



## CRS Report for Congress

### Morocco: Current Issues

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#### Summary

The Bush Administration views Morocco as a moderate Arab regime, an ally against terrorism, and a free trade partner. King Mohammed VI retains supreme power but has taken incremental liberalizing steps. Since 9/11, Moroccan expatriates have been implicated in international terrorism, and Morocco has suffered terror attacks. Counterterror measures may be setting back progress in human rights. Morocco's foreign policy focuses largely on Europe, particularly France and Spain, yet its ties to the United States are getting closer. This report will be updated as developments warrant. See also CRS Report RS21464, *Morocco-U.S. Free Trade Agreement*, and CRS Report RS20962, *Western Sahara: The United Nations Shifts Course*.

#### Government and Politics

King Mohammed VI ascended to the throne in 1999. On May 8, 2003, his son Hassan was born and became first in line of succession. Mohammed VI says that he is committed to building a democratic state, but, although personally responsible for several hallmark liberalizing initiatives, he remains the pre-eminent state authority and all reforms depend on his will. He chairs the Council of State that endorses all legislation before it goes to parliament, appoints the prime minister and ministers of foreign affairs, interior, defense, and Islamic Affairs, and approves other ministers. He also sets the agenda of parliament in his annual Speech from the Throne, dissolves parliament, calls elections, and rules by decree. In addition, the King has a "shadow government" of eight royal advisors and is head of the military.

The September 2002 election for the 325-seat Chamber of Representatives, a weak lower house chosen by universal suffrage, was deemed the first free, fair, and transparent election ever held in Morocco. The September 2007 election also met international standards, but voter turnout was only 37%, reflecting widespread disenchantment with electoral politics. The rejuvenated Istiqlal (Independence) Party, Morocco's oldest party, placed first, and the King named its Secretary-General, Abbas al Fassi, as Prime Minister to form a government. The moderate Islamist Justice and Development Party (PJD), which had expected to win, placed second and charged irregularities. Some 23 parties and blocs plus independents are represented in the new legislature. The 270-seat Chamber of

Counselors, the upper house, is elected indirectly by local councils, professional organizations, and labor unions. The Islamist Al Adl wal Ihsan (Justice and Charity/JCO), officially banned as a political movement, is the largest grassroots organization in the country. It is led by Shaykh Abdessalem Yassine, whose daughter, Nadia, openly favors a republic instead of a monarchy. PJD and JCO condemn each other and terrorism.

## Terrorism

The Moroccan monarchy often asserted that its claimed descent from the Prophet Mohammed was a shield against Islamist militancy. This belief has been shattered since September 11, 2001, as expatriate Moroccans have been implicated in terrorism abroad and Morocco has suffered terrorism at home. Morocco has tried to distance itself from its expatriates, blaming their experiences in exile for their radicalization. German courts have tried two Moroccans for aiding the 9/11 terrorists. A Moroccan imam was “the spiritual father of the Hamburg cell” that helped execute and support the 9/11 attacks; he founded the Salafiya Jihadiya (Reformist Holy War/”Jihadists”) movement.<sup>1</sup> A French-Moroccan, Zacarias Moussaoui, was tried in the United States as the 20<sup>th</sup> hijacker for 9/11. About 18 Moroccans linked to Al Qaeda in Afghanistan were detained at the U.S. Naval Station in Guantanamo Bay, Cuba; most have returned to Morocco, but three remain in custody.

In 2002, Jihadists and members of the Casablanca slum-based As-Sirat al-Mustaqim (The Straight Path) murdered locals who had committed “impure acts” such as drinking alcohol. In 2003, a Jihadist spiritual leader, who had fought in Afghanistan and praised the 9/11 attacks and Al Qaeda leader Osama bin Laden, was convicted of inciting violence against Westerners. In February 2003, Bin Laden listed Morocco among the “oppressive, unjust, apostate ruling governments” “enslaved by America” and, therefore, “most eligible for liberation.”<sup>2</sup> To some observers, this *fatwa* or edict appeared to trigger attacks in Morocco. On May 16, 2003, 14 suicide bombers identified as Salafiya Jihadiya adherents with connections to the Moroccan Islamic Combatant Group (GICM) and Al Qaeda attacked five Western and Jewish targets in Casablanca, killing 45 and injuring more than 100. A large GICM network was implicated in the March 2004 Madrid train bombings. Several other European countries have arrested Moroccans suspected of GICM affiliation. In 2005, the U.S. State Department designated GICM as a Foreign Terrorist Organization (FTO). It reports that most of the group’s leaders in Europe and Morocco have been killed, imprisoned, or are awaiting trial. Moroccan authorities have disrupted cells tied to Al Qaeda in the Islamic Maghreb (AQIM), formerly the Salafist Group for Preaching and Combat (GSPC), a group originating in Algeria with transregional ambitions. More than 50 Moroccans have volunteered to fight in Iraq. Moroccan authorities also have apprehended members of several alleged and apparently autonomous terror groups or cells. In April 2007, two suicide attacks occurred near the U.S. Consulate and the American Language Center in Casablanca; the bombers killed only themselves and their affiliations remain unknown.

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<sup>1</sup> “An Islamic Cleric Becomes the Focus of Madrid Inquiry,” *Asian Wall Street Journal*, March 18, 2004.

<sup>2</sup> “Moroccans Say Al Qaeda Masterminded and Financed Casablanca Suicide Bombings,” *New York Times*, May 23, 2003.

Morocco is cooperating with U.S. and European agencies to counter terrorism at home and abroad. In 2002, authorities arrested three Saudis, who allegedly had fled Afghanistan and were an Al Qaeda cell, on suspicion of planning to use an explosives-laden dinghy to attack U.S. and British ships in the Straits of Gibraltar.<sup>3</sup> Morocco also has exerted greater control over religious leaders and councils, retrained and rehabilitated some individuals convicted of terror-related crimes to correct their understanding of Islam, and launched radio and television stations and a website to transmit “Moroccan religious values” of tolerance. In 2005, the King launched a National Initiative for Human Development to combat poverty, generate employment, and improve infrastructure, in order to redress socioeconomic conditions extremists exploit for recruitment. Observers question its effectiveness.

## Human Rights

Morocco has a number of endemic human rights problems, including reports of torture by security forces, arbitrary arrests, incommunicado detention, and police and security force impunity.<sup>4</sup> The government restricts freedoms of speech, press, and religion. Trafficking in persons and child labor also are problems. At the King’s initiative, parliament enacted revolutionary changes to the Family Code or *Moudawana* in January 2004, making polygamy rare by requiring permission of a judge and the man’s first wife, raising the legal age for marriage for girls to 18, and simplifying divorce procedures for women, among other amendments to improve the status of women. The King also created an Equity and Reconciliation Commission to provide a historical record of abuses from 1956 to 1999, to account for the “disappeared,” and to compensate victims. In 2001, he launched a dialogue on Berber culture, and the government has since authorized the teaching of Berber dialects and issued a textbook in Berber.<sup>5</sup>

After the May 2003 attacks in Casablanca, parliament passed antiterrorism laws to define terrorist crimes and establish procedures for tracking terrorist finances. Human rights activists express concern about restrictions on the press, detention without charge, and reduced requirements for the death penalty. Other observers question whether elements in the regime are using the threat of Islamist terror to roll back reforms. Some worry that detention may create radicals who will eventually be released into society.<sup>6</sup>

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<sup>3</sup> “Arrests Reveal Al Qaeda Plans,” *Washington Post*, June 16, 2002.

<sup>4</sup> U.S. Department of State, *Country Reports on Human Rights Practices - 2006, Morocco*, March 6, 2007.

<sup>5</sup> The Berbers are the original inhabitants of North Africa before the Arabs invaded in the 8<sup>th</sup> century.

<sup>6</sup> Jill Carroll, “Morocco’s Harder Line on Security Challenges Reforms,” *Christian Science Monitor*, April 9, 2007.

## Economy

Although recent governments have attempted to diversify the economy, large portions of Morocco's gross domestic product (15%) and labor force (50%) continue to depend on agriculture and are vulnerable to weather. Oil price increases have detrimental effects because imports supply 97% of the country's energy needs. Services and tourism are growth sectors, with tourism and remittances from abroad providing foreign exchange. The public sector remains large. There is a successful, if erratic, privatization program. However, excessive red tape and corruption remain impediments to foreign investment.<sup>7</sup>

Economic growth and reforms have been insufficient to reduce unemployment and poverty. About 30,000 Moroccans emigrate each year; remittances account for about 9% of the gross national product.

### Morocco: Basic Facts

Population:	33.7 million (2007 est)
Gross Domestic Product growth rate:	6.7% (2006)
Gross Domestic Product per capita:	\$4600 (2006)
Inflation:	2.8% (2006)
Unemployment:	7.7% (2006)
Exports:	clothing, fish, inorganic chemicals, transistors, crude minerals, fertilizers (including phosphates), petroleum products, fruit, and vegetables
Imports:	crude petroleum, textile fabric, telecommunications equipment, wheat, gas and electricity
Major Trading Partners:	France, Spain, United Kingdom, Italy, Saudi Arabia, China

Source: CIA, *The World Factbook*, Sept. 6, 2007.

## Foreign Policy

**Western Sahara.** The dispute between Morocco and the independence-seeking Popular Front for the Liberation of Saqiat al-Hamra and Rio de Oro (Polisario) over the former Spanish colony south of Morocco remains unresolved. Morocco occupies 80% of the Western Sahara, considers the region its three southern provinces, and will only accept a solution that guarantees it sovereignty over "the whole of its territories." The King submitted an autonomy plan for the region to the U.N. in April 2007, and Moroccan and Polisario representatives met in June and August.<sup>8</sup> In October 2001, Morocco had authorized French and U.S. companies to explore for oil off the Saharan coast, and the prospect of oil discoveries may have hardened Morocco's resolve to retain the region.

**Algeria.** Morocco and Algeria have a longstanding regional rivalry. The Western Sahara is the main impediment to improving bilateral relations and to resuscitating the regional Arab Maghreb Union (UMA), a loose organization of Morocco, Tunisia, Algeria, Mauritania, and Libya. Morocco refuses to compromise on the Western Sahara issue for the sake of bilateral relations or the UMA. Algeria backs the Polisario, which analysts view as an Algerian surrogate. It wants Algerian-Moroccan relations to be separate from the Sahara issue and to be mended, and to have the common border, closed since

<sup>7</sup> Morocco is ranked 79 out of 163 countries on the Transparency International, *Corruption Perceptions Index 2006*, on line at [<http://www.transparency.org>].

<sup>8</sup> For text of plan, see [[http://www.map.ma/eng/sections/politics/sahara\\_issue\\_\\_full\\_t/view](http://www.map.ma/eng/sections/politics/sahara_issue__full_t/view)].

September 1994, reopened. Despite these disagreements, relations warmed with ministerial visits, a meeting of leaders, cooperation to counter terrorism and illegal immigration, and with King Mohammed VI's first visit to Algiers for an Arab League summit in March 2005. In July 2004, Mohammed VI abolished visa requirements for Algerians entering Morocco; in April 2006, Algerian President Abdelaziz Bouteflika reciprocated the gesture. However, the King refused to attend an UMA summit in Libya in June 2005, after Bouteflika sent a congratulatory message to the Polisario on its anniversary, causing the summit's cancellation.

**Europe.** Morocco's Association Agreement with the European Union (EU) came into force on March 1, 2000, and is supposed to lead to a free trade agreement by 2012. Morocco participates in the EU's Euro-Mediterranean Partnership and its Neighborhood Policy Plan and has received considerable EU aid as a result. Illegal immigration both of Moroccans and sub-Saharan Africans transiting Morocco and drug (cannabis)-trafficking have caused friction in Moroccan-European relations. High unemployment drives Moroccan youths to Europe. EU-funded programs to shift farmers in Morocco's underdeveloped Rif Mountains from cannabis cultivation to alternative crops have not been successful.



Source: Map Resources. Adapted by CRS.

Morocco traditionally has had good relations with France and Spain, its former colonizers. Relations with France, Morocco's largest trading partner, are particularly close. It officially supports U.N. efforts to resolve the Western Sahara dispute, but blocks Security Council initiatives that Morocco rejects.

In recent years, Morocco's relations with Spain have been intermittently discordant. Spain possesses two enclaves on Morocco's Mediterranean coast, Ceuta and Melilla, that are vestiges of colonialism and are claimed by Morocco. In October 2001, Morocco recalled its ambassador from Madrid after pro-Saharan groups in Spain conducted a mock referendum on the fate of the region. In July 2002, Spanish troops ejected Moroccan soldiers from the uninhabited Perejel/Parsley or Leila Island off the Moroccan coast that Spain says it has controlled for centuries. Diplomatic ties were not restored until January 2003. That July, Morocco complained that Spain lacked neutrality on the Sahara issue when it chaired the Security Council and, in October, Spain suspended arms sales to Morocco due to the Perejel crisis. Morocco still closely cooperated with Spanish authorities in the investigation of the March 2004 bombings in Madrid. Spanish Prime Minister Jose Luis Rodriguez Zapatero visited Morocco in April 2004, and King Juan Carlos I visited in January 2005; on both occasions, joint statements called for a negotiated settlement to the Sahara issue based on a consensus of all parties — the

Moroccan position. Since October 2004, 120 Moroccan soldiers have served under Spanish command in the U.N. stabilization mission in Haiti. Moroccan gendarmes have joined Spanish patrols against illegal immigration in the Strait of Gibraltar. However, Zapatero's provocative visit to Ceuta and Melilla in January 2006 set back relations.

**Middle East.** The King chairs the Jerusalem Committee of the Organization of the Islamic Conference and supports international efforts to achieve a two-state solution to the Israeli-Palestinian conflict. He recognizes President Mahmud Abbas as the legitimate leader of the Palestinian people in Abbas's dispute with Hamas. Morocco closed Israel's liaison bureau in Morocco and Morocco's office in Tel Aviv in reaction to Israel's conduct during the Palestinian *intifadah* (uprising) in 2001, but the King and others kept contacts with Israeli officials. In August 2005, Mohammed VI personally congratulated Prime Minister Ariel Sharon for Israel's withdrawal from the Gaza Strip. Some 600,000 Israelis are of Moroccan origin, and 25,000 travel to Morocco each year.

## Relations with the United States

The United States and Morocco have long-term, good relations. The United States views Morocco as a steady and close ally and as a moderate Arab state that supports the Arab-Israeli peace process. Bilateral ties have been strengthened by cooperation in the fight against terrorism and improving trade relations. An FBI team helped investigate the Casablanca bombings, and the FBI and CIA Directors have visited Rabat for consultations. A free trade agreement (FTA) with Morocco, P.L. 108-302, August 17, 2004, came into effect on January 1, 2006. The U.S. State Department considers the Moroccan autonomy plan for the Western Sahara "serious and credible."

The United States has increased aid to Morocco to assist with countering terrorism, democratization, and the FTA. In FY2007, Morocco is receiving \$13.5 million in Economic Support Funds (ESF), \$12 million in Foreign Military Financing (FMF), \$5.4 million in Development Assistance (DA), \$1.896 million for International Military Education and Training (IMET), \$1 million for International Narcotics Control and Law Enforcement (INCLE), and \$1.462 million for Non-Proliferation, Antiterrorism, Demining, and Related Activities (NADR). For FY2008, the Administration requested \$15.5 million in ESF, \$3.655 million in FMF, \$6 million in DA, \$1.8 million for IMET, \$1 million for INCLE, and \$1.1 million for NADR. In August 2007, the Millennium Challenge Corporation Board approved a five-year, \$697.5 million grant for Morocco to spur poverty reduction through economic growth -- the largest MCC award to date. In June 2004, President Bush designated Morocco a major non-NATO ally. Morocco is part of NATO's Mediterranean Dialogue and has hosted and participated in NATO military exercises. It also is cooperating in the U.S. Trans-Sahara Counterterrorism Partnership (TSCTP). Bilateral U.S.-Moroccan military exercises are held regularly.

The Moroccan people do not have positive views of the United States. A poll released in April 2007 found that 76% of Moroccans surveyed held unfavorable views of the U.S. government, while 68% approved of attacks on U.S. troops.<sup>9</sup>

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<sup>9</sup> World Public Opinion.org, *Muslim Public Opinion on US Policy, etc.*, April 24, 2007.