, and ED). Consequently, a clear focus for the Mission's strategy can serve a vital integrative function that maximizes impact. For each SO, such a focus facilitates identification of a few core activities selected on the basis of their potential to contribute to the overarching goals of transparency, accountability, and equity.

- A clear focus on transparency, accountability, and equity also **should make it easier for the Mission to retain control over its own D/G portfolio**. In the past, the Mission has been placed in the unfortunate position of having to react and adjust to the initiatives of implementers. The coherence of the Mission's strategy should not be detracted by Washington-based management. It is critical that that situation not be repeated. Implementers financed through USAID or ESF funds should not be allowed to set the pace or determine the content of the Mission's D/G portfolio. By setting a clear standard that implementers' projects are expected to meet (i.e., a demonstrated contribution to the Mission's core objectives), the theme of transparency, accountability, and equity will help the Mission retrieve its legitimate role relative to implementers.

- Finally, **the proposed integrative theme can increase synergies across SOs**. Since the activities selected under each SO are those that have the greatest potential to contribute to enhanced transparency, accountability, and equity, they are also more likely to be complementary and mutually reinforcing.

The importance of Transparency, Accountability, and Equity to an EG SO already has been established. But those themes are equally critical to a potential ED SO defined as follows:

> "Strengthen the capacity of the educational system to be a lever for economic growth and political reform, and for a more effective integration of Morocco into the world of global culture and commerce."

The lack of accountability and transparency within Morocco's Ministry of Education (MOE) constitutes a primary obstacle to Morocco's educational goals. Even by the standards of Moroccan public administration, the MOE historically has been particularly poorly managed and is now in a state of disrepair. Consequently, while Morocco consistently has devoted a large share of the state budget to education, it has obtained only very limited returns on that investment, whether in terms of literacy rates or quality education. That situation suggests a set of logical interventions for the Mission:

- USAID could help strengthen or establish mechanisms to monitor and improve performance within the MOE. It could assist in the development of procedures and the training of personnel capable of providing regular assessments of the capacity of the educational system to serve as an engine for economic growth and political-cultural pluralism. Such assistance would provide the MOE's senior staff with the feedback and evaluations it needs to carry out needed changes.

- USAID could help the MOE elaborate a real strategy on education-related issues. Historically, erratic leadership and a lack of continuity in the Ministry's top decision-making positions have prevented the development of a genuine long-term approach to educational matters. The importance of such an approach is now recognized by the MOE's current leadership. The Ministry's Directorate for Strategy (*Direction de la stratégie*) would be the natural target for such an effort.

- Within the MOE, information still circulates very poorly, which is a hindrance to greater transparency. USAID might consider relying on IT assistance to improve communications, both within the Ministry's central administration and between it and the 16 regional academies (*académies régionales*) that are about to be created.

- Each of these *academies* will resemble a small Ministry. Together, they will manage an estimated 70 percent of all educational equipment in the country. This situation represents both a challenge and an opportunity—the latter being to make sure that the new regional *académies* will not be plagued by the lack of transparency and accountability that historically has bedeviled the central administration. Through human resources training and the sharing of expertise, it is possible to prevent such an occurrence. The senior staff of the regional academies will be recruited among educators, who have little experience in management. The managerial capacities of that staff and of school administrators will need to be upgraded. The Mission may want to focus its assistance on one *académie*, presumably in a region where USAID will be involved in a host of other local- and regional-level activities.

With respect to equity, the Education SO should build on the Mission's past achievements in girls' education, and expand their scope to include women. The energy and dynamism displayed by Local Development Associations (LDAs) should be harnessed in that process.

- The Mission should identify a handful of key LDAs active in girls education as well as the development of basic literacy skills and income-generating activities among women. In parallel with its D/G SO, it should aim to both strengthen the institutional capacity of these NGOs and develop partnerships between them and the municipal authorities in such areas as vocational training, literacy classes for women, and the promotion of women's legal rights.

- Broader, three-way partnerships among these LDAs, the MOE, and national NGOs such as *Centre d'Ecoute* and *Heure Joyeuse* (both of which are based in Casablanca) might be encouraged and supported.

- Finally, assistance for school-related transportation facilities, particularly for young girls, may be given special attention, since the distance between home and place of schooling remains one of the primary reasons why so many girls around the age of 11 drop out from the educational system.

The Education SO should also include curriculum-related activities that reflect the focus on Transparency, Accountability, and Equity.

- The Fulbright grants program may provide opportunities to familiarize students in Moroccan business schools and universities with American approaches and expertise in such fields as ethics in business and ethics in government.

- Support should be provided to collaborative efforts that have been ongoing since 2000 between Transparency Maroc and the MOE to sensitize Moroccan school children to the costs of corruption. So far, that joint program by TM and the MOE has targeted thousands of primary, secondary, and high schools. It already has a proven track record, and deserves to be supported as a tool for nurturing a culture of responsibility and civic-mindedness in the next generations.

5.4 Outlining the Proposed DG Strategic Objective

We suggest a broad-based D/G SO that builds on Morocco's achievements in political reform, and aims to take advantage of the kingdom's momentum in tackling persisting problems in the areas of Transparency, Accountability and Equity.

That D/G SO would revolve to a large extent on a handful of national-level interventions that are most likely to have the greatest impact on the kingdom's overall political dynamic. However, it also would involve a number of related regional- and local-level interventions that directly and explicitly address the issues of transparency, accountability, and equity. These activities should be carried out in regions and municipalities featuring a political environment conducive to relatively quick progress. The tangible advances made in those regions and municipalities could then be publicized to inspire similar initiatives elsewhere.

The strategy we advocate would consist of the following four mutually reinforcing components:

(1) A parliamentary development program;
(2) A civil society program (with both national- and local-level components);
(3) A public administration program (with national, regional, and local governance projects);
(4) A small media program, intended primarily to publicize the "success stories" achieved under the previous three programs, so as to create a demonstration effect and diminish the tendencies toward resignation and cynicism that stand in the way of Morocco's progress.

While the multi-sector dimension of the proposed D/G strategy might strike the reader as excessively ambitious, it bears remembering that each program would aim to strengthen not all aspects of the institutions targeted, but merely those that would contribute to the goals of enhanced transparency, accountability, and equity.

5.4.1 Parliamentary Development Program

The primary objective of that program would be to strengthen parliament's oversight and policy assessment capacity, as well as its ability to upgrade the legislation regarding critical transparency and accountability issues, including conflicts of interest, disclosure of assets (*déclaration du patrimoine*), public procurement contracts, privatization mechanisms, and delegated management (*gestion déléguée*).

The investigations into the CIH and CNSS scandals showed that the cynicism that often is directed at parliament, and the skepticism that surrounds that institution's effectiveness as a vehicle for greater transparency and accountability, are not always justified. On several occasions in recent years, parliament has asserted its prerogatives, and its overall institutional capacity has increased markedly in the past decade. The credibility of the Lower House's members and the perceived representation of the Chamber also have been enhanced as a result of the kingdom's first free and fair elections in September 2002. As Morocco's transition to democracy proceeds, parliament is bound to assume a more visible and central role in the political system. Conversely, it is hard to envision significant further progress toward democracy without improvements in parliament's influence and capacity. Meanwhile, a stronger, more capable parliament could become a vehicle to revive moribund political parties.

In this context, a parliamentary development program seems more timely and appropriate than ever before. In practice, and considering the strategy's proposed thematic focus, that program might focus on the following three areas:

(1) **Enhance parliament's capacity to provide regular, professional assessments of public policies, in terms of both their effectiveness and their conformity with existing laws, procedures, and regulations**. The more effectively public policies are scrutinized, and the more publicized the results of those evaluations are, the more those making policies, or entrusted with their monitoring, will become accountable for their actions.

One way to contribute to that objective would be to assist in the creation of a "Policy Assessment" or "Parliamentary Studies" Center. Both the Friedrich Ebert Foundation (FES) and the think tank/NGO Maroc 2020 are looking into the establishment of such a center. FES, which has a proven track record as an effective donor in the D/G area in Morocco (particularly in light of its limited financial resources), has expressed interest in cooperating with USAID on this project. The UNDP, which over the years has developed a significant legislative strengthening program, also should be consulted in this effort.

- Though its primary clients would be MPs, that center would not be located within parliament, where it all-too-easily could be controlled, manipulated, and made into a tool to serve special interests. Instead, it should be established outside parliament, so as to remain independent of both its professional staff and the political forces represented within the legislature.

- When specific bills are being considered by parliament, the center would help MPs make more informed policy choices by engaging in the following endeavors: researching relevant issues; gathering data and statistics; and organizing training and information sessions, public debates, and workshops.

- As often as possible, that center would tap the considerable expertise available in civil society, the media, and the professions. It would provide an arena within which representatives of those sectors can interact with MPs on selected public policy issues. For instance, as parliament considers a health care bill, the center might organize a workshop that would give MPs the opportunity to be briefed by physicians and other health care professionals, health-oriented NGOs, and media representatives with expertise on health issues. This approach would provide parliament with the means to harness the technical knowledge that is often found more readily in society than in the legislative branch. In addition, by opening up the legislature to civil society organizations, the professions, and the media, the center would increase the extent to which parliament operates as a transparent and accountable institution.

- In addition to enabling MPs to make more informed choices regarding key pieces of legislation, the center would provide regular evaluations of ongoing policies. In light of the Mission's EG and ED SOs, the center should specialize on economic policy and education-related issues. Educational reform, private-sector growth, *mise à niveau* (upgrading the capacity of private-sector firms to face up to the standards of foreign competition), privatization, and international trade issues should receive particular attention. Furthermore, because public sector entities have been a source of extensive mismanagement and fraud that have eroded public confidence in state institutions, the

performance of those entities, and the manner in which they spend precious taxpayer money, should be a primary concern of the center. The center should not merely assess specific policies and institutions, but be a source of suggestions and policy recommendations.

(2) **Help parliament pass legislation that increases predictability in business transactions, levels the playing field among economic actors, and deters or sanctions fraud and mismanagement in public sector firms**.

- Certain ambiguities or contradictions found in existing laws create opportunities for corruption, or give some economic actors unfair advantages over others. Much legislative work remains to be done to eliminate those flaws.

- The legislation also needs to be clearer regarding what constitutes conflicts of interest, and the implications of such conflicts of interest for appointments to public offices.

- The laws and regulations that govern public entities and how they spend taxpayer money need updating and upgrading. It would be wise, for instance, to identify certain criteria that the *directeurs d'établissements publics* (the CEOs of the largest public sector firms) should meet before they can be appointed. The monitoring, control, and auditing mechanisms for public sector firms should be made far more specific as well.

- The existing law on the disclosure of assets by civil servants needs improvement, and its scope should be expanded to include all those in a position to use their public office for private gain.

- The legislation that governs public-procurement contracts also can be improved. For instance, following changes introduced in 1999, the current legislation requires that all public-procurement contracts above 5 million dirhams (about $500,000) be subjected to an audit. The law is not specific enough, however, regarding who is to be in charge of the audit, the timeframe within which the audit must be completed, and what must take place following the completion of the audit, particularly if evidence of wrongdoing is discovered. More generally, the existing framework for public procurements contracts suffers from two interrelated flaws: the legislation is not clear or detailed enough, and few of the control mechanisms required to make sure that the law is actually implemented are yet in place. This area constitutes a natural focus for collaborative efforts among parliament, the CGEM, the economic press, and selected NGOs/think tanks (Maroc 2002, Alternatives) that have reflected on, and have expertise to contribute to the resolution of, this issue.

- "Delegated management" ("*gestion déléguée*") represents yet another area in which there is a pressing need for up-to-date legislation. The expression refers to the process by which a public entity (municipal authorities, for instance) awards a private sector firm a contract through which that firm, in exchange for a fee, becomes responsible for delivering a public service, such as garbage collection. Over the past several years, the resort to delegated management has grown in Morocco, and it is expected to continue to grow in the coming years. The legislation regulating this practice, however, has not kept up with its increasing popularity.

- In all instances where parliament seeks to upgrade and modernize the legislative framework governing economic transactions, efforts ought to be made to allow MPs to interact with business representatives. Thus, fora that bring together MPs and members of the CGEM to discuss trade-, business-, and transparency-related issues ought to be encouraged.

(3) **Strengthen parliament's capacity to oversee public finances**. This area overlaps with the previous two, but might involve the following as well:

- Efforts to boost the institutional capacity of the Finance Commissions of both houses of parliament.

- Assistance to ad hoc commissions of investigation created by parliament.

- Public finance training for MPs, including familiarization with accounting and auditing techniques. As discussed earlier, the parliamentary investigations into the CIH and CNSS scandals revealed that MPs often lack the specialized skills to delve into complex, technical issues that require a sound understanding of basic financial principles.

5.4.2 Civil Society Program

Three critical reasons suggest that civil society should remain a primary focus of USAID's D/G strategy:

(1) Civil society has a proven track record of achievements and continues to display considerable momentum and dynamism.

(2) It can be relied upon to resist political backsliding, expose "pockets of resistance," mobilize opposition to them, and maintain pressure on the authorities to proceed on the path of political reforms.

(3) Morocco is fortunate to feature dynamic advocacy NGOs that not only have exposed corruption, lack of transparency, and gender inequality, but also have endeavored to find concrete solutions to these problems. These NGOs have underscored the need for change. They have nurtured the public's appetite for reforms. They have been instrumental in helping the country overcome long-held political and societal taboos, and they have been a vital source of new ideas and suggestions. In short, they represent a powerful lever for change that the Mission's D/G strategy should seek to harness.

Advocacy groups concerned with corruption/transparency issues and those that seek to promote women's rights are among the most dynamic segments of advocacy civil society in Morocco. They also have served as a catalyst for coalition building within civil society. For instance, leaders of women's advocacy groups often play key roles in other associations, as well as in the overall coordination of the associative movement in Morocco. Similarly, the fight against corruption has been a unifying theme for civil society. This was reflected in the creation and rapid growth of the *Collectif Inter-Associatif contre la Corruption* (CIACC, or Network of Associations for the Fight against Corruption). Originally formed by six NGOs in 1997, the CIACC grew rapidly to encompass over 40 associations, including the most prominent, active, and successful advocacy groups in the country: TM, Maroc 2020, *Alternatives*, *Afak*, the two most active and visible human

rights associations (the AMDH and the OMDH), and two of the most effective and best-known women's rights groups (the ADFM and the UAF).

In this context, we suggest that the Mission's civil society program be built on the following four pillars.

(1) **Help promote a reform agenda on issues of transparency in business**.

- Within organizations such as Transparency Maroc (TM), the CIACC, and the Ethics Committee (*Comité d'éthique et de déontologie*) of the CGEM, a tremendous pool of knowledge exists about corruption- and transparency-related issues in Morocco. As often as possible, the Mission ought to tap that expertise in its own efforts to address those issues. The Mission should work directly with such organizations rather than through a U.S.-based partner in order to best build on the promising initiatives already under development within Morocco.

- In light of the strategy's proposed ED SO, the Mission should support TM's joint efforts with the MOE to sensitize the next generations of Moroccans to the costs of corruption, and to improve transparency and accountability across the educational system.

- Two other TM initiatives ought to be supported. The first consists of the association's "national integrity surveys," which provide important sources of information regarding evolutions in the perception of corruption (including by business leaders), and the sectors most affected by that problem. The second initiative consists of TM's longstanding attempt to engage the authorities in a joint effort to elaborate a concrete, long-term strategy for fighting corruption in the country—one that relies not merely on "consciousness-raising" and "sensitization" activities, but that also seeks to identify and put in place specific structures and mechanisms capable of deterring, combating, and sanctioning corruption.

- Concrete initiatives and pilot projects that aim to tackle corruption or increase transparency and accountability in one specific institution or organization ought to be supported, particularly when they involve institutional cooperation between the business world and civil society, or between the latter and government and public-sector entities. In 1999, for instance, one of Morocco's leading business conglomerates, the *Office Chérifien des Phosphates*, asked TM to carry out a comprehensive analysis of the organization, aimed at suggesting means through which corruption could be fought within it. TM subsequently was tapped by the Ministry of Public Works to undertake a similar study, and has established pilot projects in schools and hospitals. Such concrete initiatives ought to be supported. The lessons to be drawn from them ought to be used in the design of follow-up activities, and their success ought to be publicized in order to create a demonstration effect.

- The Mission should support efforts by the CGEM to continue pushing for greater transparency within the business world, particularly in such key areas as public-procurement contracts, delegated management, and the privatization process. It also should help the CGEM keep its members up-to-date regarding the progress (or lack thereof) made toward creating a more transparent and predictable business environment. In coordination with the parliamentary development strategy outlined above, USAID should help the

CGEM translate its demands for greater transparency into concrete legislative proposals, and help shepherd those proposals through parliament.

(2) **Strengthen the capacity of selected LDAs (in urban, peri-urban, and rural communities) to engage in advocacy on issues of transparency, accountability, and equity at the local level. Do so, as often as possible, by encouraging partnerships between municipal councils and LDAs**.

The capricious exercise of political power, human rights violations, the confusion between political and economic interests, and the use of public office for private gain are often most pronounced at the local level. Well-connected individuals who violate the law are more likely to "get away with it," and less likely to become the target of sustained media attention and public opinion pressure, when they operate at a significant distance from the Rabat-Casablanca corridor.

In light of this situation, a national strategy that aims to address the issues of transparency, accountability, and equity must feature local-level activities. We propose that one of the most effective ways to do so is by harnessing the tremendous energy and resourcefulness displayed in recent years by LDAs.

Unlike advocacy groups (which are relatively few in number, are concentrated in large cities, recruit almost exclusively in the educated elite, and have a limited audience), LDAs are now scattered across the entire country, and are genuinely grassroots entities. Most have emerged spontaneously during the last decade, to enable local communities to tackle the grave social and economic problems that confront them. Within Moroccan civil society, it is the LDA sector that continues to experience the fastest growth. Therefore, if the practice of advocating on transparency, accountability, and equity issues is to become rooted in the country, it is imperative that it be integrated as an explicit objective of LDAs. The reservoir of local legitimacy and credibility that these associations often have built through their concrete achievements at the local level makes them ideal vehicles through which the population can be mobilized progressively into advocacy activities.

In light of the strategy's EG and ED SOs, as well as its emphasis on equity (in its two dimensions of social justice and women's rights), those LDAs selected for assistance should be those that concentrate on the following goals:

- poverty alleviation through training, micro-credit, and income-generating activities for women;
- basic education (especially for illiterate women and young girls);
- vocational training and literacy classes (especially for women);
- reducing violence against women; and
- reproductive health.

To enable these LDAs to become vehicles through which the principles of transparency, accountability, and equity can be advanced at the local level, we propose that that component of the Mission's civil society program be linked to those local governance activities carried out under the public administration component, below. The civil society side of the local-level interventions should focus on the following related endeavors:

(a) Encourage joint local authorities-LDA initiatives toward the resolution of community problems. Enhance LDA access to local officials, as well as their ability to discuss with those

officials issues of importance to the community. As often as possible, involve small local entrepreneurs into that partnership as well.

The logic behind this approach can be summarized as follows: the more LDAs are engaged in collaborative efforts with the local authorities, the more the actions of local officials will be scrutinized, the more transparent decision-making processes at the local level as well as local officials will become accountable for their actions. This process will not be easy, since the relationship between LDAs and the local authorities tend to be plagued by distrust and suspicion. Nevertheless, viable partnerships that enable local officials and LDA leaders to identify and carry out together projects of importance to the community offers a path toward realizing the SO at the local level. That path has been explicitly endorsed by the king's February 2002 Royal Letter, which urged the formation of such LDA-municipal council partnerships across the entire country.

(b) Strengthen the institutional capacity of those LDAs targeted for assistance, particularly in such key areas as how to lobby local officials and make them more receptive to the needs of LDAs, how to handle conflicts with local officials, and how to build mutual trust and confidence between officials and NGO leaders. LDAs should be familiarized with the practices and mechanisms available to increase transparency and accountability at the local level.

(c) Facilitate the establishment of "big brother/big sister"-type relationships between the selected LDAs and prominent advocacy NGOs that focus on issues of transparency, accountability, and equity at the national level. Such mutually beneficial relationships already exist, and the LDAs involved in those networks attach great importance to them. LDAs benefit from the expertise of national advocacy NGOs, while the latter can rely on LDAs to reach out to constituencies that they could not tap otherwise.

The Mission should take care that the management of the LDA support—not turn into—an autonomous grants program. Rather, it should be closely linked to efforts to improve local governance through partnerships with municipal authorities aimed at resolving concrete development challenges.

(3) **Building on the parliamentary program outlined above, support avenues (workshops, roundtables, conferences, etc.) that enable MPs to exchange ideas on issues of transparency in business with the CGEM and selected civil society groups**.

(4) Civil society support activities aimed at promoting women's legal rights should be continued. We agree with the approach that has been adopted by the Law Group in this regard, and believe that it has resulted in concrete achievements on the ground. However, the Law Group's program still strikes us as insufficiently integrated into the Mission's and the DWG's overall D/G portfolio. The Law Group's activities should not proceed side by side with the Mission's and the DWG's portfolios, but be an integral part of them—one that is closely connected to other aspects of the program, and contribute to USAID and the Embassy's overall strategies.

5.4.3 Public Administration Program

We propose a public administration program built around a limited number of carefully targeted interventions at the national, regional, and local levels.

National- and Regional-Level Interventions

(1) **USAID should step up its support for the *Collège des Inspecteurs Généraux des Ministères* (IGM)**.

The IGM was created in November 2000 by a half-dozen dynamic Inspector Generals, who realized that they would be better positioned to receive foreign technical assistance if they formed an association. Under the leadership of Mostapha Faik (an Inspector General within the Ministry of Fisheries), the IGM has developed into a credible institution. It has demonstrated a genuine commitment to improving efficiency, accountability, and transparency within the public administration. It has organized numerous seminars, workshops, and roundtables geared toward strengthening the technical expertise of its members. It has established contacts with foreign-based institutions, such as the U.S. Association of Inspectors General (AIG), and several donors (including the UNDP and NDI). It constitutes the nucleus of a national and international network, the MERT (Moroccan Ethics Research Team), that is connected to similar institutions in Jordan and Lebanon. It has provided leadership and inspiration for the General Inspection of several Ministries, and it brings together a core group of committed, capable, and well-trained senior civil servants.

In short, the IGM can provide a powerful engine for change within the Moroccan civil service. It has sought to sensitize Moroccan decision makers to the need for more effective control and auditing mechanisms within the public administration. It wisely has stressed the importance of moving away from a narrow, "repressive" understanding of auditing (one that focuses exclusively on unearthing potential fraud and financial wrongdoings, and sanctioning such abuses) to a broader approach that makes the regular monitoring of performance a central objective of auditing.

Targeted support for the IGM can provide a donor with a reasonable hope that even modest assistance will result in tangible gains, and that a viable and useful structure will remain much after aid has been terminated.

USAID could engage in activities aimed at the following:

- Help the IGM become more institutionalized.

- Help consolidate ties between the IGM and the U.S. Association of Inspectors General (AIG). Rely on the AIG to continue to expand the technical expertise of Moroccan Inspectors General, as well as their familiarity with the American approach to auditing. Focus not only on the prevention and detection of fraud, but also on performance-centered evaluation techniques.

- Support efforts by the IGM to establish Inspector General offices in key Ministries.

- Support other efforts by the IGM to strengthen the practice of internal audit within selected Moroccan Ministries. In light of both the strategy's ED SO and the lack of transparency and accountability within the MOE, support efforts by the IGM to develop audit, control, and monitoring mechanisms within the MOE. Rely on the technical expertise of the IGM to assist in the establishment of the proper accountability and transparency mechanisms within the new *académies régionales* (link with the ED SO).

- Rely on the IGM to expose MPs to auditing and control techniques, and to improve their understanding of public finance issues (link with the parliamentary development program suggested above).

- Support the MERT, and consider using it as an instrument around which USAID could develop region-wide activities focused on transparency and accountability within the public administration.

- Use a case-study approach to familiarize the IGM with the techniques needed to conduct an integrated audit (i.e., one that assesses both performance and integrity). For instance, American experts might describe the method and tools that were used in the United States to audit a particular public agency or department, or to evaluate a specific public project. Use the IGM to relay that expertise to others (for instance MPs).

- Use the Fulbright grants program to provide assistance to the IGM.

(2) **USAID should look into supporting the Court of Accounts (at the national level) as well as the new, regional courts of accounts**.

In March 2003, the king appointed former Interior Minister Ahmed Midaoui to become the new President of the Court of Accounts (COA). Midaoui comes with considerable clout, since he was the man Mohamed VI chose in November 1999 to replace Driss Basri as Interior Minister. Midaoui held that post until 2001, when current Prime Minister Driss Jettou replaced him.

Midaoui's appointment to head the COA was widely interpreted as an effort to give greater credibility to that institution. It signaled that the king intends for the COA to become more assertive in discharging its responsibilities. In explaining his selection of Midaoui, Mohamed VI referred specifically to the latter's public finance experience. He noted that that background renders Midaoui particularly suited to his new responsibilities, "especially," the king added, "the establishment of the regional courts of accounts"—yet another sign that the regional COAs are seen as a new priority.

Morocco's Court of Accounts, however, is in great need of technical assistance. That is true as well of the regional courts of accounts, which are not yet operational. The regional COAs represent an opportunity for USAID to make its mark just as new, critical entities are being established that may prove instrumental in enforcing the principles of transparency and accountability at the subnational level.

As the COAs assert themselves, senior civil servants will have to prove better prepared to answer questions regarding the performance of the institutions over which they preside, and how these institutions spend taxpayer money. The more proactive role which COAs are likely to play in the years ahead therefore represents yet another reason for key decision makers to set up more effective monitoring and evaluation mechanisms within the public administration.

Local Governance

A number of local-level interventions already have been described under the civil society program outlined above. But more needs to take place to improve transparency and accountability at the local level, beginning with a few carefully selected municipalities and regions where there are real prospects for concrete advances due to the presence of the following:

- A reformist, forward-looking governor or *wali*; and
- A president of commune and a municipal council that are dynamic, open to new ideas and to civil society, and committed to establishing an environment of greater transparency and accountability.

The urgent need for more effective oversight mechanisms at the local level must be understood within the context of Morocco's post-independence history.

- For the most part, city-management in Morocco has been driven by political and security considerations that do not easily square with the concepts of audit, control, and performance. Local officials need to be sensitized to the fact that managing cities is not only a political-security operation, but a technical act that must take into account all the criteria that determine good governance: effectiveness, transparency, and accountability.

- Following independence, the state turned a blind eye to corruption at the local level—when it did not explicitly encourage it as a strategy of political control. That is why corruption has been and remains endemic at the local level. The few audits of the finances of municipalities that have taken place in the past few years have revealed large-scale, massive irregularities. Even though national-level financial scandals such as those of the CIH, the CNSS, or the *Banque Populaire* are those that receive the greatest attention from the media, most day-to-day corruption, fraud, waste, and mismanagement actually takes place at the local level. That situation has had a devastating impact on infrastructures, service delivery, private investment, and, more generally, on economic activity and the quality of life. It also has fed the population's cynicism toward government officials and public affairs.

- Moroccans have been socialized in an environment within which holding local office is seen as a way to enrich oneself, and running in local elections is viewed as an investment that will pay off (once one is elected) by providing avenues for illicit gain. As one of our interviewees put it, "what is driving most of those who compete in local elections is the prospect that they will leave office richer than they came in." Such perceptions, and the behavior that they reflect and help perpetuate, can be changed progressively, by setting up effective oversight and monitoring mechanisms. Thus far, few such mechanisms are in place. Control over the spending of taxpayers' money at the local level remains, for the most part, the prerogative of the governor or *wali*. That is not sufficient to ensure transparent and accountable public spending by hundreds of municipalities in each governorate.

In this context, we suggest a carefully delineated local governance program focused on the following goals. These closely related goals would best be achieved through integration around developmental public/private partnerships designed to overcome concrete and tangible challenges at the community level. A social infrastructure fund could be established that provides an integrative focus and incentive for both these activities and those described in the recommendations regarding the LDAs, above. Synergies could be established with the Mission's year-old

Development Credit Authority to help increase access to resources for resolving municipal challenges in a transparent, accountable, and equitable fashion.

(a) **Build up the capacity of elected officials to discharge their responsibilities in a way that increases transparency and accountability** in such areas as budget drafting and approval, setting local priorities, and being responsive to the needs of local businesses and NGOs.

(b) **Familiarize selected presidents of "*communautés urbaines*" (a group of municipalities) with the role of city managers in the U.S.** Make sure that that experience includes exposure to successful examples in the following areas: increasing transparency and accountability in city management; partnerships between municipal authorities and the private sector that have resulted in significant economic development and job creation (link with EG SO); and joint efforts by municipal authorities and voluntary associations to tackle community problems (link with the civil society program).

(c) **Encourage the trend toward delegated management at the local level, while helping set up the proper mechanisms needed to enable that process to take place in a transparent manner** that provide local firms with equal opportunities to bid on the contracts involved. Make sure that delegated management creates new opportunities for young entrepreneurs, and that it is used deliberately as an engine for private sector growth (link with the EG SO).

USAID might wish to identify a handful of pilot municipalities that display a clear inclination to transfer service delivery to the private sector, and focus on making the experience successful in those localities. Areas in which transfer might take place include electricity provision, street lighting, recycling, and the building or management of public playgrounds and parks. The interrelated objectives of assistance would be to improve the quality of public service delivery; to create new niches for private sector development; to build up the capacity of the private sector in selected areas of public service provision; and to create a few success stories in delegated management that can serve as models for similar experiences elsewhere.

(d) **Provide technical assistance to help municipalities become more effective and transparent throughout the public procurement process**. At least three potential types of interventions fall under this rubric:

- Professionalize the drafting of *cahiers des charges* (CDC). The CDC is the Moroccan equivalent of the terms of reference. It is the document in which a government agency describes what is expected from the contractor who will win a public procurement contract. The CDC should specify the standards which firms bidding on the contact must meet, their needed level of expertise, how much prior experience they must have accumulated in the areas involved in the contact, the called-for qualifications of their staff, the technical requirements which the successful proposal must meet, other deliverables, and timeframes. Unfortunately, the CDCs are often so poorly prepared that they leave much room for contractors to deliver poor quality and incomplete products. Since the proposals submitted by contractors are direct responses to the requirements stated in the CDC, the better designed and the clearer the CDCs are, the more likely it becomes that proposals will rise to the quality and level of specificity demanded by the CDC. Conversely, the more loopholes and lack of clarity are left in the CDC, the less likely it becomes that the government agency involved will obtain from the contractor the best product it can possibly secure. Several of those the team interviewed noted that the

CDC are often so poorly drafted that they make it easier for contractors not to deliver on what should be their obligations under the contract.

- Much also can be done to improve the process through which bids are reviewed—that is, to ensure that process is as thorough, professional, and transparent as possible, and that none of the firms submitting proposals are given unfair advantages over the others. This objective requires, in part, that the proper mechanisms be established to ensure transparency, and that the competence of the staff assessing the various proposals be upgraded.

- Specific procedures also should be put in place to guarantee that, at the time of completion of the contract, the contractor has delivered on its obligations under it.

As far as we could determine, no donor is active in those various areas.

(e) USAID also might wish to explore whether a handful of particularly significant *communautés urbaines* (and the governor or *wali* presiding over them) might be receptive to the establishment in their midst of an Inspector General (IG)'s office, such as those found at the state and city levels in the U.S. If the demand for that type of activity exists, USAID should assist in the creation of a few pilot IG offices in selected cities. The delivery of technical expertise would rely on both the IGM and the U.S.-based AIG, which could familiarize Moroccan local officials with the experience of American IGs at the state and city levels.

5.4.4 Media Program

We propose a very modest media program aimed primarily at publicizing the success stories achieved under the other three programs. The rationale for that media program is that no matter how valuable the advances made under the other three programs, those advances will remain too limited in scope to generate, on their own, a broader dynamic of change. However, by publicizing those advances, one can demonstrate to a much larger public that it is possible to bring about concrete improvements in daily life.

The media program therefore could become a tool for combating the cynicism, resignation, hopelessness, and despair that help perpetuate poverty, feed political extremism, and breed intolerant ideologies. It would be a lever for increasing feelings of "efficacy" (the belief that one can effect change by becoming more actively involved in public life). By giving those individuals who have made a positive difference in the daily lives of communities the recognition that they so richly deserve, the media program may inspire many more grassroots initiatives that otherwise might not see the light of day.

The type of success stories publicized by the media program might include:

- Examples of partnerships between municipal councils and LDAs that have enhanced the ability of local communities to deal with pressing social and economic problems.
- Similar partnerships between local government officials and young entrepreneurs that have led to job creation and economic development.
- A pilot program that has made a specific government department or agency more transparent, effective, and accountable.

- An example of delegated management that has cut cost, improved service delivery, and created opportunities for private sector growth at the local level.
- A piece of legislation that creates a more level playing field among economic actors, and that developed out of a process of interaction among MPs, business representatives, and civil society groups.
- Evidence of increased capacity by MPs to discuss public finance issues that was the direct result of those MPs' ability to tap the expertise found in civil society.
- A successful integrated audit of a public sector entity that has identified structural flaws in the previous management of that entity, and that has resulted in significant improvements in its performance.
- A parliamentary evaluation of past public policies in one particular sector (health, education, etc.) that has resulted in concrete legislative initiatives aimed at correcting previous flaws.
- A case in which the involvement of community representatives into the process of budget drafting and approval was increased at the local level.