

ANALYSIS PAPER



SUMMARY

Morocco is paying increasing attention to sub-Saharan Africa. Between 2008 and 2010 Moroccan FDI to sub-Saharan Africa nearly doubled, and from 2000 to 2010 Moroccan exports to sub-Saharan Africa more than tripled. Three Moroccan banks rank among the top ten banks in Africa, with over \$90 billion in assets, and Moroccan companies are well positioned to capitalize on growing agricultural and pharmaceutical sectors in Africa. In the security sphere, the takeover of northern Mali in mid-2012 and attacks in 2013 signaled that the threat of extremist violence in the Sahel is entering a new phase. Morocco's government has called for greater bilateral and multilateral cooperation among neighboring states to address the problem. Yet ongoing competition with Algeria, the Western Sahara conflict, and Morocco's absence from the African Union are obstacles to Morocco's efforts to carve out a more influential diplomatic and security role in Africa. ■

Morocco's Rediscovery of Africa

by Haim Malka

Sub-Saharan Africa has long been a source of threats for the Maghreb, but it could also become a source of greater prosperity and influence. For many states in North Africa, the south is a region of militant gangs, illegal migration, smuggling, chronic poverty, and humanitarian disaster. Links between the two regions have existed for centuries. Now, changing regional and global dynamics make sub-Saharan Africa an increasingly important component of the Maghreb's strategic environment, sparking renewed interest among some Maghreb governments. For Morocco, which has been active in sub-Saharan Africa for decades, it has become a key part of a broader strategic vision to advance its interests.

Beyond threats, sub-Saharan Africa also holds vast opportunities. The region is projected to enjoy strong economic growth over the next decade, and with a population of 870 million is an attractive emerging market.¹ Sub-Saharan Africa's growth potential increases its importance for Maghreb countries seeking to diversify their trade relations and capitalize on new economic opportunities.

Of all the Maghreb countries, Morocco's reengagement with Africa has been the most strategic and the most urgent. Over the last decade Morocco sought to balance its dependence on Europe by building a strategic partnership with the United States. Both partnerships have their limitations. Pursuing a comprehensive Africa policy allows Morocco to complete a triangle of complementary strategic partnerships.

Africa is strategically important to Morocco for several reasons. First, it provides nearby markets at a time when Morocco needs to diversify its economic relations. Second, regional unrest triggered by the Arab uprisings in 2011 and the takeover of northern Mali by al Qaeda-linked militants in 2012 have created a new urgency for Morocco to strengthen its network of regional allies in West Africa and to

THE MAGHREB IN TRANSITION

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

promote greater multilateral security cooperation. Third, Africa is an arena where Morocco has an opportunity to play the leadership role it seeks. In the past, Morocco facilitated discussions between Arab and Israeli negotiators, and Moroccan officials brokered numerous discrete diplomatic deals to resolve conflicts throughout Africa. Driven by a strong sense of national pride, Morocco sees itself facilitating agreements, solving conflicts, and influencing regional and international agendas on the continent.

Though Morocco has made gains on the economic front and generated good will in some quarters, it has yet to reap political dividends that have led to a broader African acceptance of Morocco's sovereignty over Western Sahara. With the Middle East and North Africa in turmoil and Europe's economic recovery dragging, Morocco's focus on sub-Saharan Africa makes strategic sense—especially if it concentrates attention on West Africa, where it has the comparative advantage of shared language and religion with many states, a solid economic and diplomatic presence, and soft power assets. Calibrating the right policies and leveraging its assets could give Morocco the regional role it seeks. Success will depend in part on pursuing broader diplomatic engagement despite political differences over Western Sahara.

HISTORICAL TIES

Historical, cultural, religious, and economic links have bound the countries of North Africa with their neighbors to the south for centuries. Traditional migration routes of seminomadic tribes created a constant flow of people, goods, and ideas between the two regions. North African traders helped spread Islam throughout West Africa over a millennium ago, and the dominance of the Maliki school of jurisprudence, in both the Maghreb and West Africa, facilitated a strong historical-religious connection. Morocco's connections to West Africa were also strengthened through the Tijaniyya Sufi brotherhood, which is centered in Morocco and now has tens of millions of followers throughout West Africa.²

Following independence, Morocco was an early supporter of African unity.³ Some of the earliest discussions among African leaders of the idea of creating a pan-Arab organization in 1961 were held in Casablanca. But the goal of unity gave way under intra-Maghreb competition, fuelled in part by conflict over Western Sahara. Algeria used its diplomatic muscle and revolutionary bona fides to assert leadership

Morocco's ties have been strongest with countries in francophone West Africa, which generally support Morocco's position on Western Sahara.

within African politics and promote the independence of Western Sahara and the creation of the Saharan Arab Democratic Republic (SADR).⁴ In 1984, the Organization of African Unity admitted the SADR as a member, prompting Morocco to withdraw in protest. Since then Morocco has had no formal role in the organization or its successor, the African Union (AU), making Morocco the only country on the continent that is not an AU member.

Despite being on the geographical and diplomatic margins of Africa throughout most of the 1980s and 1990s, Morocco continued to engage African states bilaterally and through the UN. Its Africa policy was centered on building diplomatic support for its sovereignty over Western Sahara, which drove a series of development aid programs, bilateral trade agreements, and broader diplomatic cooperation. In the last decade the effort accelerated and expanded to include a scholarship program for thousands of African students to study annually in Morocco.⁵ Growing ties were facilitated in part by personal relationships between Moroccan and African elites, well-established air links through Morocco's national airline,⁶ a strong banking presence, relaxed visa policies, and numerous agreements reducing tariffs and trade barriers.

Morocco's ties have been strongest with countries in francophone West Africa, which generally support Morocco's position on Western Sahara.⁷ It has made fewer inroads with regional powers such as Nigeria and Ethiopia and in southern Africa, where it has tense relations with South Africa and Zimbabwe, both of which recognize the SADR.

In the last half century two other North African states pursued strategic Africa policies: Egypt under Gamal Abd al-Nasser and later Libya under Muammar el-Qaddafi. Nasser's revolutionary philosophy saw Egypt as part of three circles: Arab, Islamic, and African. Nasser promoted African decolonization and found common cause with Africa's decolonization struggle.⁸ Libya under Qaddafi also pursued an ambitious Africa strategy, which became the nominal

centerpiece of its foreign policy and included military interventions, support for rebel groups, and widespread investment throughout the continent. Qaddafi dubbed himself the “Lion of Africa” and by the late 1990s used his oil wealth to buy diplomatic support for his idiosyncratic agenda within the AU in pursuit of a United States of Africa, which he hoped to lead.

Morocco’s strategy resembles that of Egypt under Nasser, in that it makes Africa the third component of a broader strategy based on partnerships with Europe and the United States. What distinguishes Morocco’s strategy is that it is driven less by ideology and the leadership of one personality than by private-sector and proto-state businesses that have reinforced historical and personal ties.

ECONOMIC IMPERATIVES

Morocco’s economy is largely dependent on Europe for export markets, tourism, worker remittances, and investment. Nearly 60 percent of Morocco’s trade is conducted with the European Union,⁹ and more than two-thirds of foreign direct investment (FDI) inflows come from Europe. Half of the tourists who visit Morocco come from France and Spain alone,¹⁰ and tourism makes up roughly 9 percent of GDP.¹¹ Remittances, in large measure from Moroccans working in Europe (40 percent come from France), make up about 7 percent of Morocco’s GDP.¹²

The European financial crisis, along with greater competition in Europe from Eastern European manufacturers, has pushed Moroccan companies to look toward sub-Saharan Africa for new opportunities.¹³ Other factors are reinforcing this pressure, including unfulfilled expectations that Moroccan-U.S. trade would substantially increase after the signing of a free trade agreement in 2004,¹⁴ lagging Maghreb regional economic cooperation, and global competition that is squeezing North African manufacturers and service providers.

Sub-Saharan Africa has the potential to become an important market for Morocco and the Maghreb more broadly. Although Africa currently accounts for about 3 percent of the global economy, it seems poised for dramatic growth in the future.¹⁵ According to the Economist Intelligence Unit (EIU), “Africa has the greatest overall investment potential for all frontier markets.”¹⁶ The EIU projects that over half of the continent’s 54 countries will grow by more than 5

percent per year between 2012 and 2016, and five more are expected to grow between 7.5 to 10 percent.¹⁷ Mining and resource-based industries are attracting the most interest, but demand for consumer products is also rising thanks to the growth of a middle class, particularly in the larger African economies. Promising areas of growth include the agricultural sector, infrastructure, banking, services, and consumer goods. Between 2008 and 2010 Moroccan FDI to sub-Saharan Africa nearly doubled, going from \$248 million to \$495 million. This is still a fraction of overall FDI inflows into sub-Saharan Africa, which reached \$36.9 billion in 2011,¹⁸ yet it accounts for nearly 89 percent of all Moroccan FDI outflows.¹⁹

Sub-Saharan Africa has the potential to become an important market for Morocco and the Maghreb more broadly.

Moroccan exports to sub-Saharan Africa have expanded significantly, though they make up less than 5 percent of Morocco’s total exports. Between 2000 and 2010 exports to sub-Saharan Africa more than tripled, rising from \$248 million to \$849 million, while imports from sub-Saharan Africa rose from \$248 million to \$531 million.²⁰ Exports to Africa, however, are distributed unevenly across the continent. Twenty-eight percent of Morocco’s exports go to Central Africa and less than 3 percent to Southern Africa. Over 60 percent go to West Africa,²¹ where Moroccan exporters have some competitive advantage over Europeans, in part because they are less risk averse—European companies may be deterred by local political and security environments—and in part because Moroccan labor costs and cost structures are lower than Europe’s. Given the volume of exports to this region, Morocco is seeking a reduction in tariffs and customs as well as most favored nation status with the West African Economic and Monetary Union (WAEMU).

Banking Leads the Way

Moroccan banks have been both strategic and successful in expanding Morocco’s economic presence in sub-Saharan

Morocco's banking sector has helped pave the way for other Moroccan industries to expand into Africa.

Africa. A series of banking reforms in the 1990s lifted credit restrictions and liberalized interest rates, and a revised Banking Law in 2004 increased transparency, professionalizing Morocco's banking industry.²² Banque Marocaine du Commerce Extérieur (BMCE) ventured into the sub-Saharan market from a strong domestic position, and in the late 1980s restructured publicly held banks in Mali and later in Congo. Now, less than two decades later, BMCE operates in 15 sub-Saharan countries and controls 68 percent of the Bank of Africa, a major pan-African banking group. Three Moroccan banks rank among the top ten banks in Africa, with over \$90 billion in assets.²³

In less than a decade, Attijariwafa, Morocco's largest bank, has expanded into 11 countries (including Tunisia) and captured nearly one quarter of Senegal's banking market share. The strategy has been driven largely by acquisitions of African banks over the last decade. Moroccan acquisitions accelerated during Europe's financial crisis in 2008–09, when primarily French financial institutions were selling stakes in African banks.²⁴ During that period, Attijariwafa Bank expanded its position in five subsidiaries of France's Cr dit Agricole in Congo, C te d'Ivoire, Cameroon, Gabon, and Senegal.

Banking and other services will remain an important sector of African growth. Four out of five Africans still don't have bank accounts. In a continent with nearly one billion people and where bank assets are expected to triple by 2020,²⁵ the potential for additional growth is dramatic.

Morocco's banking sector has helped pave the way for other Moroccan industries to expand into Africa. This expansion was accelerated by Moroccan companies seeking higher growth and margins than they could find in domestic markets. In some industries, tougher domestic competition also forced companies to pursue new markets. The push has been widespread across the agricultural, pharmaceutical, telecommunications, and manufacturing sectors, all of which are projected growth sectors in Africa over the next decade.

Beyond Services

Agricultural products currently represent the largest share (37 percent) of Moroccan exports to sub-Saharan Africa, but the potential for expanding agricultural cooperation is significant. While Africa has often been associated with famine, the continent contains 40 percent of arable land globally, yet only one-tenth of that land is estimated to be cultivated.²⁶ A steady supply of fertilizer will be crucial to developing agricultural sectors in Africa—and Morocco is a global leader in producing phosphate, a crucial ingredient in fertilizers. As the country expands its downstream fertilizer industry, it is well positioned to emerge as a key supplier to Africa. Morocco's state-owned fertilizer company OCP S.A. has recognized the potential and is already working with African nations to produce adapted fertilizers for specific crops (such as cocoa, cotton and maize) and the specific soil and climatic conditions of Africa.

Morocco has also developed Africa's second-largest pharmaceutical sector. Though Morocco exports only about 10 percent of its products, primarily to North and West Africa, future potential is significant, given that the industry is relatively advanced.²⁷ SOTHEMA (Soci t  De Therapeutique Marocaine), one of Morocco's largest pharmaceutical companies, set up a subsidiary in Senegal called West Africa Pharma focused on producing generic drugs for West African markets.²⁸ Africa's pharmaceutical market is expected to reach \$30 billion by 2016 and jump to \$45 billion by 2020,²⁹ making it a potentially valuable market for Moroccan drug companies.

Banking and other services will remain an important sector of African growth. Four out of five Africans still don't have bank accounts.

Morocco is not, of course, the only country that has a strategic interest in Africa. China's economic activities in Africa have been well documented, and its ability to provide large amounts of capital and aid as incentives to African countries far outstrips Morocco's. By 2009 China's annual trade with Africa had hit \$100 billion. Last year China announced that it would double the amount of credit avail-

able to African governments and firms for infrastructure and industrial projects, to \$20 billion.³⁰ Beyond China, the United States and Europe dominate trade in Africa. Brazil, India, and Russia have also strengthened their presence on the continent, as have the Gulf Cooperation Council states, which are increasingly active in real estate, agriculture, infrastructure, and services. All this means that Morocco will have to continue strengthening its existing partnerships and searching for niche markets in Africa where it does not have to compete directly with larger players.

SECURITY

Alongside these positive economic prospects, insecurity in the Sahara and Sahel is growing—a situation that affects every country in the Maghreb. Influxes of people either transiting through Morocco or seeking jobs there have been a source of tension with sub-Saharan states for more than a decade. Another challenge is the militant groups, primarily al Qaeda in the Islamic Maghreb and its affiliates, that operate in the desert expanses of southern Algeria, northern Mali, parts of Mauritania and Niger, and more recently southern Libya. Militant groups profit from kidnappings and smuggling drugs, cigarettes, and subsidized goods to finance their operations. They use the proceeds to create networks of support among local populations, primarily in northern Mali among Arab and Tuareg tribes. For nearly a decade, militants operating in remote areas limited their attacks primarily to local security forces, truck drivers, and occasional adventure tourists. Yet, the takeover of northern Mali in mid-2012 and the bold attack on the Tigtantourine gas facility near In Amenas, Algeria in January 2013 signaled that the threat of extremist violence in the Sahel was entering a new phase.

Morocco's government has called for greater bilateral and multilateral cooperation among neighboring states to address the problem. Morocco supported France's military intervention in Mali, and Morocco has sought to work more closely with the governments of Mauritania, Mali, Senegal, and others to strengthen counterterrorism cooperation and to oppose the spread of extremist ideology through a broad counter-radicalization program.

Morocco is eager to play a role in resolving regional crises like these, and it points to other past achievements to demonstrate its ability to do so. It worked closely with the U.S.

Ongoing competition with Algeria, the Western Sahara conflict, and Morocco's absence from the African Union are obstacles to its efforts to carve out a more influential diplomatic and security role.

government and other African governments in mediating Guinea's political crisis and transition following a coup attempt in January 2010. It also facilitated better ties between the United States and the new Mauritanian government following the 2008 coup.³¹ Moroccan forces have participated in de-mining operations in Senegal, and stationed approximately 1,500 troops in the Democratic Republic of Congo and Cote d'Ivoire as part of UN peacekeeping missions. Morocco currently cooperates with 22 African countries on counter-narcotics, disarmament, migration, piracy, and conflict resolution.³² Many African military officers, primarily from West Africa, also study at Morocco's military academy.

Yet ongoing competition with Algeria, the Western Sahara conflict, and Morocco's absence from the AU are obstacles to its efforts to carve out a more influential diplomatic and security role in Africa. While it has growing bilateral ties, its participation in multilateral efforts in the Sahel has been limited.

Algeria essentially shut Morocco and other North African states out of two regional security bodies it created in 2010: the Joint Operational General Staff Committee (CEMOC) based in the southern Algerian city of Tamanrasset, and the Intelligence Fusion Unit (IFU) based in Algiers.³³ The CEMOC was envisioned as a shared command center linking the military general staffs of Algeria, Mauritania, Mali, and Niger to combat cross-border trafficking, terrorism, and kidnapping. It even included a proposal to create a joint military force, but so far it has not fulfilled any of these functions. Both the CEMOC and the IFU have remained closed institutions with little clarity as to their actual role. Algeria's reluctance to conduct cross-border operations against militant groups and France's military intervention in northern Mali demonstrate the limited capability of existing regional bodies to direct a shared response to com-

mon security threats in the Sahel. Barring a breakthrough on the Western Sahara conflict, these hurdles to Morocco playing a more active role in multilateral security affairs will persist.

LOOKING FORWARD

On a multilateral level, Morocco would benefit from engaging more actively with regional organizations. Despite speculation that Morocco may rejoin the AU, the latter's recognition of the SADR currently complicates Morocco's membership, thus limiting its ability to fully participate on multilateral issues. One venue where Morocco is likely to seek greater influence is the Community of Sahel-Saharan States (CEN-SAD), one of the AU's eight regional groupings.³⁴ The group was established to foster greater economic cooperation and development in the region.

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

CEN-SAD focuses on a geographic area where Morocco has direct security interests, and it does not include Algeria among its members.³⁵ At its 2012 summit held in Rabat, CEN-SAD created a security committee to discuss common security challenges. Morocco was elected to chair the CEN-SAD's executive council in 2013, and has tried to further steer the group to tackling regional security issues. Morocco's capabilities and development experience could provide an important boost to CEN-SAD, potentially giving it a greater role in regional efforts to improve border security, state capacity, and information sharing. The challenge for Morocco is to work with its key partners in the region to turn CEN-SAD into an effective body that can strengthen regional security cooperation and information sharing. Doing so will depend in part on how well Morocco can work with the group's larger countries, most importantly Nigeria and Kenya, which may have different agendas for the group's direction.

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

Despite these challenges, Morocco might still become an important partner for African states. Its strategy would be more effective if it continued focusing on building its presence in Francophone West Africa and Central Africa, where it has historical ties, economic networks, and common interests regarding security and cross-border threats. At the same time, it should redouble efforts to strengthen its bilateral ties with leading African countries, in particular Nigeria and South Africa, despite those governments' recognition of the SADR. Morocco cannot reach its full potential in Africa without forging better ties to these countries, which will require pursuing economic and diplomatic opportunities as if there were no Western Sahara conflict.

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

The United States should encourage and facilitate Morocco's efforts to recalibrate its position in Africa, by supporting its leadership role in CEN-SAD and participation in other regional bodies. Part of U.S. support for Morocco should also be channeled to strengthening Morocco's capacity to provide development support and training in sub-Saharan Africa. Thousands of African students currently study in Moroccan universities, but Morocco's professional training could be more institutionalized and strategic. Morocco has gone through its own development process in the last several decades and has expertise to share with African countries. Beyond its own programs, it currently works through the United Nations Development Programme and the Japan International Cooperation Agency (JICA) to provide triangular aid in sub-Saharan Africa. Its cooperation with JICA currently encompasses Moroccan programs in West Africa in health care, sanitation, water infrastructure, and fisheries. Channeling existing aid funds into triangular support programs has a double impact: it strengthens Mo-

rocco's capabilities and development programs while providing aid to sub-Saharan African countries.

More specifically, Morocco's technical capabilities should be used to expand its existing training programs for African armies and security forces in coordination with the United States. North African states have the potential to play a larger role in helping address security challenges in the Sahel and West Africa, and Morocco is well positioned and eager to take on this role.

Africa will be crucial for Morocco in the years to come. With growing unrest and instability in the Middle East and North Africa, prospects for Maghreb regional integration stalled, and a need for economic diversification away from Europe, Morocco's reengagement with sub-Saharan Africa is not only an important opportunity, but a strategic imperative.

Of all the Maghreb countries, Morocco has pursued the most comprehensive engagement strategy in sub-Saharan Africa, yet the region is strategically vital for the Maghreb more broadly. Algeria, Tunisia, and Libya all face internal political challenges of varying degrees that leave them with little energy to expend on sub-Saharan Africa. As those countries eventually do look south again in a more strategic way, the risk is that renewed Maghreb engagement in sub-Saharan Africa will ignite a new era of competition that undermines Maghreb interests rather than strengthens them. The temptation will be strong for Maghreb states to pursue exclusive initiatives, but the magnitude of evolving regional challenges provides a new opportunity for greater cooperation. ■

NOTES

1. Sub-Saharan Africa's population is approximately 870 million, while Africa's total population is approximately one billion.

2. The Tijaniyya Sufi Brotherhood was originally founded in Algeria in 1784 and was then centered in Morocco. It spread throughout North and West Africa in the nineteenth century.

3. In 1961 Morocco hosted African heads of state in one of the early attempts to promote African unity.

4. Algeria largely sees the Sahel providing strategic depth, and has focused on building a network of neighboring sub-Saharan African partners to cooperate in anti-terrorism efforts. Its state energy firm and leading conglomerate, Sonatrach, has also pursued energy exploration deals in neighboring Sahelian states including northern Mali.

5. Some 6,500 African students from 42 countries study an-

nually in Morocco. See statement by Saad Dine El Otmani, Minister of Foreign Affairs and Cooperation of the Kingdom of Morocco, at the Fourth Ministerial Meeting for the Follow-Up of the TICAD IV, Marrakesh, Morocco, May 2012, <http://www.diplomatie.ma/Portals/0/Texte%20int%C3%A9gral%20de%20l%27intervention%20de%20M.%20le%20Ministre%20en%20Ang.pdf>.

6. By the 1980s the country's national airline, Royal Air Maroc, had created a transportation network linking Casablanca with many African capitals. Today Morocco's national carrier serves two dozen African capitals and has affiliations with African domestic airlines.

7. Many francophone West African states saw Western Sahara's reunification with Morocco as the natural outcome of decolonization. See "A Conversation with Sekou Toure," *CSIS Africa Notes* no. 2, August 15, 1982, http://csis.org/files/publication/notes_0882.pdf.

8. Nasser provided material support for numerous African nations, and he inspired a generation of African leaders who saw revolutionary Egypt and its Pan-Arab ideology as a model for newly independent states seeking to modernize while promoting African unity. Nasser's embrace of Africa coexisted with a centuries-old Egyptian ambition to preserve its control over the headwaters of the Nile River, which reemerged as the primary factor driving Egypt's Africa policy following Nasser's death in 1970.

9. Isabella Massa, Jodie Keane, and Jane Kennan, "The Euro Zone Crisis and Developing Countries," *Overseas Development Institute Working Paper 345*, London, Overseas Development Institute, 2012, <http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/7688.pdf>.

10. Morocco had 9.3 million visitors in 2011. See Paul Schemm, "Morocco Looks to UK, Germany to Beef Up Tourism," AP, April 10, 2013, <http://bigstory.ap.org/article/morocco-looks-uk-germany-beef-tourism>.

11. See "International Tourism, receipts (current US\$)," The World Bank, accessed June 12, 2013, <http://search.worldbank.org/data?qterm=tourism+morocco&language=EN&format=>.

12. Surprisingly, total remittance inflows to Morocco rose from \$6.42 billion in 2010 to \$7.25 billion in 2011, though remittances for 2012 were expected to decline again to \$6.89 billion. See "Annual remittances Data: Inflows," *World Bank Migration and Remittances Factbook 2011*, accessed July 19, 2013, <http://econ.worldbank.org>.

13. Also contributing to Morocco's search for new opportunities are inexpensive Chinese textiles, which have weakened the country's textile industry.

14. In 2009 Morocco launched a strategy to boost exports through closer cooperation between Morocco's export agency and specific targeted sectors. The plan, Export Maroc, sought in part to increase annual trade with the United States.

15. "Into Africa: A Special Report on Emerging Opportunities for Business," Economist Intelligence Unit, 2012, 1.

16. *Ibid.*, 2.

17. Ibid., 3. Ethiopia, Liberia, Mozambique, Niger, and Uganda are expected to grow between 7.5 and 10 percent, though note that all African GDP figures are subject to debate.

18. Tosin Sulaiman, “Foreign Direct Investment into Africa to Double by 2014: UN,” Reuters, July 6, 2012, <http://www.reuters.com/article/2012/07/06/ozatp-africa-investment-idAFJOE86501J20120706>.

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

20. Moroccan exports to and imports from sub-Saharan Africa were both 2.1 billion MAD in 2000 and rose to 7.2 billion and 4.5 billion MAD, respectively, by 2010. “Morocco’s Trade Performance on the sub-Saharan African Market,” April 2012, Kingdom of Morocco Ministry of Economy and Finance, http://www.finances.gov.ma/portal/page?_pageid=93,17858036&_dad=portal&_schema=PORTAL&id=85&lang=En.

21. Ibid.

22. Mona Cherkaoui, “Process and Implications of Morocco’s Trade and Liberalization,” in *Economic and Trade Policies in the Arab World: Employment, Poverty Reduction and Integration*, ed. Mahmoud A.T. Elkhafif, Sahar Taghdisi-Rad, and Mutasim Elagraa (New York, NY: Routledge, 2012), 119.

23. Attijariwafa Bank, “Insights.”

24. Author discussion with Moroccan banking executive, May 8, 2013.

25. EIU, “Into Africa.”

26. Ibid., 6. Note that figures on land use in Africa are difficult to accurately calculate because of a lack of formal land tenure and property rights in many countries.

27. Oxford Business Group, *Morocco 2012* (London: Oxford Business Group), 115.

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

29. IMS, “Africa: A Ripe Opportunity—Understanding the Pharmaceutical Market Opportunity and Developing Sustainable Business Models in Africa,” 2012, http://www.imshealth.com/ims/Global/Content/Insights/Featured%20Topics/Emerging%20Markets/IMS_Africa_Opportunity_Whitepaper.pdf.

30. “Is China’s Africa’s Economic Campaign Unstoppable?,” *North Africa Journal*, September 8, 2012 (subscriber service) <http://www.north-africa.com/private/ez/news.pl?id=rnVJDw48BS>.

31. See “Morocco Assists Mauritanian Appeal for Increased Dialogue with the U.S.,” U.S. State Department cable released by Wikileaks, <http://cablegatesearch.net/cable.php?id=09RABAT165&q=africa>.

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

33. The Intelligence Fusion Unit is also referred to as the United Fusion and Liaison Unit. CEMOC is also sometimes referred to as the Joint Military Staff Committee.

34. CEN-SAD was originally driven by Qaddafi, who used the group as a vehicle for his own political agenda. Ahmedou Ould Abdallah, “Revitalizing the CEN SAD,” Centre 4S, January 19, 2013, http://www.centre4s.org/en/index.php?option=com_content&view=article&id=96:revitalizing-the-cen-sad&catid=39:article&Itemid=57.

35. See Benjamin P. Nickels, “Morocco’s Engagement with the Sahel Community,” *Sada*, Carnegie Endowment for International Peace, January 3, 2013, <http://carnegieendowment.org/2011/03/25/dangerous-core-breach-suspected-at-japan-reactor/fgf0>.

The author wishes to acknowledge the assistance of former intern Jana Suleiman provided for this paper.

This analysis paper is produced by the Center for Strategic and International Studies (CSIS), a private, tax-exempt institution focusing on international public policy issues. Its research is nonpartisan and nonproprietary. CSIS does not take specific policy positions; accordingly, all views, positions, and conclusions expressed in this publication should be understood to be solely those of the author(s).

© 2013 by the Center for Strategic and International Studies.

CSIS MIDDLE EAST PROGRAM

Jon B. Alterman

Director and Zbigniew Brzezinski Chair in Global Security and Geostrategy

Haim Malka

Deputy Director and Senior Fellow

Carolyn Barnett

Research Fellow

Rebecka Shirazi

Program Coordinator and Research Associate

Noor AlSaleh

Abdulla M. Erfan

Yichen Guan

Doug Stuart

Interns

Please visit our website at www.csis.org/mideast to learn more about the program’s work.