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Morocco: Background and U.S. Relations

Updated June 23, 2020

Congressional Research Service
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R45387

CRS REPORT
Prepared for Members and
Committees of Congress

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SUMMARY

R45387

June 23, 2020

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Morocco: Background and U.S. Relations

The COVID-19 pandemic has taken a toll on Morocco's health system and economy, although the government has won praise for its handling of the crisis. Starting in mid-March 2020, the government closed its international borders and most commercial air travel; shuttered schools, places of worship, and businesses deemed nonessential; and invoked a national state of emergency to restrict intercity travel along with nonessential movement by residents. On June 9, authorities announced a gradual easing of some restrictive measures.

Morocco is a constitutional monarchy with an elected parliament and local government officials. King Mohammed VI, who inherited the throne in 1999, maintains overarching political authority but has taken some liberalizing steps. In 2011, amid large protests in Morocco and popular uprisings that overthrew governments in other North African countries, the king introduced a new constitution that strengthened the office of the Prime Minister and expanded individual rights. The monarch nonetheless remains the arbiter of national decision-making, the head of the military, and—as "Commander of the Faithful"—the country's highest religious authority. In recent years, officials have struggled to respond to a new wave of protests over economic challenges, corruption, and police brutality.

Successive U.S. Administrations have viewed Morocco as an important regional partner on security, trade, and development. Morocco is a designated Major Non-NATO Ally, and bilateral trade and investment expanded after a U.S.-Morocco Free Trade Agreement was signed in 2004. In 2019, Secretary of State Michael Pompeo and Moroccan Foreign Minister Nasser Bourita convened a high-level U.S.-Morocco Strategic Dialogue, which had last been held in 2015. While expressing continued support for the U.S.-Morocco relationship and approving large new arms sales to the country, the Trump Administration has repeatedly proposed to cut bilateral aid to Morocco, in line with its global foreign aid budget proposals. For FY2021, the Administration has proposed $13.5 million in bilateral aid appropriations for Morocco, compared to $41.0 million appropriated by Congress in FY2020 under P.L. 116-94; Congress did not adopt similar proposals in previous years. Separately, Morocco is implementing a five-year $450 million U.S. Millennium Challenge Corporation (MCC) compact—the country's second such program—focused on enhancing workforce development and land productivity.

U.S.-Morocco security cooperation is robust. Morocco has long been a significant purchaser, for its income level, of U.S. defense materiel (including F-16 jets), and hosts an annual military exercise in which some 1,000 U.S. personnel participate. (The 2020 iteration of the exercise, due in April, was canceled due to COVID-19.) The Administration approved, with congressional assent, up to $10 billion in new arms sales to Morocco in 2019, including more F-16s. Morocco is a member of the U.S.-led Global Coalition to Defeat the Islamic State. In 2017, the United States and Morocco launched an "Initiative to Address Homegrown Violent Extremists" under the auspices of the multilateral Global Counterterrorism Forum (GCTF).

With regard to the disputed territory of Western Sahara, which Morocco claims and largely administers, the United States has recognized neither Morocco's assertion of sovereignty, nor the self-declared Sahrawi Arab Democratic Republic (SADR), led by the independence-seeking Polisario Front from exile in Algeria. The United States has repeatedly voted in the U.N. Security Council to extend a U.N. peacekeeping operation known as MINURSO, which observes a 1991 ceasefire between Morocco and the Polisario, although U.S. officials threatened to withdraw support for the mission during the tenure of former National Security Advisor John Bolton (2018-2019). Since 2007, the U.N. Security Council—of which the United States is a veto-capable permanent member—has called on Morocco and the Polisario to engage in negotiations without preconditions to reach a "mutually acceptable political solution, which will provide for the self-determination of the people of Western Sahara." Successive U.S. Administrations have praised Morocco's proposal of autonomy under Moroccan sovereignty as a "serious, realistic, and credible" option for a final settlement, while continuing to back U.N.-facilitated talks. (See CRS Report RS20962, *Western Sahara*, for background.) Congressional interest in the Western Sahara issue and the scope of U.S. aid has been reflected in recent foreign assistance appropriations measures and other legislation, including H.Res. 223.

Morocco's foreign policy focuses on its Western partners (including the United States along with France, Spain, and the European Union); the Arab Gulf states; and friendly countries in sub-Saharan Africa. In 2018, Morocco cut ties with Iran for the second time in a decade, accusing it of providing military support to the Polisario via Hezbollah, a U.S.-designated terrorist network. Tensions between Morocco and neighboring Algeria—a regional rival and the Polisario's primary backer—have long stymied regional security and economic cooperation within North Africa. In 2016, Morocco joined the African Union (AU), having previously refused to do so due to the organization's recognition of the SADR as a member state.

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Introduction

Successive U.S. Administrations have viewed Morocco as an important regional partner on security, trade, and development. Historically warm ties expanded after the terrorist attacks of September 11, 2001, when President George W. Bush sought the cooperation of Arab governments in countering terrorism. His Administration designated Morocco a Major Non-NATO Ally in 2004 and concluded a bilateral Free Trade Agreement the same year, which Congress authorized under P.L. 108-302. The United States has continued to build strong relations with the kingdom under President Obama and President Trump, notwithstanding occasional friction over the issue of Western Sahara, a disputed territory that Morocco claims and largely administers. High-level meetings regularly occur, including via a U.S.-Morocco Bilateral Strategic Dialogue (see "U.S. Relations").

Morocco's stability has taken on greater prominence over the past decade amid popular uprisings in Tunisia, Egypt, and Algeria, as well as ongoing conflicts in Libya and the Sahel region. Morocco is the only North African country not to have experienced a major terrorist attack since 2012, although individuals who had reportedly pledged allegiance to the Islamic State killed two European tourists in 2018. Moroccan authorities regularly report disrupting internal and transnational terrorist plots. Morocco also was reportedly a top global source of Islamic State "foreign fighters" in Syria and Iraq at the height of the group's territorial control.

King Mohammed VI weathered large protests in 2011 during the wave of regional unrest known as the "Arab Spring." He responded by devolving some executive powers to elected officials, with a new constitution that was adopted by referendum. The Party for Justice and Development (PJD)—generally characterized as a moderate Islamist political party—has won two legislative elections since then and has led a series of coalition governments, although the palace has increasingly moved to check its influence over policymaking in recent years.

Protests again erupted in 2016-2018 in the historically marginalized northern Rif region and in rural and mining communities in the country's east, reflecting apparent discontent over the economy, corruption, and police brutality. Perceptions of cronyism and corruption also fueled a boycott movement in 2018 targeting firms led by individuals seen as close to the palace and influential in both business and politics.[1] Sporadic protests over various issues, including governance, continued across the country through early 2020.[2] The Arab Barometer regional opinion survey reported in 2019 that Moroccan respondents' top concerns were the "the economy," "the quality of public services," and corruption.[3] Nearly half of Moroccan respondents stated that they would consider emigrating, including 70% of those aged 18-29. Morocco's role in enforcing European efforts to curtail migration has sparked domestic controversy.[4]

The king has pursued several human rights initiatives in recent years, for example ending military trials for civilian suspects and affording legal registration to a handful of critical civil society organizations based in Moroccan-administered Western Sahara. The 2011 constitution expanded Amazigh (Berber) cultural rights, women's rights, administrative decentralization, and judicial independence, although these stated objectives remain works in progress. At the same time, activists and journalists have faced harassment and criminal prosecution while probing sensitive

[1] *Jeune Afrique*, "Le boycott des produits alimentaires est dirigé contre des personnes anti-PJD," May 12, 2018.

[2] *Jeune Afrique*, "Plusieurs milliers de personnes défilent à Casablanca contre les inégalités," February 23, 2020.

[3] Arab Barometer V, "Morocco Country Report," 2019.

[4] Samia Errazzouki, "A young woman embodied Morocco's future. Instead she was shot while trying to emigrate [op-ed]," *Washington Post*, October 2, 2018.

issues including official corruption, security force abuses, and protests in the Rif.[5] The police were accused of excessive use of force and torture of detainees during the crackdown on Rif protesters, and protest leaders were sentenced to lengthy prison terms.[6] The king subsequently pardoned some, but not all, jailed Rif protesters, but key protest leaders remain in prison.

The push and pull in Morocco over political power, economic opportunity, and freedom of expression has played out amid a shifting regional and international context in recent years. Western efforts to encourage political reforms in the region arguably waned after the 2013 leadership change in Egypt and the rise of the Islamic State in 2014. As elsewhere in the region, Moroccan citizens have continued to seek new ways to influence official decision-making, while state actors have toggled between a responsiveness to public demands and more hardline approaches.[7] Whether and how the course of the COVID-19 pandemic influences Moroccans' relationship with the country's governing institutions remains to be seen.[8]

Morocco and COVID-19

As of June 23, Morocco's government had recorded over 10,200 cumulative cases of COVID-19, or roughly 2.8 per 10,000 citizens—a rate roughly equivalent to neighboring Algeria but higher than Tunisia, for example.[9] Morocco closed its borders and suspended international commercial flights on March 15, prompting the U.S. State Department to evacuate stranded U.S. citizens.[10] On March 20, the government invoked a national state of emergency and imposed nationwide restrictions on internal travel and movements, and closed schools, places of worship, communal steam baths, and nonessential businesses. Many Moroccans reportedly approved of restrictive measures to limit spread of the virus, and viewed information from the Moroccan Ministry of Health as reliable.[11] On June 9, authorities announced the gradual lifting of some restrictions, while maintaining the state of emergency.

Morocco's health system initially appeared likely to be overwhelmed by the pandemic. Morocco has an estimated 0.7 physicians and 1.1 hospital beds per 1,000 inhabitants, compared to global averages of 2.5 and 2.7, respectively. The country has made substantial progress in controlling major infectious diseases and reducing child and maternal mortality in recent decades, however, pointing to some health system improvements.[12] Since the early 2000s, the government has also sought to expand access to healthcare, with mixed results.[13] Local hospitals reportedly saw a surge in COVID-19 patients in April-May 2020,[14] and the government oversaw construction of temporary medical facilities in some areas. As of mid-June, daily counts of new confirmed cases were lower than peaks in April-May, but were also trending upward compared to recent prior weeks.[15]

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[5] See Committee to Protect Journalists, "Morocco," https://cpj.org/mideast/morocco/; Human Rights Watch (HRW), "Morocco: Trial Over Private Life Allegations," September 9, 2019.

[6] Reuters, "Moroccan court jails Rif protest leader for 20 years," June 26, 2018; HRW, "Morocco: Another Crackdown on Protests," June 4, 2018, and "Morocco: King Brushes Off Evidence of Police Abuse," September 5, 2017.

[7] Intissar Fakir and Sarah Yerkes, "Governance and the Future of the Arab World," Carnegie Endowment for International Peace, October 16, 2018.

[8] See Intissar Fakir, "COVID-19 may have given North African governments a respite from protests, but this is unlikely to last long," *Diwan*, Carnegie Endowment for International Peace, March 23, 2020.

[9] Morocco Health Ministry statistics, at http://www.covidmaroc.ma/pages/Accueil.aspx; other country statistics from the Johns Hopkins University Coronavirus Resource Center, at https://coronavirus.jhu.edu/map.html.

[10] Associated Press (AP), "Stranded Travelers Board Evacuation Flights From Morocco," March 20, 2020.

[11] Moroccan Institute for Policy Analysis (MIPA), "COVID-19: How Moroccans View the Government's Measures," March 25, 2020, at https://mipa.institute/7486.

[12] World Bank health system data, at https://data.worldbank.org/indicator/SH.MED.PHYS.ZS (Morocco statistics as of 2017 and 2014, and global averages as of 2015 and 2011, respectively); and World Health Organization, "Morocco: Country Cooperation Strategy at a Glance," May 2018 (latest).

[13] Anna Jacobs, "Will COVID19 Lead to Health Care Reform in Morocco?" Moroccan Institute for Policy Analysis, May 14, 2020.

[14] AP, "Weary Moroccan Medics Fight Virus, Nightmares and Tears," May 2, 2020.

[15] *New York Times*, "Coronavirus Map: Tracking the Global Outbreak," updated as of June 17, 2020.

Disruptions in global food supply chains and travel caused by the pandemic have severe implications for Morocco's economy. The country is a net importer of agricultural products, and tourism has been the second-largest contributor to GDP in recent years (at about 7% of total GDP as of 2019, per Moroccan government statistics).[16] In late March 2020, the government established an emergency pandemic management fund of about $1 billion—financed by the government and voluntary contributions from private firms and citizens—to boost its healthcare capacity and assist economically vulnerable citizens.[17] Moroccan foundations have also donated personal protective equipment (PPE) to health workers.

Figure 1. Morocco at a Glance

Population: 35.6 million
Ethnicities: Arab and/or Berber (Amazigh) 99%, other 1%
Languages: Arabic (official), Tamazight (official) and other Berber languages, French
Religions: Muslim 99% (official, virtually all Sunni), other (including Christian, Jewish, Baha'i) 1%
Life Expectancy: 73.3 years
Median Age: 29.1 years
Fertility Rate: 2.3 children per woman
Literacy: 73.8% (male 83.3%, female 64.6%) (2018)
Urban Population (% of total): 63.5%

GDP Growth / Per Capita: 2.7% / $3,345 (2019 est.)
Unemployment: 9.2%; ages 15-24: 26% (2019 est.)
Key Exports: clothing and textiles, automobiles, electric components, inorganic chemicals, transistors, crude minerals, fertilizers (including phosphates), petroleum products, citrus fruits, vegetables, fish
Export Partners: Spain 23%, France 23%, Italy 5%, United States 4% (2017)
Key Imports: crude oil, textile fabric, telecommunications equipment, wheat, gas and electricity, transistors, plastics
Import Partners: Spain 17%, France 12%, China 9%, US 7%, Germany 6%, Italy 6%, Turkey 5% (2017)

Sources: CRS graphic; borders are not necessarily authoritative. Data from CIA World Factbook and International Monetary Fund (database, as of October 2019); 2020 estimates unless noted.

Note: Morocco considers Western Sahara to be part of its national territory, but U.S. government maps do not depict it as such.

[16] Export.gov, "Morocco – Agricultural Sector," July 15, 2019; Morocco's Ministry of Tourism, Air Transport, Handicrafts, and Social Economy, "Key Figures," at https://mtataes.gov.ma/fr/tourisme/.

[17] See International Monetary Fund, Policy Responses to COVID-19: Policy Tracker, at https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19.

Foreign Relations

Morocco's foreign relations have generally focused on its Western partners (namely France, Spain, the European Union, and the United States); the Arab Gulf states; and friendly countries in sub-Saharan Africa. After the 2011 "Arab Spring," Morocco drew closer to the Gulf countries, which pledged aid and investment. In 2015, Morocco temporarily redeployed its F-16 jets from the U.S.-led counter-Islamic State coalition in order to participate in the Saudi-led operation in Yemen, where one Moroccan F-16 crashed. Morocco subsequently ended its participation in the Saudi-led operation, and the two countries temporarily exhibited diplomatic tensions in early 2019.[18] In 2018, Morocco cut ties with Iran for the second time in a decade, accusing it of providing weaponry to the Polisario Front (which seeks independence for the Western Sahara, a disputed territory claimed and largely administered by Morocco) via Hezbollah, a U.S.-designated terrorist organization.[19] U.S. officials have not publicly commented on the allegation.

Morocco supports a two-state solution to the Israeli-Palestinian conflict, and King Mohammed VI chairs the Al Quds (Jerusalem) Committee of the Organization of Islamic Cooperation (OIC), which seeks to bolster Muslim claims to the city. Morocco closed Israel's liaison bureau in Morocco and Morocco's office in Tel Aviv during the Palestinian intifada (uprising) in 2001. Some 600,000 Israelis are of Moroccan origin and many travel there regularly, however. The king criticized the Trump Administration's 2017 recognition of Jerusalem as Israel's capital, and assailed Israeli Prime Minister Benjamin Netanyahu's September 2019 pledge to annex the Jordan Valley and other territories in the West Bank.[20] Thousands of Moroccans protested the U.S. Embassy's move to Jerusalem in May 2018.

Tensions between Morocco and Algeria—a regional rival and the Polisario's primary backer—have long stymied security and economic cooperation in North Africa. Partly in response, and to cultivate regional support for its claim to the Western Sahara, the king has launched diplomatic, investment, and trade initiatives in sub-Saharan Africa.[21] In 2016, Morocco joined the African Union (AU), having left the AU's predecessor organization in 1984 over the latter's recognition of the Sahrawi Arab Democratic Republic (SADR), the Polisario's self-declared state. Morocco has since sought to isolate the SADR within AU institutions, with mixed success. In 2017, Morocco also requested to join the Economic Community of West African States (ECOWAS), although Morocco's territory is not geographically contiguous with the bloc.[22] As of mid-2020, Morocco had signed, but not ratified, the African Continental Free Trade Agreement (AfCFTA).

Politics

The 2011 constitution requires the king to appoint a prime minister/head of government from the largest party in the directly-elected Chamber of Representatives. The king remains the arbiter of

[18] Carnegie Endowment, "What Impact Will Morocco's Decision to Withdraw From the Anti-Houthi Coalition Have?" February 14, 2019.

[19] Morocco severed diplomatic ties with Iran from 2009 to 2016, accusing Iran of fostering Shi'ite proselytization.

[20] *Morocco World News*, "US Recognition of Jerusalem: King Mohammed VI Expresses 'Deep Concern' to Trump," December 5, 2017, and "Morocco Condemns Netanyahu's Annexation Speech, Reiterates Support for Palestine," September 13, 2019. Morocco's Foreign Minister reportedly restated opposition in a June 2020 OIC meeting.

[21] See *The Economist*, "Why Morocco is Cosying Up to Sub-Saharan Africa," July 19, 2018.

[22] West African leaders have expressed support in principle, Morocco's membership bid has not formally advanced; friction over trade and immigration policy may be barriers. See *Financial Times*, "Morocco's ECOWAS Bid Sparks African Fear and Suspicion," January 23, 2019.

national political decision-making, the head of the military, and (as "Commander of the Faithful") the country's highest religious authority. In practice, King Mohammed VI has continued to shape policymaking on occasion, and he has regularly dismissed and reshuffled cabinet ministers. The king spent several months abroad in 2018 after undergoing heart surgery in France, spurring concerns about his health.[23] He underwent heart surgery again in Rabat in mid-2020.[24]

Morocco's main Islamist political party, the Party for Justice and Democracy (PJD, sometimes known as *Al Misbah* or "the lamp"), has led a series of fractious coalition governments since 2011. The PJD spent two decades as an opposition party before winning its first electoral victory (a plurality of seats in the Chamber of Representatives) after the 2011 protests and constitutional revision. The party again won a plurality in legislative elections held in 2016. In recent years, however, the palace and its political allies have taken steps to curtail the PJD's influence over policymaking.[25] Morocco's political system and electoral districting have arguably further constrained the party's influence.

Following the 2016 elections, the RNI party (National Rally of Independents, after its French acronym), whose leadership is widely seen as close to the palace, effectively blocked then-Prime Minister and PJD leader Abdelilah Benkirane from forming a government.[26] After negotiations stalled, the king dismissed Benkirane in favor of his then-deputy, former Foreign Minister Saad Eddine al Othmani—who announced a coalition with parties backed by the RNI, to which Benkirane had objected. These included the Socialist Union of Popular Forces (USFP after its French acronym), a secularist opposition party that shares few policy priorities with the PJD and whose electoral strength has cratered in recent cycles. A trend toward diminished PJD political influence was also visible in the aftermath of regional and municipal elections in 2015. The PJD won the most seats and votes, but the pro-palace Party for Authenticity and Modernity (PAM)—founded by top royal advisor Fouad Ali el Himma—secured control of more regional councils.

The PJD has generally refrained from pressing for deep political changes, preferring to reassure the palace of its ability to function within the established order.[27] Several other Moroccan Islamist movements, such as the Sufi Justice and Charity Organization (Al Adl wal Ihsan)—thought to be Morocco's largest grassroots movement—reject the religious authority of the monarchy and have remained outside the political system.[28] The PJD has nonetheless long espoused an anti-corruption message that can be understood as a critique of the status quo. This message appears to be popular, but as the large protests of 2011 fade into the past, the palace and its allies appear to feel more emboldened to intervene directly in politics and check the PJD.[29] A perceived shift in Western donor attention away from democratic reforms and toward counterterrorism cooperation may also be a factor. The PJD itself may have responded to these trends, replacing Benkirane as party leader with Al Othmani, who has pursued a less populist and less confrontational tack.

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[23] *Middle East Eye*, "Mohammed VI, the absent king of Morocco," March 30, 2018.

[24] Associated Press, "Morocco's King, 56, Undergoes Successful Heart Surgery," June 15, 2020.

[25] Intissar Fakir, *Morocco's Islamist Party: Redefining Politics Under Pressure*, Carnegie Endowment for International Peace, December 28, 2017.

[26] *Morocco World News*, "Benkirane Speaks Out Over Akhannouch's Government Formation 'Blockage,'" December 22, 2016.

[27] Anouar Boukhars, *Morocco's Islamists: Bucking the Trend?* FRIDE, June 6, 2014.

[28] See Vish Sakthivel, *Al-Adl wal-Ihsan: Inside Morocco's Islamist Challenge*, Washington Institute for Near East Policy, 2014.

[29] Mohamed Daadaoui, "Morocco's king just named a new prime minister, in case you forgot who's in charge," *Washington Post* Monkey Cage blog, March 20, 2017.

The Economy

Morocco is a lower-middle income country; poverty and illiteracy remain widespread, despite sophisticated urban centers in Casablanca and Rabat. The economy is diverse, with key sectors including agriculture, tourism, mining, and textiles and apparel. Remittances from Moroccans living in Europe have long provided a source of foreign exchange and a social safety net. Through internal and Western Sahara mines, Morocco controls nearly 75% of global reserves of phosphates, used in fertilizers. State-owned enterprises and public investment play significant roles in the economy; notably, the state is the controlling shareholder (with 96% of all shares) in the Office Chérifien des Phosphates (OCP), by far the country's largest exporter.[30]

As of April 2020, the International Monetary Fund (IMF) projected that Morocco's economy would contract by 3.7% in 2020, the country's first recession in decades, due to the global and local impact of COVID-19.[31] The government established an emergency response fund in March 2020 to support vulnerable households, with an initial $1 billion in financing (see text box under "Introduction"). In addition, the government deferred social security and tax bills for certain firms, while the central bank reduced interest rates, suspended loan repayments, and issued a new banking credit line to finance local businesses' operational expenses.[32]

Over the past decade, annual economic growth has ranged from 1% to 5%, per the IMF—in line with regional averages, but not consistently outpacing population growth.[33] The official unemployment rate stood at 9.2% in 2019, but was reportedly more than twice as high among youth.[34] Socioeconomic hardships have driven emigration and periodic unrest. Anger at high consumer prices and perceived cronyism among business and political elites spurred the aforementioned boycott protest movement in 2018 ("Introduction").[35]

Heavily reliant on fossil fuel imports to meet its domestic electricity needs, Morocco has sought investments in renewable energy, including large-scale solar and wind power infrastructure.[36] Because the domestic cost of fuel and electricity are politically sensitive, Morocco historically subsidized these and other key commodities, a policy that the World Bank criticized in 2014 as "costly, inefficient, and… putting the medium-term sustainability of public finances at risk."[37] Leveraging declines in global oil prices at the time, Morocco ended most fuel subsidies in 2015, with the notable exception of butane gas, used for cooking. The move prompted public scrutiny over whether politically-connected gas distribution companies benefitted disproportionately, and may have contributed to popular frustrations over the high cost of living.[38]

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[30] World Bank, *Governance Reforms of State-Owned Enterprises (SOEs): Lessons from four case studies (Egypt, Iraq, Morocco and Tunisia)*, August 2015.

[31] IMF, World Economic Outlook database, April 2020.

[32] See IMF, Policy Responses to COVID-19: Policy Tracker, at https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#M.

[33] Ibid.

[34] CIA World Factbook; youth unemployment statistic from 2016 (latest cited).

[35] Reuters, "Morocco consumer boycott has big business in its sights," May 30, 2018.

[36] The World Bank in 2014 approved a $519 million loan to support the construction of a major solar power electricity generation plant in southern Morocco—reportedly the largest facility of its kind in the world. See also Moroccan Investment Development Agency, Investment Opportunities, "Solar Energy" and "Wind Energy," at http://www.invest.gov.ma/index.php?Id=22&lang=en.

[37] World Bank, "Reforming Subsidies in Morocco," *Economic Premise*, No. 134, February 2014.

[38] *Jeune Afrique*, "Maroc: Le Parlement rend public un rapport sur les prix des carburants sur fond de boycott

As of 2020, the American Chamber of Commerce in Morocco listed over 240 members, including firms such as 3M, Citibank, Johnson & Johnson, and Microsoft. The State Department's 2019 *Investment Climate Statement* reported that Morocco was "actively encouraging and facilitating foreign investment, particularly in export sectors like manufacturing, through macro-economic policies, trade liberalization, investment incentives, and structural reforms." The report identified "insufficient skilled labor, weak intellectual property rights (IPR) protections, inefficient government bureaucracy, and the slow pace of regulatory reform" as key challenges.

Terrorism and Foreign Fighters

Morocco is the only country in North Africa not to have suffered a major terrorist attack since 2012, although two European tourists were kidnapped and killed in 2018 by individuals who had reportedly pledged allegiance to the Islamic State.[39] Previously, a sophisticated Al Qaeda-linked bombing attack killed dozens of people in Casablanca in 2003, and a local terrorist cell assaulted a tourist-friendly café in Marrakesh in 2011, killing 17 people.[40] Small Islamist extremist cells have long posed a domestic security threat, and authorities have repeatedly claimed to disrupt local cells and plots tied to Al Qaeda or the Islamic State.[41] The State Department has praised Morocco's "comprehensive counterterrorism strategy," noting that it includes "vigilant security measures, regional and international cooperation, and counter-radicalization policies."[42]

At the height of the Islamic State's territorial control in Syria and Iraq (2014-2015), some 1,500 Moroccans reportedly traveled to those countries as "foreign fighters," placing Morocco among the top global sources of Islamist foreign combatants.[43] Hundreds reportedly joined the Islamic State organization, while others—including three former Guantánamo detainees who had been repatriated to Morocco under the George W. Bush Administration—joined or formed Al Qaeda-affiliated groups.[44] In addition, various individuals of Moroccan descent have been implicated in terrorist plots in Europe and the United States; many appear to have been radicalized abroad.[45] The head of Morocco's Central Bureau of Judicial Investigations stated as of mid-2018 that the country had prosecuted and convicted more than 200 returning fighters.[46] He noted that Moroccan laws allowed police to arrest returnees upon arrival before processing charges against them.

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commercial," May 17, 2018.

[39] BBC, "Scandinavian Hikers Murder Trial Begins in Morocco," May 2, 2019.

[40] In Casablanca, simultaneous suicide bombings killed 33 civilians and 12 assailants. The attacks spurred large street protests against terrorism as well as a state crackdown on domestic Islamist movements seen as supporting extremism. Moroccan authorities linked the 2011 attack to Al Qaeda in the Islamic Maghreb (AQIM), an Algerian-origin regional Al Qaeda affiliate; AQIM denied responsibility while calling on Moroccans to overthrow the monarchy. Reuters, "Qaeda denies involvement in Morocco cafe bomb attack," May 7, 2011.

[41] In 2018 alone, Moroccan authorities reported to have arrested 71 individuals and dismantled more than 20 terrorists cells planning to attack a range of targets, including public buildings, prominent figures, and tourist sites. State Department, *Country Reports on Terrorism 2018*, "Morocco," released November 1, 2019 (latest available).

[42] State Department, *Country Reports on Terrorism 2018*, "Morocco."

[43] See, e.g., *Washington Post*, "Foreign Fighters Flow to Syria [Info-Graphic]," October 11, 2014.

[44] *Wall Street Journal*, "After Guantanamo, Freed Detainees Returned to Violence in Syria Battlefields," June 3, 2014. In 2014, another Moroccan ex-Guantánamo detainee, who had reportedly been transferred from U.S. to Spanish custody in 2005, was arrested in Spain on accusations of recruiting fighters for the Islamic State.

[45] In 2018, over U.S. objections, Germany deported to Morocco Mounir el Motassadeq, a member of the Hamburg-based terrorist cell that supported the logistical planning efforts of the 9/11 attacks. State Department, *Country Reports on Terrorism 2018*, "Germany."

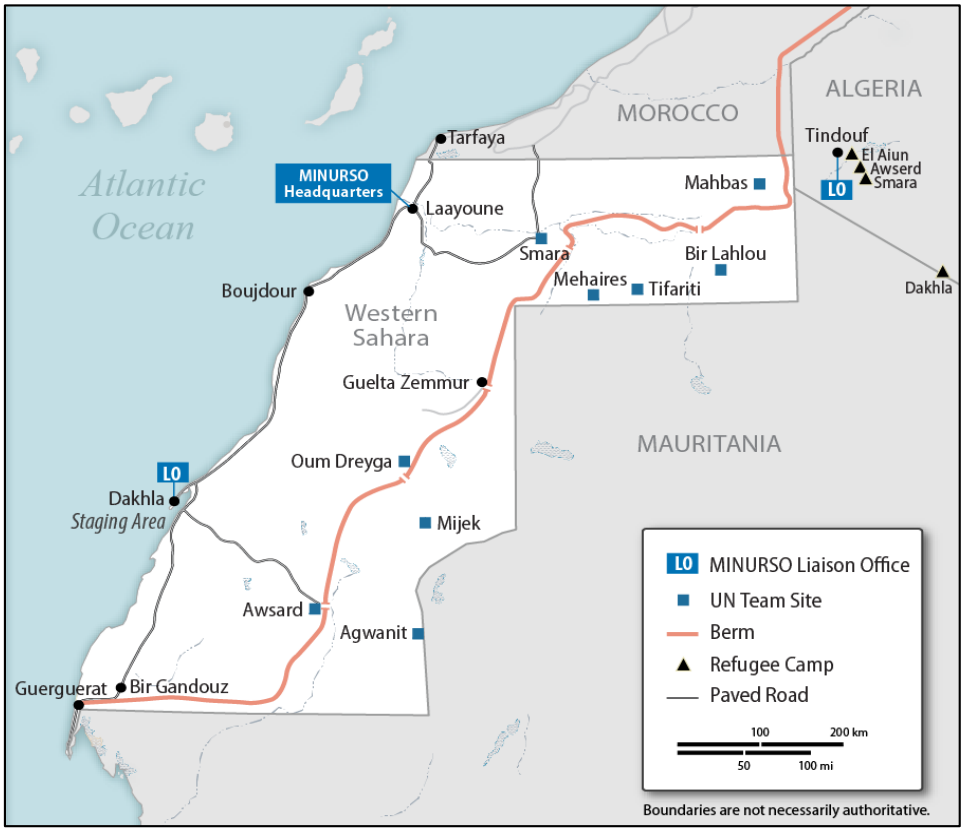
[46] AFP, "Morocco Tackling Jihadist Returnees: Anti-Terror Chief," May 5, 2018.

Moroccan nationals were also reportedly among the thousands of alleged Islamic State fighters detained as of late 2019 in Syria by U.S.-backed the Syrian Democratic Forces (SDF).[47]

Western Sahara

The decades-long dispute between Morocco and the independence-seeking Polisario Front over the former Spanish colony known as the Western Sahara remains unresolved.[48] Morocco and the Polisario fought a war in the desert over the territory starting in 1975, when Morocco—which had obtained independence from colonial power France in 1956—launched a "Green March" of some 350,000 unarmed civilians to claim the Western Sahara as Spain prepared to decolonize it. The U.N. brokered a ceasefire in 1991 and the Security Council established the U.N. Mission for the Organization of a Referendum in the Western Sahara (MINURSO) to monitor the ceasefire and to offer Sahrawis—the self-described original inhabitants of Western Sahara—a path to "self determination." Successive U.N. efforts to advance a referendum or other resolution options failed, however, to obtain the backing of either Morocco, the Polisario, or the Security Council.

Figure 2. Map of the Western Sahara



Source: CRS graphic, adopted from U.N. Secretary-General reports to the U.N. Security Council.

Morocco administers some 85% of the territory, which it considers its southern provinces or the "Moroccan Sahara," demarcated by a berm Morocco constructed as a barrier to Polisario

[47] *Washington Post*, "Thousands of Islamic State fighters captured in Syria face uncertain fate," December 27, 2019.

[48] For background, see CRS Report RS20962, *Western Sahara*, by Alexis Arieff.

incursions (**Figure 2**). In 2007, King Mohammed VI submitted to the U.N. a proposal to grant Western Sahara "autonomy" under Moroccan sovereignty, and he has pursued policies of political decentralization that he says are intended to empower residents of his "Saharan provinces."[49] The area east of the berm, which the Polisario refers to as its "liberated areas," comprises largely uninhabited desert with some small settlements. Algeria hosts and backs the Polisario and its self-declared government, the SADR, but contends that it (Algeria) is not a party to the conflict.

Morocco states that it will accept only a solution that guarantees its sovereignty over the territory and will negotiate only on that basis—while the Polisario states it will accept only an outcome involving a referendum with the option of independence. Morocco rejected a 2003 peace plan involving a referendum proposed by James Baker, the former U.S. Secretary of State then serving as the Personal Envoy of the U.N. Secretary-General, and called for negotiations with Algeria. Since 2007, the U.N. Security Council has called for Morocco and the Polisario to engage in "negotiations without preconditions" to pursue a "mutually acceptable political solution" to the situation. Neither side has shown an interest in compromise. In the absence of a final settlement, the Security Council has continued to task MINURSO with observing the ceasefire. MINURSO's uniformed component consists almost entirely of unarmed military observers.

In 2018-2019, pressure from the Trump Administration (see "U.S. Relations") appeared to contribute to some momentum toward talks, albeit with no concrete outcomes.[50] The U.N. Secretary-General's then-Personal Envoy on the Western Sahara, former German President Horst Köhler, convened "roundtable" talks among Morocco, the Polisario, Algeria, and Mauritania in December 2018—the first time official representatives of Morocco and the Polisario had met since 2012, and the first time Algeria agreed to join the talks—and again in March 2019. No breakthrough was announced, and in May 2019, Köhler unexpectedly announced his resignation, citing health reasons. As of June 2020, U.N. Secretary-General Antonio Guterres had not announced a replacement.

Military tensions have periodically escalated in the territory over alleged incursions by one side or the other into a demilitarized "buffer zone" defined in the ceasefire. In the lead-up to the MINURSO mandate renewal in early 2018, Morocco accused the Polisario of violating the ceasefire with Algerian backing.[51] Soon after, Morocco cut ties with Iran after accusing it of arming the Polisario via Hezbollah, with Algerian assistance, although it did not publicly release evidence.[52] In 2016, Morocco expelled MINURSO civilian staff in response to remarks by then-U.N. Secretary General Ban Ki-moon referencing Morocco's "occupation" of the territory.[53]

With limited sources of international leverage, the Polisario has sought to challenge Morocco's ability to conclude trade and natural resource extraction agreements pertaining to goods sourced in Western Sahara.[54] The Court of Justice of the European Union has ruled in favor of the

[49] King Mohammed VI, speech on the 33rd anniversary of the Green March, November 11, 2008.

[50] See U.S. Mission to the United Nations, "Explanation of Vote for MINURSO Renewal," April 27, 2018. The Administration called for progress toward a settlement, while seeking to increase pressure by shortening MINURSO's mandate from one year to six months. This approach was closely associated with then-National Security Advisor John Bolton, who has long expressed skepticism of MINURSO and advocated pressure on Morocco to make concessions.

[51] *Middle East Eye*, "Morocco threatens Algeria with intervention in Western Sahara," April 10, 2018.

[52] Sarah Feuer, "Delicate Diplomacy in Western Sahara," The Washington Institute, October 18, 2018.

[53] Some MINURSO civilian staff returned to Laayoune in 2017, while some positions were consolidated or relocated.

[54] In 2002, the U.N. Legal Counsel, in response to a query from the Security Council on the legality of contracts concluded by Morocco offshore Western Sahara, concluded that such activities are illegal "if conducted in disregard of the needs and interests of the people" of Western Sahara. This determination is subject to competing interpretations and is not readily enforceable, but may affect the calculations of private firms. See U.N. doc. S/2002/161, *Letter Dated 29*

Polisario's stance in recent years, finding that goods produced in the Western Sahara should not benefit from an EU-Morocco tariff agreement, and that an EU-Morocco fisheries agreement should not apply to the Western Sahara coastline. EU policymakers have effectively bypassed these findings in practice; for example, EU parliamentarians endorsed a fisheries deal with Morocco in 2019 that allows European vessels to operate off the coast of Western Sahara.[55]

U.S. Relations

The United States and Morocco have longstanding, warm relations. Morocco was one of the first foreign powers to recognize the United States, by opening its ports to American ships by decree of Sultan Mohammed III in 1777.[56] Longstanding U.S. goals in Morocco include promoting regional stability, countering terrorism, strengthening trade and investment ties, and supporting Morocco's development and reform efforts. The Trump Administration has characterized the U.S.-Morocco relationship as "a strategic partnership as we work together to advance our shared vision of a secure, stable, and prosperous North Africa and Middle East."[57] In 2019, the two countries revived a high-level Bilateral Strategic Dialogue that had last convened in 2015.[58]

Morocco and the United States have built strong military-to-military ties through regular training engagements, a large annual exercise known as African Lion (hosted by Morocco), and Moroccan acquisitions of significant U.S.-origin materiel, including F-16 jets and M1A1 tanks. In 2019, the U.S. government approved up to $10 billion in new arms sales to Morocco, including an upgrade of Morocco's existing 23 F-16s, 25 new F-16s, 36 Apache attack helicopters, and TOW missiles and missile launchers. Morocco's Major Non-NATO Ally status also grants it priority in the delivery of U.S. excess defense articles (EDA) on a grant basis, and Morocco is a significant global EDA beneficiary.[59]

The U.S.-Morocco partnership extends into regional initiatives. Morocco is a member of the U.S.-led Global Coalition to Defeat the Islamic State. In recent years, African Lion has expanded to include participants from other militaries in North and West Africa, along with European countries.[60] The U.S. interest in countering Islamist extremist ideology has coincided with Morocco's efforts in recent years to train imams (including from other countries in North and West Africa) in its traditions of religious moderation.[61] In 2017, Morocco arrested a U.S.-designated Hezbollah financier who was apparently en route from Guinea to Lebanon, and later

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January 2002 from the Under-Secretary-General for Legal Affairs, the Legal Counsel, Addressed to the President of the Security Council, February 12, 2002.

[55] RFI, "EU Skirts Rule of Law to Adopt Moroccan Fish Deal," February 12, 2019.

[56] Per the State Department, "Morocco formally recognized the United States by signing a treaty of peace and friendship in 1786, a document that remains the longest unbroken relationship in U.S. history." State Department, "U.S. Relations with Morocco," October 4, 2019; and State Department, "A Guide to the United States' History of Recognition, Diplomatic, and Consular Relations, by Country, since 1776: Morocco."

[57] Secretary of State Michael Pompeo, press statement on Moroccan National Day, July 30, 2018.

[58] State Department, "Security Working Group of the U.S.-Morocco Strategic Dialogue," July 3, 2019. President Obama and King Mohammed VI launched the Dialogue in 2012.

[59] 22 U.S. Code §2321j. According to data published by the Defense Security Cooperation Agency (DSCA), the United States delivered $4.8 million worth of equipment to Morocco (acquisition value) through EDA in 2019, and also authorized delivery of two C-130H aircraft and an F-16 training aircraft.

[60] Department of Defense, "Exercise African Lion 2018 Concludes in Morocco," May 17, 2018.

[61] See testimony by Acting Principal Deputy Assistant Secretary of State for Near Eastern Affairs Joan Polaschik, "Beyond ISIS: Countering Terrorism, Radicalization, and Promoting Stability in North Africa," Senate Foreign Relations Subcommittee on the Near East, South Asia, Central Asia and Counterterrorism, December 6, 2017.

transferred him to U.S. custody to face trial.[62] Morocco hosted Libyan talks culminating in the 2015 agreement to establish a Libyan Government of National Accord (GNA), which the United States backed.

U.S. Foreign Aid

U.S. bilateral aid aims to help Morocco improve education, local governance, livelihood opportunities, and military capabilities. In addition to funds administered by the State Department and U.S. Agency for International Development (USAID)—see **Table 1**—Morocco began implementing a five-year, $450 million U.S. Millennium Challenge Corporation (MCC) compact in 2017, the country's second such program.[63] The current compact seeks to address "two Moroccan Government priorities that have posed binding constraints to economic growth and investment: youth employability and land productivity."[64] Morocco also has received aid under U.S. global programs such as the Relief and Recovery Fund (RRF), for which Congress has appropriated funds to assist countries affected by the Islamic State.

In line with its global foreign assistance proposals, the Trump Administration has proposed repeatedly to decrease State Department- and USAID-administered bilateral aid to Morocco. This would not directly affect the MCC compact or programs administered by other U.S. federal entities. Congress has not adopted such aid budget proposals with regard to Morocco to date.

Table 1. U.S. Bilateral Aid to Morocco, State Department + USAID

allocations by year of appropriation, current $ millions

	FY2017	FY2018	FY2019	*FY2020 (requested)*	FY2020 (enacted)	*FY2021 (requested)*
DA	-	-	-	-	10.0	-
ESF/ESDF	20.0	20.0	20.0	*10.0*	10.0	*10.0*
INCLE	5.0	5.0	5.0	*3.0*	5.0	*1.5*
FMF	10.0	10.0	10.0	-	10.0	-
IMET	2.1	2.1	2.0	*2.0*	2.0	*2.0*
NADR	1.5	1.5	1.5	*0.7*	4.0	-
TOTAL	**38.6**	**38.6**	**38.5**	***15.7***	**41.0**	***13.5***

Source: State Department annual Congressional Budget Justification (FY2019-FY2021); explanatory statement accompanying P.L. 116-94, Division G.

Notes: Does not include funds provided via global programs, or administered by other federal entities (e.g., the MCC). DA=Development Assistance; ESF=Economic Support Fund; ESDF=Economic Support & Development Fund (a Trump Administration-proposed new account); INCLE=International Narcotics Control & Law Enforcement; FMF=Foreign Military Financing; IMET=International Military Education & Training; NADR=Nonproliferation, Antiterrorism, Demining, & Related Programs.

[62] *Washington Post*, "Lebanese businessman, Hezbollah supporter, charged with evading U.S. terror sanctions," March 24, 2017.

[63] Morocco's $697.5 million 2008-2013 MCC compact sought to alleviate poverty through targeted investments in fruit tree productivity, fisheries, artisan production, financial services, and private enterprises.

[64] MCC, "Morocco Employability and Land Compact," https://www.mcc.gov/where-we-work/program/morocco-employability-and-land-compact.

Western Sahara: U.S. Policy and Foreign Aid Legislation

With regard to Western Sahara, the United States has recognized neither Morocco's claim of sovereignty, nor the SADR. The Trump Administration has continued a policy of supporting U.N.-led diplomatic initiatives to achieve a negotiated solution, while praising Morocco's autonomy proposal as "serious, realistic, and credible" and a "potential approach that could satisfy the aspirations of the people in the Western Sahara to run their own affairs in peace and dignity"—the same terms used by the previous Administration.[65] In 2018, then-National Security Advisor John Bolton threatened to end U.S. support for MINURSO in an effort to increase pressure on the parties to reach a political settlement.[66] Bolton's approach appeared nested within his stated skepticism toward U.N. peacekeeping, as well as his assertions earlier in his career that U.S. policy toward Western Sahara had overly favored Morocco.[67] Bolton's stance did not result in an evident shift in U.S.-Morocco bilateral relations, however. In 2013 and 2016, diplomatic crises erupted over perceived Obama Administration pressure on Morocco over Western Sahara in the U.N.[68]

It has been the policy of successive Administrations that funds appropriated for bilateral aid to Morocco may not be implemented in Western Sahara, as such use could be interpreted as a tacit endorsement of Moroccan sovereignty and therefore as a shift in U.S. diplomatic recognition policy. To date, the 116th Congress has passed two successive annual foreign aid appropriations measures providing that an unspecified amount of global bilateral economic assistance funds "shall be made available for the Western Sahara." The provision originated in the House Appropriations Committee during the 113th Congress, which reported an FY2014 appropriations measure providing that bilateral economic assistance appropriations "available for assistance *to Morocco* shall be made available for any region administered by Morocco, including the Western Sahara" (§7042[g] of H.R. 2855; italics added). The Senate bill did not contain an equivalent provision. The final enrolled bill contained a provision substantially similar to the one reported by the House committee, but with the word "should" substituting for "shall" (7041[h] of P.L. 113-76, Division K). The following year's aid appropriations measure provided that funds appropriated for global bilateral economic assistance, with no specific reference to Morocco, "shall be made available for assistance for the Western Sahara" (7041[g] of P.L. 113-235, Division J). Subsequent enacted appropriations measures have contained substantially similar provisions.

[65] State Department, Office of the Spokesperson, "Deputy Secretary Sullivan's Meeting With Foreign Minister Nasser Bourita in Morocco," June 29, 2018; State Department, "Joint Statement of the Second Session of the United States - Kingdom of Morocco Strategic Dialogue," April 4, 2014.

[66] U.S. Mission to the United Nations, "Explanation of Vote for MINURSO Renewal," April 27, 2018.

[67] See, e.g., Bolton, *Surrender Is Not An Option: Defending America at the United Nations* (Threshold Editions: 2008); and remarks at the Heritage Foundation on the Trump Administration's Africa strategy, December 13, 2018.

[68] In 2013, U.S. diplomats in New York temporarily backed a proposal in the U.N. Security Council that would have added human rights monitoring to MINURSO's mandate. Morocco responded by expelling U.S. military personnel participating in the annual joint military exercise African Lion. The proposal ultimately did not advance, and tensions seemed to fade with the king's visit to Washington, DC later that year. In 2016, Morocco expelled U.N. civilian officials from Western Sahara after the then-U.N. Secretary-General used the term "occupation" to refer to its administration of the territory. The king then delivered a speech that observers saw as aimed at U.S. diplomats serving in the U.N. Secretariat, criticizing what he portrayed as fair-weather friends and calling for the "diversification" of Morocco's foreign partnerships. The speech followed an official visit by the king to Russia. (Morocco World News, "Full Text of King Mohammed VI's Speech to Morocco-GCC Summit in Riyadh," April 20, 2016.)

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