

SIGNIFICANT



ISSUES SERIES

# ARAB REFORM AND FOREIGN AID

## LESSONS FROM MOROCCO

HAIM MALKA AND JON B. ALTERMAN



# **ARAB REFORM AND FOREIGN AID**

### **Significant Issues Series**

Timely books presenting current CSIS research and analysis of interest to the academic, business, government, and policy communities.

Managing Editor: Roberta Howard Fauriol

**The Center for Strategic and International Studies (CSIS)** seeks to advance global security and prosperity in an era of economic and political transformation by providing strategic insights and practical policy solutions to decisionmakers. CSIS serves as a strategic planning partner for the government by conducting research and analysis and developing policy initiatives that look into the future and anticipate change. Our more than 25 programs are organized around three themes:

*Defense and Security Policy*—With one of the most comprehensive programs on U.S. defense policy and international security, CSIS proposes reforms to U.S. defense organization, defense policy, and the defense industrial and technology base. Other CSIS programs offer solutions to the challenges of proliferation, transnational terrorism, homeland security, and post-conflict reconstruction.

*Global Challenges*—With programs on demographics and population, energy security, global health, technology, and the international financial and economic system, CSIS addresses the new drivers of risk and opportunity on the world stage.

*Regional Transformation*—CSIS is the only institution of its kind with resident experts studying the transformation of all of the world's major geographic regions. CSIS specialists seek to anticipate changes in key countries and regions—from Africa to Asia, from Europe to Latin America, and from the Middle East to North America.

Founded in 1962 by David M. Abshire and Admiral Arleigh Burke, CSIS is a bipartisan, nonprofit organization headquartered in Washington, D.C., with more than 220 full-time staff and a large network of affiliated experts. Former U.S. senator Sam Nunn became chairman of the CSIS Board of Trustees in 1999, and John J. Hamre has led CSIS as its president and chief executive officer since 2000.

CSIS does not take specific policy positions; accordingly, all views expressed herein should be understood to be solely those of the author(s).

### **The CSIS Press**

Center for Strategic and International Studies  
1800 K Street, N.W., Washington, D.C. 20006  
Tel: (202) 775-3119 Fax: (202) 775-3199  
E-mail: [books@csis.org](mailto:books@csis.org) Web: [www.csis.org](http://www.csis.org)

**ARAB REFORM AND FOREIGN AID**

**LESSONS FROM MOROCCO**

**HAIM MALKA AND JON B. ALTERMAN**

**THE CSIS PRESS**

**Center for Strategic  
and International Studies**

Washington, D.C.

Significant Issues Series, Volume 28, Number 4  
© 2006 by Center for Strategic and International Studies  
Washington, D.C.  
All rights reserved  
Printed on recycled paper in the United States of America  
Cover design by Robert L. Wiser, Silver Spring, Md.  
Cover photograph: © Langevin Jacques/Corbis Sygma

10 09 08 07 06 5 4 3 2 1

ISSN 0736-7136  
ISBN-13: 978-0-89206-486-1  
ISBN-10: 0-89206-486-2

**Library of Congress Cataloging-in-publication Data**

Malka, Haim.

Arab Reform and Foreign Aid : lessons from Morocco / Haim Malka,  
Jon B. Alterman.

p. cm. — (Significant issues series ; v. 28, no. 4)

Includes bibliographical references and index.

ISBN-13: 978-0-89206-486-1 (pbk. : alk. paper)

ISBN-10: 0-89206-486-2 (pbk. : alk. paper) 1. Public administration—Morocco.  
2. Political corruption—Morocco. 3. Morocco—Politics and government—1999–  
4. United States—Foreign relations—Morocco. 5. Morocco—Foreign relations—  
United States. 6. Europe—Foreign relations—Morocco. 7. Morocco—Foreign  
relations—Europe. I. Alterman, Jon B., 1964– II. Title. III. Series.

JQ3945.M35 2006

320.964—dc22

2006025907

# CONTENTS

---

Preface	vii
Introduction	xi
<b>1. WESTERN IDEAS ABOUT REFORM</b>	<b>1</b>
The United States in Latin America	2
Western European Experiences in Central and Eastern Europe	4
U.S. and European Efforts to Promote Reform in the Middle East	5
Change Under Way	7
Shock of September 11, 2001	9
<b>2. REFORM IN A MIDDLE EAST CONTEXT</b>	<b>13</b>
Lack of Regime Commitment	15
Security	16
Problems of a Top-Down Process	18
Taint of Foreign Influence	19

<b>3. PROMOTING REFORM IN THE MIDDLE EAST</b>	<b>23</b>
U.S. Approaches	23
EU Approaches	28
U.S.-EU Cooperation	34
Challenges	38
<b>4. REFORM IN MOROCCO</b>	<b>45</b>
Hassan II's Liberalization	46
Mohammed VI's Reform Agenda	47
Changing the Rules of the Game	53
<b>5. EXTERNAL EFFORTS TO SUPPORT MOROCCAN REFORM</b>	<b>61</b>
U.S. Program Overview	62
European Program Overview	65
Coordination and Cooperation	67
<b>6. MOROCCO AS A MODEL?</b>	<b>71</b>
Bibliography	79
Index	89
About the Authors	97

## PREFACE

---

Growing U.S. and European interest in the issue of political and economic reform in the Middle East and North Africa has nurtured Western governments' interest in Morocco. The Moroccan monarch, King Mohammed VI, has put reform squarely on the national agenda. Although Moroccans differ in their perceptions as to the efficacy, sincerity, and ultimate direction of the country's reform effort, the debate is a genuine and broadening one. For outside powers, Morocco's activities have made the kingdom an important test case of Arab efforts to promote nonviolent reform as a barrier to extremism as well as the outside world's attempts to aid Arab efforts and improve their outcomes.

Middle East issues tend to highlight differences between Europeans and Americans; there are trade-offs between security and individual freedom and between change and stability. Different European governments have different preferences, although they generally place a greater emphasis on stability and incremental change than do their U.S. counterparts. For its part, the United States finds itself in the difficult position of pushing simultaneously a security agenda that relies on the support of existing governments (under the rubric of its global war on terror) along with a separate agenda that endorses rapid and potentially destabilizing political change. Attempting to orchestrate cooperation on a goal as complex as promoting reform in diverse Middle East countries could increase transatlantic tension rather than usher in a new era of cooperation.

It was with this in mind that the Middle East Program and the Europe Program at CSIS came together in the fall of 2005 and launched



a joint project: *The U.S., EU, and Middle East Reform: What Can We Learn from Morocco?*

The project was designed to assess the experience of a specific country where the United States and Europe are trying to promote both political and economic reform within the context of the Broader Middle East and North Africa (BMENA) initiative launched at the Group of Eight summit at Sea Island, Georgia, in July 2004. In addition to background research and interviews in Washington and European capitals, a central component of the project's research agenda was a study tour undertaken by the project to Morocco from January 29 to February 3, 2006.

With a team of experts from academic institutions, think tanks, and nongovernmental organizations in the United States and Europe, CSIS led a week-long trip to Morocco. Participants met with hundreds of Moroccans from the government, NGOs, civil society institutions, academia, and the press. The Moroccans, who included representatives of the monarchy as well as those calling for its abolition, espoused a broad range of views. This study has been the result of this mix of perspectives and backgrounds and the rich debate that resultant discussions produced.

In addition to the coauthors, participants on the CSIS tour included:

**Haizam Amira Fernandez**, senior analyst, Real Instituto Elcano, Madrid;

**Denis Bauchard**, adviser, Institut français des relations internationales (IFRI), Paris;

**Daniel Brumberg**, associate professor, Georgetown University;

**Thomas Garrett**, Middle East regional program director, International Republican Institute;

**Amy Hawthorne**, executive director, Hollings Center for International Dialogue;

**Robin Niblett**, executive vice president and director, Europe Program, CSIS;

**Glenn Robinson**, associate professor, Naval Postgraduate School;

**Claire Spencer**, Middle East program director, Chatham House, London; and

**Richard Youngs**, Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE), Madrid.

All of the participants actively engaged in our debates in Morocco, and many provided extraordinarily helpful feedback on an earlier version of this report. They have not formally endorsed this report, however, and its conclusions (as well as any errors contained herein) remain the sole responsibility of the authors.

While many hands provided research assistance along the way, Natalia Filipiak in the CSIS Europe Program and Jason Gluck in the CSIS Middle East Program made especially substantial contributions; they wrote initial drafts of several sections and gathered much of the information that constitutes chapter 3. Michael Balz, the former program coordinator for the Middle East Program, not only handled many of the logistics of the trip with aplomb but also wrote the trip summary, which can be found on the CSIS Web site ([www.csis.org](http://www.csis.org)).

The authors would also like to express their indebtedness to Robin Niblett, director of CSIS's Europe Program. The project grew from a seed that Robin originally planted, and his commitment and numerous contributions made the project a true intellectual partnership, for which we are grateful.

The project was made possible by the generous support of the Moroccan American Cultural Center (MACC) and the German Marshall Fund of the United States. The organizers wish to thank these organizations for enabling the CSIS programs on the Middle East and Europe to undertake this project; we also thank the many governmental and nongovernmental institutions in Morocco that made the research trip such a worthwhile experience for the participants.



## INTRODUCTION

---

Less than 100 days after he ascended the throne in July 1999, Morocco's King Mohammed VI began a nationwide tour of the country he now led. In the course of his journey, he traveled to the unruly, mountainous northern Rif region, which has long been on the margins of the central government's control. It was the first time a Moroccan sovereign had visited the Rif since Mohammed's father, the late King Hassan II, led a military assault there in 1958 to quell rebellious tribes. His convoy's cautious navigation up the winding hillside roads of the Rif was an apt metaphor for the journey Mohammed would take as Morocco's new leader.

From the start, the signs for the new king's reign were auspicious. His swift sacking of his father's all-powerful interior minister raised early expectations that old ways of doing business were about to change dramatically. The king's pledges to promote a "new concept of authority" reinforced this feeling and created high hopes at home and abroad. Morocco's friends and allies in the United States and Europe took particular interest in ensuring the success of the new king and supporting the course he would chart.

In the years since, King Mohammed VI has led Morocco to take many steps toward social, economic, and political transformation. A vigorous public debate over sensitive concepts such as democracy and power is visible everywhere in Morocco, a sign that a dynamic process is under way. Citizen participation has increased, and rights of individuals as well as of women have expanded. Journalists press the limits of free speech, and a vibrant and growing Islamist political party is challenging the previously somnolent Parliament to play a more ac-

tive role in public policy and governance. A broad consensus favoring political reform and social change is visible across a wide spectrum of Moroccan society. The country is changing.

Yet uncertainty lingers. Morocco faces serious socioeconomic ills and unemployment. The unresolved dispute in Western Sahara persists, sapping both resources and energy. The risk of terror after the May 2003 Casablanca bombings remains a concern.

Most delicate is the discussion of the future shape of the monarchy, the relationship of the monarchy to other branches of government, and the devolution of power beyond monarchically controlled institutions, known collectively as the *makhzen*. These questions are made more acute because the monarchy has proved to be such an effective actor in the reform process up to now and such an effective guarantor of stability. How far should the monarchy go in curbing its own powers, and how swiftly should it move? What is the proper role for outside forces in this process?

Morocco's emerging discourse on democracy, reform, and curbs on royal power has seized the attention of officials in both Europe and the United States, many of whom embraced the king's vision and wanted to support Moroccan development and modernization. It is true that the United States and Europe had supported economic development programs in Morocco for decades, alongside efforts to boost respect for human rights and fight corruption. But, aside from the king's leadership on those issues, it was the Bush administration's unprecedented embrace of democracy and political change in the Middle East and North Africa (MENA) as strategies to combat extremism after September 11, 2001, and the EU's realization at the same time of the inadequacies of the existing Barcelona Process for tackling the socioeconomic pressures building in the MENA region that transformed Morocco from a friend to a strategic U.S. and European priority. Individually and together, the United States and the EU sought to promote Morocco as a successful model for reform in the Middle East. It was a part Morocco was more than willing to play.

The heightened importance Western powers ascribe to Middle Eastern reform and Morocco's prominence as both an example and a test case of that reform raise a host of issues for Americans, Europeans, and Moroccans.

**What are the most important elements in a Middle Eastern country's reform process?** Many external efforts to promote reform in recent years have placed a high priority on economic change, as they assumed that such change would create a class of strong stakeholders who would push for their own political rights. The extent to which such efforts should concentrate on the top or bottom of the economic scale and the extent to which they should concentrate on the business environment versus individual enterprises remains a matter of disagreement. In addition, international financial institutions as well as the governments of the United States and the EU countries have recently put an emphasis on "governance," concentrating in particular on curtailing corruption and improving the efficiency of governmental processes. The role of political reform in all of this remains an issue of deep contention. Moving away from statist economies often imposes high economic costs in the near term that populist politicians resist. If electoral systems are opened up simultaneously, they can produce results that stop reform in its tracks. In addition, getting the balance right between demand-led and supply-led political reform is another set of challenges to which there are no clear answers. European governments have considerable faith—born from their experience in central and eastern Europe—that economic reform can lead to political change, whereas the United States has tended to be more skeptical about this sequence.

**What is the optimal relationship between the host government and foreign donors?** Donors' most important job is judging the combination of inspiration, support, and pressure to apply toward target governments and populations for optimum results. In general, European donors tend to stress local initiative and ownership. Based in part on European experiences and successes reintegrating central and eastern Europe after the fall of communism, they often stress dialogue, process, and incentives. U.S. funding institutions often have a more corporate feel to them as they stress goals, metrics, and fealty to U.S. principles. They tend to emphasize outcomes over inputs.

**Is transatlantic consensus on these issues achievable or even desirable?** Some call for greater cooperation, pooling efforts so as to have greater impact on the ground. Others argue more modestly for greater coordination between U.S. and European donors to prevent recipient countries from shopping among different donors for the best projects.

Still others suggest that a diverse array of programs from different donors encourages entrepreneurship and is most likely to hit on the right program that makes a major impact. It is clear that, even as they ramp up the time and resources being spent there, neither U.S. nor European agencies operating in Morocco yet know exactly which approach or combination of approaches will be most effective.

This report aims, in part, to address those questions. Chapter 1 examines U.S. and European historical experiences of trying to promote reform overseas and the ways in which those differences inform the current practice of delivering aid. Chapter 2 analyzes the problem of reform in a Middle Eastern context, noting the common obstacles that exist in many countries in the region. Chapter 3 explores the variety of programs that the U.S. and European governments have implemented in the Middle East in recent years to promote reform, and chapter 4 outlines the major elements of Morocco's ongoing reform efforts. Chapter 5 ties the other elements together, analyzing U.S. and European donors efforts to promote positive change in Morocco.

Morocco's reform efforts are still a work in progress, and their ultimate success is not yet assured. Many of the hardest choices for Morocco still lie ahead. The international community's commitment to reform, while genuine and backed by increasing resources, is unlikely to receive levels of sustained high-level attention throughout the period of time needed to complete a Moroccan reform effort.

Overall, Morocco's experiences suggest that the most important determinant of success for external reform efforts is the existence of sincere internal efforts. Outside efforts can be complementary and even inspirational, but in this case they are no substitute for an active process on the ground.

## CHAPTER ONE

---

### WESTERN IDEAS ABOUT REFORM

The idea of promoting economic and political development in the Middle East is an old one, both for European powers and for the United States. In the nineteenth century, European nations generally refrained from colonizing the Middle East as they did Africa, the Americas, and parts of East Asia. Missionaries pushed into the region, providing education and health care, but efforts to integrate the region economically and politically remained limited. North Africa's proximity to Europe and the Ottoman Empire's shrinking reach left the Maghreb far more vulnerable to European designs. France entered Algeria in 1830, and by the dawn of the twentieth century exerted a tight grip over Morocco, Algeria, and Tunisia; Italy grasped at Libya for a time; and Great Britain maintained extraordinary influence over Egypt following a debt crisis in 1878. After World War I, Europe picked up the pieces of the collapsed Ottoman Empire through a system of mandates that covered much of the region.

World War II wrecked the old colonial system and brought to the fore the United States—a former colonial possession that itself was long skeptical of imperial projects. President Harry S. Truman's 1949 inaugural address outlined the principles of U.S. foreign policy: support for the United Nations, encouragement for economic recovery, defense of countries facing aggression, and a bold program of assistance to poor countries. This last point—which came to be known as “Point Four”—was new, and it resonated with the American public. As Truman described it, “The old imperialism—exploitation for foreign profit—has no place in our plans. What we envision is a program of development based on the concepts of democratic fair dealing.”<sup>1</sup>



Truman's embrace of the idea of development came in the context of two assessments. The first was that the European model had failed, bringing neither prosperity nor stability to the world. The second was that the growing Cold War made that failure unacceptable because the poor and disenfranchised would be fodder for Communist movements seeking power throughout the developing world. Development was no longer about altruism or mere economic profit. Instead, development had become a strategic imperative of the free world.

As important as it was during the Cold War, a half century of economic development efforts have produced mixed results. The billions of dollars that poured into East Asia helped produce an economic miracle that began yielding fruit in the 1970s and 1980s and continues to this day, and in the 1990s much of Latin America settled into middle-income status. Assistance that flowed into Africa and the Middle East, however, has been less transformational. Grinding poverty lingers in many countries. Autocratic governance continues to be far more prevalent in these areas than in the rest of the world, and long-term economic growth and other indicators of human progress continue to lag.

## THE UNITED STATES IN LATIN AMERICA

Although both the United States and Western Europe were engaged in development projects around the globe, each had its own sphere of special emphasis. The Western Hemisphere was always a region of particular interest for U.S. policymakers, and the United States made a series of armed interventions in its hemisphere throughout the twentieth century. The U.S. interest was not solely military, however. Starting in the 1940s and continuing through the end of the century, the U.S. government maintained a broad array of assistance programs throughout the region. Between 1992 and 2002 alone, the United States provided more than \$1 billion to assist Latin American and Caribbean countries in promoting political and economic reform.<sup>2</sup> Partnerships with national and local governments as well as with civil society groups and nongovernmental organizations (NGOs) set a broad agenda for transforming the region. U.S.-sponsored programs in individual countries supported criminal justice reform, strengthened state and local legislatures, and helped promote widespread electoral reform including voter registration, education, and election monitoring. Programs

also placed a heavy emphasis on improving human rights and fighting rampant corruption in government and security forces. Although the United States participated in some regional programs, the core of U.S. assistance continued to be bilateral agreements with individual governments.

Latin America has unquestionably made significant advances in democratization and human rights in recent decades, but the role of the United States in promoting those changes is less clear. A 2003 study by the Government Accountability Office (GAO; before 2004 the agency was called the General Accounting Office) analyzing U.S. democracy programs in Bolivia, Colombia, El Salvador, Guatemala, Nicaragua, and Peru found that these nations face “serious social, economic, and political challenges” and concluded that the U.S. democracy programs had made only a “modest impact to date.”<sup>3</sup> The GAO report cited “promising reforms” but criticized the programs for lacking sufficient resources and for failing to win adequate political support among recipient nations in many instances. The report also criticized the lack of a comprehensive U.S. strategic plan for democracy assistance, which complicated any process of coordinating U.S. assistance with assistance of other donors.<sup>4</sup>

In this way, it seems that three generations of democracy promotion in Latin America have left a mixed legacy. Incomes have risen, and political participation has risen with them, and the United States can claim limited credit for the change. Drug warlords, who rose in the 1970s and 1980s, are increasingly under the control of central governments, owing in no small measure to U.S. assistance. At the same time, democratic politics in recent years have yielded a series of populist leaders who, in the eyes of many in the United States, block economic progress and threaten U.S. interests. Not only has U.S. assistance not created deep wellsprings of goodwill for the United States, but it has not won over broad sectors of the population to U.S. ideas of politics and economic development. Even after 60 years of effort and the end of the Cold War that animated so much of what the United States did in the region, it is too soon to consider Latin America a victory.

## WESTERN EUROPEAN EXPERIENCES IN CENTRAL AND EASTERN EUROPE

Just as the political and economic development of Latin America has been of strategic importance for U.S. policymakers, the promotion of democratic transformations across Central and Eastern Europe was a central priority for the governments of Western Europe, starting in the 1970s and 1980s, when Communist control still prevailed, and continuing in the 1990s, following the fall of the Berlin Wall.

It is arguable whether European efforts, from the Helsinki Accords onward, played a central role in bringing down Communist rule across the East Bloc in 1989–1990. But the European Union and its member states were undoubtedly instrumental thereafter in nurturing the region's new democracies and in working toward their eventual reintegration into the broader European community. In this respect, western Europe's combination of conditionality and economic aid proved vital to sustaining the post-1989 democratization wave. From 1989 onward, with the development and negotiation of a new set of more wide-ranging "Europe agreements," western European governments sought to sustain central and eastern European economic and political reform through a series of incremental rewards of market access and assistance, with EU membership held out as the ultimate prize.

Through a variety of programs, the EU funneled billions of dollars into central and eastern Europe during this period to strengthen public institutions and political transparency, promote convergence with EU legislation, and foster economic and social cohesion.<sup>5</sup> Beginning with the 1989 economic summit in Paris, the 24 members of the Organization for Economic Cooperation and Development (OECD) decided to coordinate aid to Poland and Hungary through the European Commission in order to reward the two countries' economic and political reform efforts.<sup>6</sup> Around the same time, the French-led initiative to establish the European Bank for Reconstruction and Development (EBRD) took hold with a starting budget of \$12 billion in loans dedicated to solidifying democratic governance, political pluralism, and market economics in Eastern Europe.<sup>7</sup>

These economic efforts were soon matched on the political front. In 1993, EU member states adopted the Copenhagen criteria, which laid out the key requirements for EU membership for Europe's new democracies—stability of democratic institutions, a functioning market

economy, and adherence to EU rules and regulations.<sup>8</sup> Most importantly, the criteria turned the issue of EU accession from a question of “if” into a question of “when.” From this point on, the prospect of EU membership only accelerated the region’s reform process.

The success of western Europe’s involvement in the transformation of central and eastern Europe is undeniable. Although many of the region’s countries already possessed previous experience with democratic institutions and demonstrated intense homegrown desire for reform, they nonetheless faced a complicated process of entry into the EU’s complex legal framework, which regulates everything from competition policy to the agricultural sector, and from border control to environmental standards. In each case, the prospect of EU admission accelerated and consolidated the process of compliance with thousands of pages of EU regulations, even before the formal offer to open accession negotiations was officially placed on the table. The success of these efforts—which culminated in the May 2004 EU accession of eight former Communist countries and which also included the accession of these and a further two central and eastern European countries into NATO—has solidified Europe’s commitment to economic and political reform through long processes based on rewards and close cooperation.

## **U.S. AND EUROPEAN EFFORTS TO PROMOTE REFORM IN THE MIDDLE EAST**

In their respective “near backyards,” then, the United States and Europe have had vastly different experiences promoting reform, and they have drawn different lessons from those experiences. U.S. policy has tended to focus on bilateral relationships with differentiated assistance projects and a relatively episodic span of political attention—periods of intense activity have been mixed with benign neglect. No single model has prevailed or succeeded across the region. Europeans, for their part, have been successful in central and eastern Europe by instituting a slow and deliberate process of reform that emphasizes constant dialogue and engagement.

It is with these different histories and different lessons learned that the United States and Europe approached the ideas of political and economic reform in the Middle East in the 1990s. For decades, im-

mediate policy priorities such as Arab-Israeli peace efforts, containing Iraq and Iran, and promoting regional stability had topped most diplomats' agendas. Martin Indyk, U.S. assistant secretary of state for Near Eastern affairs during the Clinton administration, described the U.S. policy toward reform in the Middle East: "The United States did not ignore political reform entirely; it just tinkered with it on the margins."<sup>9</sup> In cases where reform was on the agenda, economics tended to enjoy a privileged place. Built out of the logic of the Cold War, policymakers in the United States and western Europe believed that free economies bred prosperity and curbed government power, and they supported an array of projects to develop national economies over the long term alongside poverty alleviation efforts to meet shorter-term needs.

The rhetoric was sometimes different. As Edward Djerejian, then assistant secretary of state for Near Eastern and South Asian affairs, articulated in a landmark speech at Meridian House, post-Cold War U.S. policy in the Middle East would consist of more than securing energy and promoting Arab-Israeli peace. "Another pillar of U.S. policy," he claimed, "is our support for human rights, pluralism, women's and minority rights, and popular participation in government and our rejection of extremism, oppression, and terrorism."<sup>10</sup> The State Department's interpretation of this new mandate often focused on the rights of individuals rather than those of societies, and these goals often occupied an uncertain place in the U.S. foreign policy mechanism.

During the same period, the EU also changed its diplomatic approach to the Middle East and North Africa (MENA). In part, this change was due to Europe's relations with the Middle East and its southern Mediterranean rim slowly transitioning from bilateral ties to greater collective action at the EU level. The beginning of this transition came in 1990 with the announcement of the EU's new Mediterranean policy as well as the formation of the 5 + 5 dialogue on the western Mediterranean.<sup>11</sup> In 1995, the launch of the EU's Euro-Mediterranean Partnership (Barcelona Process) underscored this change of emphasis (described in chapter 3).

Another element was Europe's growing awareness of its Arab and Muslim communities. The origins of these communities varied from country to country: overwhelmingly Turkish and Kurdish in Germany and predominantly North African in France, Belgium, and Spain. Consistently throughout Europe, even second-generation immigrants

remained strikingly alienated from European society while not quite integrated into their countries of origin either. Europe increasingly came to realize it could not distance itself from the problems of Middle Eastern and North African societies because many of these societies now had deep roots within Europe itself.

## CHANGE UNDER WAY

The 1990s were also a period of change in the Middle East, and economics led the way. In part this was due to the collapse of the Soviet Union (and the state-led development model it espoused) and in part to the rising prominence of the International Monetary Fund (IMF) and the restructuring programs it led. Morocco embarked on such a program by taking a series of steps to ease its massive foreign debt and restrain galloping public sector spending. The IMF hailed Morocco's economic austerity measures, and King Hassan II cautiously explored extending reforms into Moroccan political life by granting amnesties, encouraging the growth of civil society groups, and even inviting an opposition figure and former political prisoner to form the government after 1997 parliamentary elections.

Although Hassan II's steps were positive developments, they also served to strengthen his rule rather than lead to a greater diffusion of political power. His appointment of socialist opposition figure Abdel Rahman Youssefi to head the government in 1998 did more to co-opt an important opposition party in Morocco than it did to give that party a say in how the government was run.

The Moroccan experience was borne out in other countries as well. The late King Hussein of Jordan launched a similar modest reform process in 1989, following riots after the government cut consumer subsidies. As with Morocco and other countries, Jordan accepted an IMF restructuring program and embraced limited political liberalization, promoting elections for Jordan's lower house of Parliament. After Islamists and other opposition figures performed well in the elections, Hussein worked to amend electoral laws and reshape electoral districts to curb their future power. Few voices of protest were raised in the United States or Europe. Similarly, Algerian president Chadli Benjedid allowed free municipal elections in 1990 and parliamentary elections in December 1991 as part of an effort to revive a sagging economy and public discontent. When the army stepped in to void the Islamists'

apparent victory in those elections, thereby plunging the country into more than a decade of political violence, Western protest was muted.

For a brief moment after the U.S.-led coalition rolled back Iraq's 1990 invasion of Kuwait, some in Washington called for the United States to use its unrivaled power to reshape the region and spread democracy in the Middle East. When the United States went to war to liberate Kuwait, they argued, U.S. lives were risked to save a country with a hereditary ruler who had dismissed the Parliament years before, where women lacked the right to vote, and where civil society groups were tightly constrained by the palace. Restoring an autocratic regime to the throne, they argued, was a poor use of U.S. blood and treasure. Despite the arguments of such critics, the realists mostly prevailed. Kuwait's Parliament was restored, in part at U.S. insistence, but the United States government did not insist on a remaking of Kuwaiti society.

The primacy U.S. and European government circles gave to Arab-Israeli peacemaking also undercut their support for political reform in the region. When the Clinton administration plunged into the task of trying to promote the peace process, it swiftly found that it needed the support of friendly, yet autocratic, Arab allies to pursue the politically unpopular steps toward normalization of relations with Israel.<sup>12</sup> While President Clinton and his staff accepted the importance of reform in the longer term, they also appeared to embrace the argument, often proffered by Arab leaders, that Arab-Israeli peacemaking would speed that reform more than any other steps he could take.<sup>13</sup> In doing so, Clinton was treading a path beaten by French president Jacques Chirac and other European leaders, who constantly argued that peace between the Israelis and Palestinians was a "prerequisite" for democratic reform in the Middle East.<sup>14</sup>

Clinton also appeared willing to defer reform within the Palestinian Authority (PA) itself when he embraced Israeli prime minister Yitzhak Rabin's logic that the newly created PA would most effectively fight terror if it enjoyed the strong support of Western governments and did not face the legal encumbrances of a supreme court or domestic human rights organizations. This view was also backed by the EU and its member states, which generally preferred working with existing regimes rather than undercutting them in the name of reform. They upheld this view by collectively becoming the largest aid donors to the

PA, for example, while also cultivating strong economic and diplomatic ties with Israel.<sup>15</sup>

Given a full near-term agenda in the Middle East, long-term priorities such as democratization often suffered or, at least, were deferred for more immediate needs. Rather than pressuring Arab regimes to loosen their grip on political decisionmaking, the United States and its European partners courted autocratic governments in pursuit of near-term policy goals while they contented themselves with tactical steps that could pass for reform in the halls of Congress, European capitals, and the European Commission.

### **SHOCK OF SEPTEMBER 11, 2001**

The old ways of doing business quickly unraveled in the wreckage of the Twin Towers and Pentagon. A growing circle in the Bush administration saw the attack as an indictment of outdated policies and of the priorities of traditional diplomacy. In their view, the attacks were the consequence of a growing cancer in the Arab world—the product of extremism nourished by deprivation, oppression, and dictatorship. Only democracy could provide the way forward, both relieving tremendous human suffering and also removing a dire threat to U.S. national security. European governments largely followed along with this line of reasoning, finding it difficult to oppose democratization in theory but harboring concerns that the Bush administration's methods—tough rhetoric, firm agendas, and willingness to use military force—could undermine the entire effort.

President Bush made the U.S. approach clear in speech after speech. Talking to a friendly crowd at the American Enterprise Institute shortly before the U.S.-led invasion of Iraq, the president made the nexus between security and democracy clear:

The world has a clear interest in the spread of democratic values, because stable and free nations do not breed the ideologies of murder. They encourage the peaceful pursuit of a better life. And there are hopeful signs of a desire for freedom in the Middle East.<sup>16</sup>

As time went on, the administration grew more frank about the shortcomings of past efforts. Secretary of State Condoleezza Rice told an audience in Cairo in 2005:



For 60 years, my country, the United States, pursued stability at the expense of democracy in this region here in the Middle East—and we achieved neither. Now, we are taking a different course. We are supporting the democratic aspirations of all people.<sup>17</sup>

Europeans watched all of this unfold with a combination of bemusement and alarm. After all, Europe had been working in a concerted way on Middle Eastern reform since the mid-1990s through the Barcelona Process. The United States had only latterly come to discover what Europeans felt they had known all along. European self-assurance was badly shaken, however, as European citizens fell victim to a series of terrorist attacks by avowedly Islamist groups in Casablanca and Istanbul and, more recently, in Madrid and London. As a result, European societies were forced to confront increased restiveness among their growing, unassimilated Muslim communities. In this sense, the reorientation of U.S. foreign policy toward the Middle East and North Africa coincided with Europe's recognition of its own vulnerability despite its long-standing efforts to foster development, stability, and closer relations with the MENA region.

At the same time, Europeans saw much of what they were working toward in the Middle East as being endangered by the hard-line approach of the United States, which they saw as having little of the requisite patience or nuance for the task. Many feared Washington's democracy-and-freedom agenda could bring about the very instability and upheaval Brussels had spent decades trying to prevent. To many Europeans, the war in Iraq and its aftermath was proof of U.S. folly. The instinct of officials in Brussels and European capitals was to focus their concerns more on preventing further instability and upheaval than on catalyzing dramatic change. In a widely publicized interview with a U.S. news channel in 2004, Romano Prodi, then the European Commission president, expressed his reservations about Iraq: "Don't confuse terrorism with [the] Iraqi war. They are two different items. We are united against terrorism, and a lot of governments didn't agree with Iraq. And, you know, if you confuse the two things, [there] will be a disaster."<sup>18</sup> Nevertheless, Europeans working to promote reform in the Middle East had to not only overcome the obstacles there but also open their traditional sphere of influence to a greater search for transatlantic consensus.

## Notes

<sup>1</sup> Harry S. Truman, “Inaugural Address,” in *Public Papers of the Presidents of the United States: Harry S. Truman, 1949* (Washington D.C.: Government Printing Office, 1964), 115.

<sup>2</sup> General Accounting Office, *U.S. Democracy Programs in Six Latin American Countries Have Yielded Modest Results* (Washington, D.C.: U.S. Government Printing Office, 2003) 4, 16–17, <http://www.gao.gov/new.items/d03358.pdf>.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid, 14.

<sup>5</sup> European Union, “Enlargement: Phare,” [http://ec.europa.eu/enlargement/financial\\_assistance/phare/index\\_en.htm](http://ec.europa.eu/enlargement/financial_assistance/phare/index_en.htm). The most important of these programs were PHARE (Poland and Hungary Assistance for Restructuring Their Economies), SAPARD (Special Accession Program for Agricultural and Rural Development), and ISPA (Instrument for Structural Policies for Pre-Accession).

<sup>6</sup> Jan Zielonka and Alex Pravda, eds., *Democratic Consolidation in Eastern Europe*, vol. 2 (New York: Oxford University Press, 2001), 40.

<sup>7</sup> Ibid.

<sup>8</sup> European Union, “Enlargement: Accession Criteria,” n.d., [http://ec.europa.eu/enlargement/enlargement\\_process/accession\\_process/criteria/index\\_en.htm](http://ec.europa.eu/enlargement/enlargement_process/accession_process/criteria/index_en.htm).

<sup>9</sup> For a discussion of President Clinton’s policy and the bargain between the United States and Arab states on democracy and the peace process, see Martin S. Indyk, “Back to the Bazaar,” *Foreign Affairs* 81, no. 1 (January/February 2002): 75–88.

<sup>10</sup> Edward P. Djerejian, “The U.S. and the Middle East in a Changing World” (address at Meridian House International, Washington, D.C., June 2, 1992).

<sup>11</sup> The 5 + 5 dialogue group includes France, Italy, Malta, Portugal, Spain, Algeria, Libya, Mauritania, Morocco, and Tunisia.

<sup>12</sup> Indyk, “Back to the Bazaar.”

<sup>13</sup> For example, Egyptian president Hosni Mubarak warned that settling the Palestinian-Israeli conflict was a prerequisite to launching Middle East political reform: “First the Palestinian cause should be settled within the framework of international legitimacy.” See United Press International, “Middle East Peace Precondition to Democracy,” October 5, 2004.

<sup>14</sup> David L. Green, “Bush Says Any NATO Role Is Up To New Iraqi Leaders; At G8 Summit, President Acknowledges Support for Expansion Is Weak,” *Baltimore Sun*, June 11, 2004, sec. A.

<sup>15</sup> European Union, "The Middle East Peace Process," December 2005, [http://ec.europa.eu/comm/external\\_relations/mepp/index.htm](http://ec.europa.eu/comm/external_relations/mepp/index.htm).

<sup>16</sup> George W. Bush, "President Discusses the Future of Iraq," Washington, D.C., February 26, 2003, <http://www.whitehouse.gov/news/releases/2003/02/20030226-11.html>.

<sup>17</sup> Condoleezza Rice, "Remarks at the American University in Cairo," Cairo, June 20, 2005, <http://www.state.gov/secretary/rm/2005/48328.htm>.

<sup>18</sup> Romano Prodi, "Interview with Romano Prodi," *Fox News Sunday*, March 21, 2004.

## CHAPTER TWO

---

### REFORM IN A MIDDLE EAST CONTEXT

One might reasonably look at the Middle East as a place that is simultaneously in need of reform and deeply desirous of it. Economic growth has lagged for decades; the number of new entrants to the job market every year far outstrips the number of new jobs created; and political models built in the age of state-controlled media and censorship are sagging under the pressure of satellite television, videos and CDs, cheap desktop publishing, and the Internet. In many cases, however, the fragility of the current system breeds caution among many of those who might wish to change it. There is a widespread fear that too much change too quickly will plunge countries into chaos, opening the way for violent extremists to seize control. The period during which the Taliban ruled Afghanistan and the current breakdown of order in Iraq are reminders that the alternative to an unsatisfactory status quo is not always an improvement in conditions.

At the same time, governments recall that not a single Middle Eastern government has fallen because it was too repressive, yet there are several examples of leaders—from the Shah of Iran to Anwar Sadat—who met their fates because they experimented with opening up the political process and then lost control. Cautious and incremental change seems far preferable to fundamental change for many currently in power, and even disaffected populations are cautious of plunging into an abyss of uncertainty.

The idea of Middle Eastern reform did not start in the West in the twenty-first century, any more than it did in the nineteenth century. Indigenous processes under way in individual Middle Eastern countries—and spread from one to another—have often overwhelmed

outside efforts to shape the region. At the same time, the West's sustained interest in the Middle East, combined with Middle Easterners' widespread admiration for at least some of the achievements of the West, has paved the way for a long-standing dialogue about the future direction of the region. This dialogue did not begin after September 11 or after World War II. It is a dialogue that was kicked off by Napoleon's invasion of Egypt in 1798, and it accelerated in the mid-nineteenth century with the rise of missionary institutions (such as the American University of Beirut) that sought to make long-term investments in the peoples and societies of the Middle East. As the Ottoman Empire crumbled, a lively debate arose as to what Arab society should be and whom it should emulate. Even in that dialogue's earliest days, some advocated emulating Europe, and others sought to re-create the society of the time of the Prophet Muhammad. There were, of course, many opinions in between. Much of that dialogue continues to this day.

One of its most recent manifestations is a set of Arab Human Development Reports, published by the United Nations Development Program (UNDP) beginning in 2002 and directed, written, and edited by a team of Arab experts. Direct Western influence has been kept to a minimum, but the orientation of the reports' authors is clear: admiring the progress of the West and insisting on thoroughgoing changes in the ways Arab societies work—from the way children are educated to the way women are treated. To date, they have been met with more acclaim in the West than in the Arab world, which skeptics may see as a sign of malaise afflicting the region.

More recently, in 2004 Egypt hosted a conference in Alexandria that was billed as a purely Arab effort to promote regional reform. The Egyptian government effectively sponsored that conference and its follow-up meetings, which have garnered progressively less attention and have turned increasingly Egyptian in tone.

How to sustain an audience is inherent in the nature of the problem. Some activists stress the need for independence from governments because they see governments at the root of the ills afflicting the region; others are tied to governments and do not wish to endanger their prerogatives. What is notable about these two efforts—one sponsored by the United Nations and the other sponsored by the Egyptian government—is not that one is better than the other, but that neither has been able to galvanize broad public support.

One problem with examining the issue of reform in the Arab world is understanding where to look for it. Most often, the issue is seen as one of elites, and, although there is widespread understanding that the West's appeal is not universal, an assumption is often made that Middle Eastern reformers are all Westernized, fluent in a Western language, and liberal. They need not be.<sup>1</sup> Properly seen, the common thread of reformers is a desire for change, and the appetite for such change has been growing for more than three decades in the Arab world.

At the crux of most of these discussions are questions of legitimate authority and authenticity. In particular, debate has been growing about who should speak in the name of religion, what should be the purview of religious authorities over public life, and what responsibility religious authorities have to challenge secular authorities who they believe have erred. Because these discussions go to the heart of how Middle Eastern societies operate, rulers have regarded reform cautiously, holding out the prospect not only of progress but also of ruin. As a group, rulers have embraced the idea of progress, but they have often been wary of its implementation.

There is no comprehensive set of reasons why the seeds of reform often have difficulty flourishing in the Middle East, but the main causes are lack of regime commitment, security concerns, limited domestic constituencies, and a long-standing distaste for outside intervention.

## **LACK OF REGIME COMMITMENT**

There are clear reasons why Middle Eastern regimes should seek reform, but there are also clear reasons they might fear it. In practice, regional governments have been swifter to embrace the language of reform than they have been to embark on a course of fundamental change. Most states are more comfortable using a combination of coercion and consensus building to control the reform process—and sometimes to manipulate it—through their control of the security services and resources. As part of this effort, governments have embraced buzzwords such as “democracy” and “reform” in an attempt to set their own reform agendas and co-opt opponents. For example, there has been an outpouring of “dialogues” in the Middle East in recent years, but in many cases they have produced little in terms of real change. One of the bravest has occurred in Morocco, in which a government-led process has used a dialogue to come to terms with human rights

abuses under the previous monarch (described in chapter 4). Even so, that dialogue has produced recommendations that are in the hands of the monarch, who has endorsed them but not yet acted.

More often than not, gestures that governments seek to label as reform measures reinforce the power of the central authority without transforming the institutional structures of power—what some call “tactical liberalization.”<sup>2</sup> While such gestures have the benefit of broadening participation in government, at least nominally, they run two risks. The first is that they raise popular expectations so high that they precipitate a crisis when those expectations are not met. The second is that they perpetuate an unhealthy status quo, halting the evolution of political reform and democratic institutions.

The core of the governments’ resistance is distrust of their citizens. Most countries in the region have a long history of monarchical rule, colonial rule, or both, and there is a real fear of turning over power to “the mob.” In the middle of the last century, led by the example of Gamal Abdel Nasser’s Egypt, many countries experimented with efforts to mobilize the masses in support of government policy. Much more common now seems to be a drive for shrugging acceptance, resulting most often in a public willingness to allow existing governments to stay in power in the absence of viable alternatives.

## SECURITY

Another obstacle to regional reform is the fear that such a process would unleash forces of violence and instability. If the door were opened more widely to political participation, many argue, highly motivated groups with extreme agendas, primarily Islamists, would be the first to rush in. The unintended consequence, these critics suggest, would be societies that are less accommodating of difference, that impose religious practice, and that persecute women and minorities. In short, they claim, these activists would shut the democratic door swiftly behind them, plunging their societies into backwardness and decay.

This argument has merit, as religious groups that have seized power have often proved zealous in their governance. For all of its excesses, even Iran’s clerically dominated government seems tame in comparison with the Taliban’s rule in Afghanistan. On the local level, residents of southern Iraq complain that the rise of municipal religious authorities has severely constrained their freedom of belief and freedom of

action, imposing norms of dress and conduct on a sometimes unwilling population. If religiously observant citizens feel their rights have been abrogated by being forced to live in a secular society, so too are the rights of more secularly oriented people who are forced to live in a more observant society.

The other part of this problem is that violent groups have often found refuge—intellectual or physical—inside religious institutions. While many Muslim clerics forthrightly denounce terrorism, violent groups have often used mosques and seminaries as a place to meet, plan, recruit, and sometimes stockpile matériel. In addition, moderate clerics have been far more reluctant to criticize their more extreme brethren in the interest of maintaining unity than extremists have been in attacking their foes, be they Muslims or non-Muslims. It is not accidental that these violent groups hide behind the cloak of religion, not least because it makes their opponents seem like enemies of religion. In so doing, however, they make it far more difficult to renegotiate the role of religion in society because they color the way government officials and secular forces see the religious sector and the possibility of compromise with it.

Greatly heightened counterterrorism efforts during the past five years have greatly increased scrutiny of religious life. Arab governments have strengthened intelligence cooperation, enacted their own version of antiterror regulations, and expanded the reach of the state security apparatus. Terror threats and ongoing violence in Iraq have given regimes another pretext for rolling back reform processes. In Morocco, for example, the May 2003 bombings of Jewish and Western sites in Casablanca were followed by a regime crackdown on Islamists and legislation that gave the state the power to prosecute individuals on terrorism charges and broadly define terrorism.<sup>3</sup> Thousands were rounded up, and hundreds remain in prison. In Jordan, the coordinated bombings of three five-star hotels in November 2005 resulted in far more power for state security forces. The attacks and assertiveness of Islamists have all but killed efforts to promote the national agenda for reform that was to have been floated in the subsequent months.

The irony is that Western counterterrorism assistance tends to go to precisely those parts of Middle Eastern governments that are most skeptical of democratization. Few in regional security agencies have



any interest in a debate about security versus liberty. Their job is security, and they pursue it with single-mindedness.

The risk is that Middle Eastern governments manipulate Western powers in order to attract counterterrorism assistance, which has significantly increased since September 11, 2001, to use against what is essentially a domestic political opposition. In an effort to silence domestic opposition groups, regimes have been known to portray localized opposition forces as global jihadis. In the process, human rights abuses have been documented across the region. Theoretically U.S. legislation regulates military assistance and can prohibit military aid and training in the event of consistent or “gross” human rights violations.<sup>4</sup> Such reservations are usually waived, however, in the case of allies in the region and those states that cooperate in the war on terror.

Algeria’s ongoing fight against members of the Salafist Group for Preaching and Combat (GSPC) is an important case in point. The Algerian government has accused the group (which morphed from the Armed Islamic Group (GIA) and other Algerian militant movements) of being part of the global Al Qaeda network. Indeed, the group swore allegiance to Osama bin Laden in a widely publicized statement. Stepping up military cooperation, U.S. troops allegedly worked with Algerian military forces in hunting down suspected GSPC fighters in the southern Saharan region of Algeria.<sup>5</sup> Yet it remains unclear to what extent the group is truly part of a global jihad network targeting the United States and Europe or whether it is merely the remnants of Islamic fighters seeking to overthrow the Algerian regime.

## PROBLEMS OF A TOP-DOWN PROCESS

Where reform has occurred in the Middle East in recent years, it has most often been because a ruler decided to hand down decisions. Some—especially monarchs such as King Abdullah of Jordan, King Abdullah of Saudi Arabia, and King Mohammed of Morocco—have sought to wear the mantle of reform as a sign of their magnanimity and farsightedness. They proclaim amended laws, pardon political prisoners, and establish commissions of esteemed citizens to advise them. They have the advantage that such steps reinforce their royal prerogatives rather than undermine them.

Direct outside pressure on government leadership has also resulted in important steps. For example, Palestinian president Yasser Arafat’s

2003 decision to appoint a prime minister and Egyptian president Hosni Mubarak's 2005 decision to hold multicandidate presidential elections and ease restrictions on the parliamentary polling were steps taken under direct foreign pressure. In authoritarian governments with strong executives, a single persuasive conversation with the president or the king can have greater impact than a decade of democracy promotion programs.

Yet none of these steps can make up for a disengaged domestic public that shows scant interest in political participation. This is not only a problem in nominal republics, where the president lacks the mantle of monarchy and often needs to court a ruling party instead of an extended family. It is a problem in monarchies as well and forces the monarch to personally fill the role that in many societies is played by institutions, organizations, and complete societies. One scholar of democratization points out:

Without broad-based constituencies, democracy in the Arab world will not progress very far. Governments will introduce some reforms as long as they can do so without undermining their own power and exposing themselves to real competition. Not surprisingly, governments are unlikely to give up substantial power unless they confront widespread demands for change. Intellectuals alone cannot exercise sufficient pressure.<sup>6</sup>

The challenge here is not how to maneuver the leadership into making the right decision a single time; instead it is how to create dynamic, sustainable processes that have broad public support. The lack of popular political participation in the Middle East leaves a small number of government officials with tasks of unimaginable complexity while the vast public feels alienated and disenfranchised. The consequences are often poor results on the reform agenda and the need to use security forces to control ensuing public frustration. As a model for either on-going governance or prospective reform, it is sorely lacking.

## **TAINT OF FOREIGN INFLUENCE**

The most damning obstacle to reform in the region is the notion that reform is foreign and part of an external plot to subjugate the Middle East. In the Middle East, with its long history of struggle against Western colonization, its deep sense of moral supremacy, and its growing

sense of collective identity that is reinforced by the media, the charge of outside meddling is especially rankling. On a popular level, many see the reform issue as part of efforts by an imperial United States to gain greater access to and control over natural resources and by a Europe bent on perpetuating its colonial legacy. Governments may find it useful to perpetuate this view for it allows them to encourage newspapers to attack advocates of reform while they complain to Western officials about insufficient public support for reform to take place.

Western actions contribute to the skepticism. “What do the United States and Europe really want from us?” asked one undergraduate college student at Mohammed V University in Rabat during a roundtable discussion on reform. U.S. actions in Iraq and European treatment of Muslim immigrants cause many to doubt the intentions of Western policy. What they see as either soft support or active opposition to the Palestinian cause deepens their skepticism. Many secular Arabs cannot fathom Western calls for elections in the region, particularly when they see the growing activity of Islamist groups around them. Many see a rejection of Western assistance as an opportunity to cast a vote against the policies that Western governments pursue in the Middle East. For example, the secretary general of the Moroccan national press union recently vowed to reject any assistance that came under the guise of the Greater Middle East Initiative as long as Iraq was “under occupation.”<sup>7</sup> Finally, many see continued Western support for the current governments—persistently undemocratic and sometimes brutal—as a sign of the West’s true intentions. In their view, Middle Eastern governments are useful to their Western counterparts, but they oppress their own people with impunity.

Skepticism of outsiders’ intentions is not limited to the United States. Europe has fared scarcely better. At the ten-year anniversary celebration of the Barcelona Process in November 2005, most regional leaders kept their distance. Only Prime Minister Recep Tayyip Erdogan of Turkey and President Mahmoud Abbas of the Palestinian Authority attended the summit. Earlier in the year, the EU’s external relations commissioner, Benita Ferrero-Waldner, acknowledged the underlying problem: “Something has been wrong in our relationship, there is no denying the deep-seated resentment, anger and frustration felt throughout the Muslim world.”<sup>8</sup>

Although popular perceptions in the West are that such opposition is most centered in the Islamist camp, anti-American and anti-Western sentiment has played an increasingly prominent role in secular, nationalist reform movements as well. The Egyptian Kefaya movement, which many in the West swiftly hailed as a genuine, popular, and pro-democracy movement, took an anti-American tone from the outset. The movement's manifesto, posted on its Web site, states that "The designs, including the Broader Middle East Initiative, to recast the chart and fate of the Arab region and people is a grave danger which besets the nation and country." The Web site refers to the efforts by the Group of Eight (G-8) to promote reform in the Middle East as an "odious assault on Arab native soil" alongside the war in Iraq and what the site terms the Israeli occupation of Palestine.<sup>9</sup> By comparison, President Mubarak's cool response to the G-8 initiative seems tame and statesmanlike. In dismissing Western efforts, Mubarak asserted that "reform imposed from abroad is unacceptable even to the people," and he added that "each country wants to implement reform and achieve progress in accordance with its nature."<sup>10</sup>

Outsiders' lack of credibility within the Arab world and their perceived dominance over the reform agenda also impeded cooperation with civil society actors in the region. Some regional analysts have argued that this credibility gap could ultimately devastate the reform process.<sup>11</sup>

Clearly, governments have far more tools at their disposal to manage reform than the people they rule. While some regimes are persuaded that change is necessary, few have suggested that it is either urgent or irreversible. Governments maintain that they must retain substantial control, for fear of losing out to those who would ignore individual rights in pursuit of their grand visions. Critics maintain that Middle Eastern governments often trample rights in the pursuit of preserving them, and what separates them from their foes is not their respect for the individual but their absence of any motivating principle other than staying in power.

It is into this environment that Western governments have begun to tread, seeking a way to protect their current interests through relationships with existing governments as well as their long-term interests by investing in projects that promote economic growth, moderation, and

pluralism. Western governments harbor few illusions that the task will be easy, but they are increasingly united on the need for success.

## Notes

<sup>1</sup> See Jon B. Alterman, "The False Promise of Arab Liberals," *Policy Review*, no. 125 (June/July 2004): 77–85, <http://www.policyreview.org/jun04/alterman.html>.

<sup>2</sup> See Daniel Brumberg, "Liberalization Versus Democracy: Understanding Arab Political Reform," Carnegie Endowment for International Peace, Carnegie Paper no. 37, April 2003, <http://www.carnegieendowment.org/publications/index.cfm?fa=view&id=1250>.

<sup>3</sup> Human Rights Watch, "Morocco: Human Rights at a Crossroads," October 2004, <http://hrw.org/reports/2004/morocco1004/index.htm>.

<sup>4</sup> See *Foreign Assistance Act of 1961*, U.S. Government Printing Office, 2003, <http://www.usaid.gov/policy/ads/faa.pdf>; and *Arms Export Control Act of 1976*, [http://www.atf.gov/pub/fire-explo\\_pub/aeca.htm](http://www.atf.gov/pub/fire-explo_pub/aeca.htm).

<sup>5</sup> Salima Mellah and Jean-Baptiste Rivoire, "El Para, the Maghreb's Bin Laden," *Le Monde Diplomatique*, February 2005, [http://mondediplo.com/2005/02/04algeria?var\\_recherche=GSPC](http://mondediplo.com/2005/02/04algeria?var_recherche=GSPC).

<sup>6</sup> Marina S. Ottaway, "Democracy and Constituencies in the Arab World," Carnegie Paper no. 48, Carnegie Endowment for International Peace, July 2004, <http://www.carnegieendowment.org/files/CP48.Ottaway.final.pdf>.

<sup>7</sup> "Morocco: Press Trade Union Leader Rebuffs U.S. over Help Offer," As-sabah Web site, February 28, 2006, from BBC Worldwide Monitoring, March 1, 2006.

<sup>8</sup> Associated Press, "EU's Ferrero-Waldner: Relations between Europe and Islamic World Suffering from Deep-Seated Resentment," March 27, 2006.

<sup>9</sup> See Kefaya (Egyptian Movement for Change). "Declaration to the Nation," Kefaya Manifesto, [http://www.harakamasria.org/manifesto\\_english](http://www.harakamasria.org/manifesto_english).

<sup>10</sup> "Egypt's Mubarak Comments on Arab Reforms, Palestinian, Iraqi Issues," Egyptian Satellite Channel TV, Cairo, May 19, 2004.

<sup>11</sup> Mustafa Hamarneh and Danielle Pletka, "Arab Reform and the West," *Dialogue* no. 3, June 2005, <http://www.bitterlemons-dialogue.org/dialogue3.html>.

## CHAPTER THREE

---

### PROMOTING REFORM IN THE MIDDLE EAST

The U.S. government has spent more than a half century promoting economic, social, and political development in the Middle East, and Europe's engagement dates back far longer. It did not take the events of September 11, 2001, to persuade either side that promoting reform was in their interests. In the 1990s, the Clinton administration had a halting approach to promoting reform. Much of its regional agenda was focused on promoting Arab-Israeli peace, which squeezed out parallel reform efforts that might antagonize necessary allies in that task. Europe was more deeply engaged on reform issues, not so much out of altruism but out of a growing fear that unimpeded migration from a dysfunctional Middle East and North Africa would bring new political and economic pressures on European societies. The overwhelming desire was to heal the problems of the Middle East so that those problems would stay in the region, and out of Europe. The Hamburg base and broader European support network of many of the 9/11 hijackers, and those hijackers' targets in the United States, suggested to leaders on both sides of the ocean that Middle East reform was not merely an interest; it was an imperative.

#### U.S. APPROACHES

In the United States, small-scale plans to increase democratization efforts in the Middle East were under way even before September 11. For the most part this task was left to the State Department's Bureau of Democracy, Human Rights, and Labor, which allocated modest sums to the Middle East through the Human Rights and Democracy Fund (HRDF). These efforts focused primarily on religious tolerance

and later broadened to include women's rights, judicial reform, and media training.<sup>1</sup> Other efforts were also in the works. Concerned that the headline issues in the Middle East had caused the United States to lose any sense of common projects with more moderate friends in the region, the Bureau of Near Eastern Affairs at the State Department began to prepare what it termed the Moderate States Initiative. The project, which began in the summer of 2001, sought to build partnerships to help create more vibrant, resilient societies. Before the plan could be fleshed out, planes struck U.S. buildings, and the context changed completely. This was no longer an issue for the Near Eastern Affairs bureau at the State Department; it was an issue for the secretary of state, and for the president himself.

### **Middle East Partnership Initiative**

Searching for a way to promote reform, the Bush administration made its first mark by launching the Middle East Partnership Initiative (MEPI) in December 2002. It was an opening foray into the realm of democracy promotion in the Middle East. Influenced by the UNDP's *Arab Human Development Report*, the State Department structured its MEPI as a bottom-up mechanism to fund and strengthen civil society groups in the region. It represented the administration's belief in the power of civil society to kick-start reform.

At its head was Elizabeth Cheney, the daughter of the vice president and a recent political appointee from the International Finance Corporation, a unit of the World Bank that seeks to promote private enterprise. In Cheney, the State Department had brought in something of a political heavyweight and one who had easy access to both the building's executive suite as well as the White House.

MEPI's core areas of action include political, economic, and educational reform as well as women's empowerment. To further its ties to projects on the ground, MEPI established regional offices in Tunis and Abu Dhabi. Its partners include local and international NGOs, businesses, universities, international institutions, and governments of the region.<sup>2</sup> MEPI operations and funding channels are adapted to specific countries on the basis of the host's sensitivities. In Egypt, for example, the government prohibits direct funding of NGOs, thereby limiting the effectiveness of MEPI grants. In Morocco, where MEPI has its largest program, the United States can directly fund projects with less gov-

ernment interference. During fiscal years 2002 through 2005, Congress appropriated almost \$300 million to MEPI, which used the money to organize more than 350 programs in 15 countries of the Middle East and North Africa.<sup>3</sup>

Critics charge that at that level, MEPI is severely underfunded. Compared with many of the existing economic and military programs in the region, the effort is indeed short of cash. Yet MEPI had a persistent problem finding partners in its early days. As a new program seeking to do the kind of programming that U.S. embassies had shied away from, MEPI found that identifying local participants for projects was sometimes the hardest part of the task.

Within the political basket, MEPI programs seek to strengthen democratic practices and electoral systems, including political parties and legislators; expand public debate on politics, democracy, and the rule of law; and strengthen an independent and free media. In Morocco, for example, MEPI funded a \$1.25 million program administered by the International Republican Institute (IRI) to strengthen the role of political parties. The two-year project aims to strengthen internal party structures and accountability as well as increase party membership. The program also encourages increased transparency and accountability among elected officials. Other MEPI programs provided technical and material support to domestic monitoring organizations, voter education, and candidates during the 2005 Lebanese elections and support to more than 2,000 domestic election monitors during Egypt's first multicandidate presidential election in September 2005.<sup>4</sup>

The economic basket encourages foreign direct and domestic investment, advances private sector job creation, and enhances the competitiveness of partner countries. The education basket seeks to expand access to schools and other educational programs, train teachers and school administrators, and promote job skills. And the women's empowerment basket seeks to promote job training, economic empowerment, and improved education for women; make women equal before the law; and increase the level of women's political participation and representation within politics and civil society.<sup>5</sup>

Some observers note that MEPI had trouble developing a strategic focus in its early days despite dividing its programs into four main baskets. Critics argued it did little new and only dispensed grants that



were often a continuation of existing programs implemented by the National Democratic Institute (NDI) or IRI.

NGOs and activist groups that have been granted MEPI funding have reported delays in receiving promised assistance. Egyptian NGOs that were awarded \$1 million in MEPI grants in March 2005 complained of severe delays in funding. Complicating the issue was the wait for necessary permission from the Egyptian government. One head of an Egyptian NGO lamented, “MEPI seems to have a bureaucracy that makes the Egyptian bureaucracy look a lot less terrible.”<sup>6</sup>

MEPI funds are separate from bilateral assistance and in theory are channeled to NGOs. Nonetheless, MEPI has been criticized for coordinating too closely with Arab governments, thus undermining its mandate as a bottom-up policy initiative. More than 70 percent of MEPI’s first \$103 million in grants was distributed to Arab government-related programs (to benefit government agencies or groups that trained government officials).<sup>7</sup> MEPI’s disproportionate assistance to governments has led some to accuse MEPI of actually undermining reform by raising suspicions that MEPI is but another instrument through which the United States supports autocratic Arab regimes.<sup>8</sup>

MEPI support went through governments in part because it was governments that were willing to accept it. As noted in chapter 2, many civil society actors are reluctant to accept U.S. government money because acceptance subjects them to criticism from not only Islamist oppositions but their governments as well. MEPI’s ideological imperative of freedom and democracy set by the Bush administration further complicated the issue for local activists.

### **United States Agency for International Development**

While the higher-profile MEPI has spread its money around the region, the United States Agency for International Development (USAID) has quietly continued the development assistance it has pursued in the region for more than four decades. An independent federal government agency that receives guidance from the U.S. State Department, USAID is charged with promoting “peace and stability by fostering economic growth, protecting human health, providing emergency humanitarian assistance, and enhancing democracy in developing countries.”<sup>9</sup> Since September 11, 2001, USAID has increased its focus on governance, reflecting the shift toward democracy promotion in the Arab world at

the expense of traditional development and poverty relief. USAID currently funds programs in Jordan, Egypt, Morocco, Yemen, Lebanon, Iraq, and the Palestinian Territories. Allocations for these countries, excluding Iraq, were almost \$1.25 billion for FY 2005<sup>10</sup> and were provided to both governmental and nongovernmental actors.

Examples of USAID programs in the Middle East and North Africa include four governance projects in Jordan, which focus on judicial reform, increased transparency and accountability in the legislature, and a more active civil society with an allocation of approximately \$21 million;<sup>11</sup> and two multiyear projects funded through 2007 in Morocco, which promote parliamentary reform and local governance with budgets of \$3.7 million and \$12.2 million, respectively.<sup>12</sup>

A look at current USAID programs in Morocco demonstrates a multisectoral strategy focusing on economic growth and job creation, education and workforce training, and governmental accountability. USAID and its predecessor agencies have been active in Morocco for almost half a century. Funding in FY 2005 was \$28.2 million, and funding for the five-year budget cycle 2004–2008 was approved at \$99.4 million.<sup>13</sup>

Criticism of USAID democracy and governance projects resembles that levied against MEPI. Although USAID has a long history of providing economic aid, its programs have largely benefited the regimes currently being targeted for reform. In addition, USAID had been criticized for being an unmanageable and inefficient bureaucracy because of its massive staff, competing directives, and the numerous rules and regulations under which it operates.<sup>14</sup>

As a matter of practice, MEPI has often sought to work where USAID does not have a large presence on the ground. As a result, countries tend to be either MEPI countries or USAID countries. MEPI has few activities in Egypt, for example, while USAID has trimmed its activities in Morocco (and is barred from helping countries such as Bahrain because their incomes are too high). The two institutions have created somewhat different cultures as well, with MEPI partisans often feeling USAID is too bureaucratic, and USAID feeling MEPI is too uninformed. Overall MEPI has established a place for itself within the interagency process, in part because it is a presidential initiative. Yet, plans to more deeply integrate USAID into the State Department's operations and the departure of Elizabeth Cheney from the MEPI

helm raise questions of how separate these two initiatives will remain in the future. It is hard to partner with foreign governments when the U.S. government is so internally divided.

## EU APPROACHES

Given the shared history and proximity that united the two shores of the Mediterranean, it is no surprise that Europe's current relations with the Middle East have roots reaching back generations. For what is now the European Union, the bases of current policy lie in the 1972 Global Mediterranean Policy and a series of cooperation agreements signed in the late 1970s between the European Community and individual partner states.<sup>15</sup> In addition to planting the seeds of Euro-Med cooperation, these initiatives laid the groundwork for Europe's economically centered approach to the Mediterranean by focusing on trade liberalization and market access measures. Two decades later, as Europe itself consolidated much of its foreign policy, its strategy toward the Mediterranean was consolidated as well. The fruits of its labors were the Barcelona Process in 1995 and the European Neighborhood Policy of 2004. These two measures, which emphasized strong government-to-government relations or a top-down approach, have since formed the basis of Europe's diplomatic and economic relations with its southern Mediterranean rim.

### **Euro-Mediterranean Partnership (Barcelona Process)**

The 1995 adoption of the Euro-Mediterranean Partnership (EMP) marks the official start of present-day Euro-Med relations. Signed by the 15-member European Union of the time and 12 of its southern Mediterranean partners,<sup>16</sup> the agreement marking the beginning of the Barcelona Process set out to strengthen relations between Europe and the southern Mediterranean. The declaration outlined three core areas, or pillars, of engagement: a political and security partnership, an economic and financial partnership, and a social-cultural partnership.<sup>17</sup> The EMP's logic was that greater democracy, respect for human rights, and social and economic development are the best guarantees of building peace and stability.<sup>18</sup>

The initiative also sought to increase Euro-Med interaction on two complementary planes—a bilateral plane, allowing for relations be-

tween the EU and individual members, and a regional plane, focused on the EU's relations with the southern Mediterranean as a whole and embodied by a regionwide free-trade zone, set to be created in 2010.<sup>19</sup> Underlying the drive for greater regional cooperation was an effort to strengthen Arab-Israeli peacemaking that was under way and that was believed to have a reinforcing effect on regional reforms. The EU signed association agreements with nine individual partner governments, starting in 1995, and those agreements became the EU's policy tools for interaction, ushering in an era of closer cooperation in Euro-Med relations.<sup>20</sup>

Brussels currently devotes approximately €3.5 billion a year to the promotion of the goals set forth by the EMP, including loans and direct aid.<sup>21</sup> Approximately two-thirds of the €3.5 billion is in the form of loans. This financial commitment has not gone unrewarded. Recent years have generally seen a period of economic growth and stability in the southern Mediterranean region.<sup>22</sup> During this time, Europe has maintained a consistent economic presence in the area, with EU foreign direct investment in the MENA region reaching €3.2 billion in 2003, making Europe the largest foreign investor in the southern Mediterranean.<sup>23</sup> Beyond direct economic aid, the European Investment Bank lent roughly €9.4 billion to Mediterranean partners from 2000 to 2005 and nearly €1.4 billion in 2006.<sup>24</sup> Furthermore, in addition to being the main source of tourism revenue for the region, the EU credits the growing North-South and South-South economic integration encouraged by the EMP for helping to create up to 5 million jobs each year in the southern Mediterranean.<sup>25</sup>

Recent years have also illustrated social progress in the MENA region, at least some of which was arguably influenced by EU initiatives. For instance, the 2003 passage of Morocco's *moudawana*, or family code (described in chapter 4), followed a 2002 EU-Morocco agreement to include women's rights and gender equality into MENA aid and grant projects and all EU-Moroccan interaction.<sup>26</sup> Although such efforts should not be seen as the sole reasons for social changes in the MENA region, they can be seen as potential contributors to the process.

The most significant impact of the EMP is perhaps also the least tangible, for it is the most long term. For all its shortcomings, the EMP has created a space for trans-Mediterranean dialogue and potential future

cooperation among the southern partners.<sup>27</sup> Progress in this sphere is evident in the signing of the 2004 Agadir Agreement, a free-trade agreement (FTA) involving Egypt, Jordan, Tunisia, and Morocco that has been hailed as an important step toward the creation of a Euro-Med FTA in 2010.<sup>28</sup> The EMP has also increased trans-Mediterranean cooperation in the areas of counterterrorism, as evidenced by the 2002 Valencia Action Plan on counterterrorism efforts and security and as seen in the birth of the European Security and Defense Policy (ESDP) dialogue, which aims to increase understanding of ESDP measures and potentially increase future cooperation among Euro-Med partners.<sup>29</sup> This EU-sponsored security dialogue has worked in parallel and has complemented the NATO-Mediterranean security dialogue, which was resumed in June 2005. In April 2006, NATO held a meeting in Rabat, its first in an Arab state, during which Morocco and Algeria agreed to join NATO counterterrorist naval patrols in the Mediterranean.<sup>30</sup>

Despite these achievements, however, the Achilles' heel of the Barcelona Process has been the assumption that economic development inevitably leads to democratization and social and political stability. This underlying belief is illustrated by the prime importance granted to the FTA (whose 2010 deadline has been frequently questioned) in fostering regional integration. Ten years after the creation of the EMP, Europe has yet to rethink this notion. This is reflected in the 2005 EuroMeSCo report, which states that the implementation of the FTA must be achieved in order to provide the basis of "a new impetus" for Euro-Med relations by providing a foundation from which further regional integration can occur.<sup>31</sup>

The perception of economics as a road to reform, however, has not led to the achievement of the goals put forth in the human-dimension pillar of the EMP. The failure of the EMP to approach reform in the southern Mediterranean from the bottom up by placing democratic reform, civil society, and human rights at the forefront of Euro-Med relations has led to little change in the region's overall lag in popular representation, freedom of speech, political opposition, and women's rights. An analysis of the six dimensions of governance—voice and accountability, political stability and the absence of violence, government effectiveness, regulatory quality, rule of law, and control of corruption—published in the 2005 EuroMeSCo report showed all EMP partner countries (minus Israel, the PA, and Turkey) lagging behind

the EU by an average of 50 percent.<sup>32</sup> More important, the report saw an overall decline in all categories except voice and accountability from 2000 to 2002.

Furthermore, Freedom House concluded that press freedom in five of the nine partner countries decreased between 2002 and 2005, and mass media in six countries are classified as “not free.”<sup>33</sup> Eight countries also received disappointing scores from Freedom House in terms of political rights and civil liberties (on scales of one to seven, with one being the highest), ranging from four in civil liberties in Jordan and Morocco, to a score of seven in both categories for Syria.<sup>34</sup> As these numbers illustrate, thus far Barcelona has had far more success in promoting trade and economic cooperation than in strengthening democracy.

The EU’s reliance on economics as a means of reform in the southern Mediterranean is hardly surprising in light of the EU’s own integration process and its experience in bolstering reform in former EU candidate countries in central and eastern Europe. In each case, the EU’s efforts resulted in both internal reform in the target country and successful accession to the EU; however, the application of this concept to the southern partners overlooked several key factors. First, it did not take sufficiently into account the desire of eastern and central European countries to reunite with the rest of Europe and their perceived European heritage and identity. More important, however, the EMP also lacked the incentive of eventual EU membership in the case of the Mediterranean partners—a factor that proved crucial in sustaining the democratic and economic transitions in central and eastern Europe through the 1990s. This vital missing link has greatly undermined the EU’s tried and tested method of conditionality in reform promotion.

Some of the problems currently facing the EMP also stem from the initiative’s inability to address the regional divisions in the southern Mediterranean as it sets forth the goal of regional integration. In fact, ongoing tensions, such as the Arab-Israeli and the Moroccan-Algerian conflicts, continue to take a toll on regional cohesion measures.<sup>35</sup> These divisions became especially evident during the 2005 Barcelona summit (also referred to as the Barcelona + 10 summit celebrating the 10th anniversary of the EMP’s launch), when the partners failed to agree on a common definition of terrorism and Arab-Israeli tensions prevented the signing of a summit declaration.

## European Neighborhood Policy

The prospect of adding 10 new member states to the European Union in May 2004 forced the EU to amend its approach to its broader neighborhood, not just in eastern Europe but also in the southern Mediterranean. Unwilling to extend further offers of prospective EU membership beyond the Balkans but concerned that those countries left out of EU membership around its periphery might suffer as a result, the EU launched its European Neighborhood Policy (ENP) in 2004 as a means of formalizing and strengthening the ties between the now enlarged EU and its new neighbors. The ENP offered partner states increased integration with the EU in terms of social and political dialogue, with emphasis on trade and economic relations.<sup>36</sup> This last aspect of integration offered the eventual prospect of a stake in the EU's Common Market, thereby providing an additional incentive for increased bilateral cooperation.<sup>37</sup> Some EU members, led by Germany, have even proposed distinguishing between those neighboring states that are eligible for EU accession and those that are not, which could potentially change the status of countries in the Middle East and North Africa to differentiate them from those of eastern and central Europe.

The most significant aspect of the ENP in relation to the southern Mediterranean is the initiative's framework of bilateral differentiation.<sup>38</sup> Unlike Barcelona's more collective and region-centered approach, the Neighborhood Policy is clearly based on bilateral interaction between the European Union and each individual country in accordance with the extent to which each partner is able to approximate its policies to the expectations of the EU in the fields of law and governance, human rights, and market economy. Underpinning this differentiated approach, the EU has negotiated action plans with each partner country; the plans highlight areas of cooperation specific to each bilateral relationship. By emphasizing the bilateral dimension, the ENP goes some way toward separating Euro-Med integration from the influence of ongoing regional conflicts while allowing each country to advance at a pace and in areas that correspond most closely to their potential.<sup>39</sup>

The creation of the ENP as a separate yet complementary tool to the EMP has opened a new chapter in Euro-Med relations. It is important to note, however, that the ENP still falls short of addressing all of the problems in Europe's relations with its southern neighbors. Europe

has continued to focus on the promotion of macroeconomic stability, counterterrorism efforts, and immigration control, with human rights promotion and democratization remaining at the bottom of the agenda. Furthermore, the ENP's underlying concept of creating a "ring of friends" around a newly enlarged Europe illustrates the EU's primary focus on its own security and not necessarily on regional cooperation in the Mediterranean.<sup>40</sup>

### **Individual Country Approaches**

Europe's interaction is not limited to the EMP and ENP. Member states of the EU, led by France, have a long history of interaction and bilateral relations with the Middle East and remain crucial actors in any regional strategy. Germany, the United Kingdom, and Spain also provide substantial bilateral aid although their aid tends to be concentrated in a small number of states. After France, which in 2003–2004 provided an average of \$302 million in aid to Morocco alone, Germany and the United Kingdom were the largest donors to MENA, while Italy and Spain allocated roughly 15 percent of their official development assistance to the region during the same time period.<sup>41</sup> These funds are channeled in addition to the approximately €3.5 billion spent there annually by Brussels, to which all member states also contribute.

Whereas EMP and the European Initiative for Democracy and Human Rights (EIDHR) focus on traditional democracy promotion, individual country-sponsored programs tend to focus more on technical assistance and traditional development. France and several other states also provide significant security assistance, training, and military sales. Individual states differ in the types of programs they fund; their aid is based on their individual priorities, which do not necessarily converge with those of the EU.

A majority of member states prefer to direct funds through the EMP and EIDHR rather than bilaterally. The United Kingdom, for example, recently rerouted its assistance to Egypt through wider EU development projects. The Netherlands maintains direct democracy promotion programs on a bilateral basis combining both grassroots and government-to-government approaches. France has the widest range of bilateral assistance programs in Europe; they are focused on traditional development projects and economic assistance while most political reform projects are directed under the auspices of the EMP.



## **U.S.-EU COOPERATION**

Throughout the 1980s and 1990s, the United States and Europe for the most part pursued separate policies and programs for engaging governments and civil society in the Middle East and North Africa. Each side of the Atlantic left the other to pursue its own interests, using its own tactics and philosophies. Transatlantic competition arose mainly in the economic and trade sphere. Despite this, it was recognized that economic liberalization generally improved conditions for trade and investment and was therefore mutually beneficial.

### **Broader Middle East and North Africa Initiative**

The Bush administration's emphasis on a democracy agenda after 2001 forced a new transatlantic consensus on the importance of promoting political reform in the broader Middle East. In addition, officials on both sides of the Atlantic saw some utility in outlining a shared vision. The United States recognized that it needed European and international legitimacy for its pursuit of democratization, and European nations realized that if they were to make a difference they would reluctantly have to partner in some way with the United States in order to pursue their own objectives in this arena. After an intense and acrimonious transatlantic debate that sought to bring together the different U.S. and European approaches and experiences, the United States and Europe launched the Broader Middle East and North Africa (BMENA) initiative at the G-8 summit meeting at Sea Island, Georgia, in June 2004. BMENA represented a broad common vision for the remedy of a troubled region.

Expectations were raised that the cooperative ethos behind the agreement could usher in a new chapter in transatlantic cooperation in the Middle East. The vision outlined by BMENA included promoting change in three main areas: (1) the political sphere, including democracy, the rule of law, and human rights; (2) the social and cultural sphere, encompassing education, freedom of expression, gender equality, and increased access to information technology; and (3) the economic sphere, which includes job creation, increased trade and investment, financial reforms, property rights, and anticorruption measures.<sup>42</sup> To implement the new initiative, the G-8 also launched the Forum for the Future and agreed to convene regularly at the ministerial level for ongoing dialogue on reform.<sup>43</sup>

Rather than strengthen institutional cooperation, however, BMENA principally sought to strengthen coordination. This was spelled out clearly for those who had advocated greater institutional cooperation in a follow-up U.S.-EU joint declaration on the heels of the BMENA declaration. The document, stating that the United States and EU would “find better ways to coordinate [our] respective efforts,” highlighted the spirit of transatlantic consensus and shared objectives for the region. However, the declaration concluded that the United States and EU “will make full use of the existing structures of cooperation and dialogue between the EU and U.S., such as the Senior Level Group. . . .”<sup>44</sup> In short, no new mechanisms for cooperation would be launched. Nonetheless the declaration and the BMENA framework did demonstrate an attempt at greater transatlantic coordination and consultation on promoting reform in the region.

BMENA’s language suggested the need to place a greater emphasis on democracy, but the initiative’s major programs reveal the same traditional focus on economic and financial projects. These initiatives include an investment task force, a microfinance consultative group, and a regional private enterprise project. In addition, two training centers to develop local entrepreneurship were opened in Morocco and Bahrain, the favorite pupils of BMENA. When it came to political reform, BMENA offered little more than a call for a “democracy assistance dialogue,” an ongoing series of meetings between civil society groups and governments to discuss women’s empowerment, the rule of law, and government transparency.

BMENA’s showpiece and its main structure for strengthening coordination is the Forum for the Future. The forum brings together government, business, and civil society leaders to discuss prospects for greater economic and political participation in the region. Morocco was chosen as the first host of the Forum for the Future, convened in December 2004.

As a country undertaking both political and economic reforms at the center of U.S. and European strategies for the region, Morocco was an obvious choice. The meeting gathered an impressive array of high-level diplomats from both sides of the Atlantic and throughout the Middle East and North Africa. The objective was in part to create a sense of partnership between external actors and the region, something the Europeans had convinced their U.S. colleagues was an

important tactic. Again, the forum was heavy on economics and light when it came to any discussion of political reform.

In addition to the original initiatives called for in BMENA, the forum announced two additional showcase initiatives: the Foundation for the Future and the Fund for the Future. Not to be confused with the Forum for the Future, the Foundation for the Future is a proposed \$54 million project intended to provide grants and technical assistance to civil society groups such as NGOs, academic institutions, and professional associations committed to democratization and political reform. The proposed \$100 million Fund for the Future is intended to provide financing and technical assistance to small and medium-sized enterprises in the region in an effort to stimulate economic growth and job creation. Further complicating the many layers of projects, initiatives, funds, and task forces, both the fund and the foundation are to be administered in the region by independent boards chosen through negotiations among the participating states.

A second Forum for the Future, convened in Bahrain in November 2005, was less successful. It highlighted gaps in expectations and priorities between external and regional actors and the complexity of coordinating such an effort. While the United States and Europe wanted a clear statement from regional leaders expressing a commitment to the reform process, no such statement was forthcoming. Egypt led the Arab opposition, refusing to sign a final declaration because of an included provision that would allow forum funds to be channeled directly to NGOs not registered with governments. The meeting ended without an official communiqué and with tensions flaring.

Failure to reach even a minimum consensus at Bahrain has delayed the launch of the foundation and the fund. While the Bahrain setback calls into question the capability of the forum to promote a common vision, critics have also contended that BMENA in general focuses too heavily on economic issues at the expense of democratization and that it has done too little to strengthen NGOs and civil society groups. Charges of inadequate funding have also been leveled against the initiative, which receives no separate line of funding from Congress and relies on U.S. support through appropriations to MEPI. European contributions to the Foundation for the Future are also lacking. Total European contributions as of December 2005 have amounted to about \$7.8 million, with \$1.3 million coming directly from the EU.<sup>45</sup>

At the very least, the Broader Middle East and North Africa initiative demonstrates a U.S and European willingness to coordinate a broader message on the issue of democracy. In addition, its components offer another venue through which high-level European and U.S. diplomats can discuss Middle East reform. At a time of continuing disagreement between Europe and the United States on regional issues, including the Arab-Israeli conflict and the war in Iraq, BMENA was a welcome shift in transatlantic discourse.

### **International Approaches**

In the shadow of BMENA and its high-profile initiatives, the World Bank and the UNDP continue to provide international assistance to the region in the areas of economic and political development. However, the line between development and democratization often becomes blurred in favor of the former. Reform programs run by international organizations tend to focus on good governance and women's empowerment rather than on overt political programs. The majority of the World Bank's projects continue to focus on traditional development programs such as water access, environmental issues, and education. Nonetheless independent international organizations, such as the World Bank and the UNDP, have a critical role not only in promoting economic and political reform but also in serving as nonpolitical proxies for the pursuit of U.S. and EU objectives.

In 2000, for example, the UNDP launched its Program on Governance in the Arab Region, which set out to develop good governance and support basic reforms. Its key areas of activity are citizens' participation, government transparency and accountability, and the rule of law.<sup>46</sup> In addition, in a handful of states in the region the UNDP operates projects that range from parliamentary capacity building to microcredit projects aimed at women and rural areas.

The series, *Arab Human Development Report*, first published by the UNDP in 2002, has also influenced the thinking and approach of both MEPI and BMENA and has given Arab intellectuals a greater role in the external debate over reform. The proper use of independent organizations that lack the political baggage of the United States and Europe can be a major asset in promoting political reform.

## CHALLENGES

Those tasked with implementing policies on the ground must contend not only with challenges in their target countries but also with internal divisions and competition within their own governments and bureaucracies. These are issues in both the United States and the EU.

### **U.S. Government Divided against Itself**

In the United States, traditional bureaucratic rivalries between the State Department and the White House have led to not only competing budgets and agendas but different philosophies as well. When Congress is added, what emerges is a muddled and confused picture of what the United States is actually trying to achieve. The Bush administration has taken a strong lead in shaping the agenda of the war on terror and promoting democracy as a main pillar of U.S. policy in the Middle East. Although much of the zeal for democratization has come out of the White House and the Defense Department, it is the State Department—through MEPI and USAID—that must implement that vision. Charged with working with authoritarian governments that some in the U.S. government seek to weaken or undermine, agencies and their bureaucratic cultures sometimes clash.

The White House also must contend with Congress, which has consistently cut budget requests for MEPI and other democracy promotion initiatives. As new bureaucracies such as the Forum for the Future and the Millennium Challenge Corporation (discussed in chapter 5) are created, they overlap and compete with more traditional institutions such as USAID and the National Endowment for Democracy. Beyond its final word on the size of aid packages and funding for democracy promotion pillars such as MEPI and USAID, Congress has used its political muscle to contest White House policy on democracy promotion. When the White House pushed for Palestinian parliamentary elections to include all Palestinian factions, including the Islamist movement Hamas, prominent members of Congress urged the White House to exclude Hamas or postpone elections. Not only did this complicate the internal bureaucratic policy but it sent a mixed signal to the Palestinians and the region about what the United States was actually trying to achieve by promoting democracy. Did the U.S. government really want democracy or simply a prettier version of the status quo? After the election results became clear with the Hamas victory, Arab

commentators argued that the United States wants free elections only when it approves of the outcome.

Some have argued that a credible and effective message about the seriousness of U.S. democracy promotion must be communicated by all U.S. government officials, from the White House and Congress to lower-level officials and diplomats.<sup>47</sup> Given competing agendas, this seems impractical and unrealistic.

### **EU vs. Individual Member States**

Internal divisions faced by the United States as it approaches reform in the Middle East are only amplified within the 25-member European Union. Stemming from a history of colonial ties to the MENA region, these hurdles simultaneously draw their roots from centuries of competition for increased influence in the MENA region as well as present-day pushes for policy consolidation among the EU's members. Hence, despite a general EU-wide consensus about the importance of a stable and prosperous Middle East and North Africa, Europe's recent involvement in the region has not been free of internal divisions. Franco-Spanish rivalry, for example, was highlighted in July 2002 when the French government refused to support Spain's deployment of troops to the tiny Spanish-controlled island of Perejil after Moroccan troops stormed it and reclaimed it for Morocco. In the end, it took U.S. intervention rather than European negotiation to defuse the crisis. Europe's Mediterranean policy, like nearly all of the bloc's major areas of policy development and implementation, continues to walk a fine line between balancing the members' national interests and the interest of the group as a whole.

The remnants of Europe's historic colonial competition pale in comparison with the larger regional divisions. These divisions are most evident along Europe's north-south and, more recently, east-west lines.<sup>48</sup> Traditionally, Europe's North has been more focused on benchmarked assistance toward democratization efforts while the South, headed by France and Spain, has favored stability in recipient countries and more flexible plans of aid distribution.<sup>49</sup> The South's preference largely reflects the southern countries' geographic proximity to North Africa and their significantly larger Muslim and North African immigrant populations.<sup>50</sup> Similarly, northern EU members have tended to view economic liberalization as the main avenue to in-

creased cooperation between the EU and the southern Mediterranean while Europe's South, preferring cultural dialogues and exchanges to cultivate closer ties across the sea, has remained wary of opening its markets to agricultural imports from the MENA region.<sup>51</sup>

Since the EU's May 2004 addition of 10 new member states, the EU's ability to reach a consensus on major foreign policy initiatives has become even more of a balancing act. Eight of the new members, headed by Poland and the three Baltic states, are overwhelmingly concerned with the EU's eastern flank. Russia affects their security, but the southern flank does not.

## Notes

<sup>1</sup> Funding for the HRDF nearly quadrupled from \$13,421,000 in FY 2001 to \$48,112,000 in FY 2005. See U.S. Department of State, "Human Rights and Democracy Fund," June 2, 2005, <http://www.state.gov/g/drl/c7607.htm>.

<sup>2</sup> MEPI's presence is largest in Morocco, with significant programming in Yemen, Bahrain, and other Persian Gulf and North African states. Programming in Egypt and Saudi Arabia is relatively small.

<sup>3</sup> See U.S. Department of State, "Middle East Partnership Initiative," n.d., <http://mepi.state.gov/>.

<sup>4</sup> See U.S. Department of State, "Middle East Partnership Initiative: Success Stories," n.d., <http://mepi.state.gov/c16050.htm>.

<sup>5</sup> See U.S. Department of State, "Middle East Partnership Initiative: Goals," n.d., <http://mepi.state.gov/c10120.htm>.

<sup>6</sup> See Lindsay Wise, "Show Them the Money," *Cairo Magazine*, July 29, 2005, [http://www.cairomagazine.com/?module=displaystory&story\\_id=1231&format=html](http://www.cairomagazine.com/?module=displaystory&story_id=1231&format=html).

<sup>7</sup> See Tamara Cofman Wittes and Sarah E. Yerkes, "The Middle East Partnership Initiative: Progress, Problems, and Prospects," Saban Center Middle East Memo no. 5, Brookings Institution, November 29, 2004, <http://www.brookings.edu/views/op-ed/fellows/wittes20041129.htm>.

<sup>8</sup> Wise, "Show Them the Money."

<sup>9</sup> See USAID, "USAID Primer: What We Do and How We Do It," July 14, 2006, [http://www.usaid.gov/about\\_usaid/primer.html](http://www.usaid.gov/about_usaid/primer.html).

<sup>10</sup> See USAID country profiles for Morocco, Egypt, Lebanon, Jordan, Yemen, and West Bank/Gaza at USAID, "Asia and the Near East," [http://www.usaid.gov/locations/asia\\_near\\_east/](http://www.usaid.gov/locations/asia_near_east/).

<sup>11</sup>The four projects for FY 2005–2006 include: Improve Justice Sector/Legal Framework, Strengthen Democratic National Governance Institutions, Strengthen Civil Society, Support Democratic Local Government and Decentralization. For more detailed project information see USAID, “Jordan,” <http://jordan.usaid.gov/upload/keydocs/FY%202006%20CBJ.pdf>.

<sup>12</sup>These figures include proposed budgets for FY 2007. See congressional budget justification 2006 and 2007 at USAID, “Morocco,” [http://www.usaid.gov/policy/budget/cbj2006/ane/pdf/ma\\_complete06.pdf](http://www.usaid.gov/policy/budget/cbj2006/ane/pdf/ma_complete06.pdf); and USAID, “Morocco: Data Sheet,” 2004, <http://www.usaid.gov/policy/budget/cbj2006/ane/pdf/ma608-013.pdf>.

<sup>13</sup>U.S. Department of State, “Background Note: Morocco,” July 2006, <http://www.state.gov/r/pa/ei/bgn/5431.htm>.

<sup>14</sup>See Thomas Carothers, “A Better Way to Support Middle East Reform,” Carnegie Endowment for International Peace, Policy Brief no. 33, February 2005, <http://www.carnegieendowment.org/files/PB33.carothers.FINAL.web.pdf>.

<sup>15</sup>Ministry of Foreign Affairs of Italy, “EU Policy in the Mediterranean,” 2004, [http://www.esteri.it/eng/4\\_27\\_58\\_52.asp](http://www.esteri.it/eng/4_27_58_52.asp). See also European Union, “Association Agreements,” n.d., [http://ec.europa.eu/comm/external\\_relations/euromed/med\\_ass\\_agreemnts.htm](http://ec.europa.eu/comm/external_relations/euromed/med_ass_agreemnts.htm).

<sup>16</sup>The southern Mediterranean partners included Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, the Palestinian Authority, Syria, Tunisia, and Turkey. Since their EU entry on May 1, 2004, Cyprus and Malta are no longer considered partner states.

<sup>17</sup>See European Union, “Barcelona Declaration,” November 27–28, 1995, [http://europa.eu.int/comm/external\\_relations/euromed/bd.htm](http://europa.eu.int/comm/external_relations/euromed/bd.htm).

<sup>18</sup>Ibid.

<sup>19</sup>European Union, “Euro-Mediterranean Partnership/Barcelona Process,” n.d., [http://ec.europa.eu/comm/external\\_relations/euromed](http://ec.europa.eu/comm/external_relations/euromed).

<sup>20</sup>The countries included Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the Palestinian Authority, Tunisia, and Turkey. Negotiations with Syria concluded in 2004, but the association agreement has yet to be signed. Of the signed association agreements, the following are in force: Tunisia (since 1998), Israel (2000), Morocco (2000), Jordan (2002), Egypt (2004), and, on an interim basis, the Palestinian Authority (1997). Meanwhile, agreements with Algeria and Lebanon were signed in December 2001 and January 2002, respectively, with the agreement with Lebanon still awaiting ratification (although it has been in force since 2003). For more on the agreements, see



“Association Agreements,” [http://ec.europa.eu/comm/external\\_relations/euromed/med\\_ass\\_agreemnts.htm](http://ec.europa.eu/comm/external_relations/euromed/med_ass_agreemnts.htm).

<sup>21</sup> See Benita Ferrero-Waldner, “The EU, the Mediterranean and the Middle East: A Partnership for Reform” (speech at the eighth German World Bank Forum, Hamburg, June 2, 2006), <http://europa.eu/rapid/pressReleases-Action.do?reference=SPEECH/06/341&type=HTML&aged=0&language=EN&guiLanguage=en>.

<sup>22</sup> According to the World Bank, gross domestic product (GDP) growth for 2004 in nine of the ten partner countries ranged from 2.0 percent in Syria to 8.9 percent in Turkey. Exports as a percentage of GDP also rose in seven of nine countries (all except Algeria and Syria) from 2000 to 2004. Data for the Palestinian Territories were not available.

<sup>23</sup> European Commission, “Mediterranean Region,” August 2005, [http://ec.europa.eu/comm/trade/issues/bilateral/regions/euromed/euromed\\_en.htm](http://ec.europa.eu/comm/trade/issues/bilateral/regions/euromed/euromed_en.htm). See also: European Union, “Euro-Mediterranean Partnership—Where Are We 10 years after the Barcelona Declaration?” [http://ec.europa.eu/comm/external\\_relations/euromed/summit1105/memo05\\_442.htm](http://ec.europa.eu/comm/external_relations/euromed/summit1105/memo05_442.htm).

<sup>24</sup> European Investment Bank, “Breakdown by Region,” August 9, 2006, <http://www.eib.europa.eu/projects/loans/regions/>.

<sup>25</sup> While the European Commission cites the creation of 5 million jobs per year as one of the ENP’s achievements, some associate the initiative with the negative costs of structural adjustment. See European Union, “Euro-Mediterranean Partnership—Where Are We 10 Years after the Barcelona Declaration?” November 24, 2005, [http://europa.eu.int/comm/external\\_relations/euromed/summit1105/memo05\\_442.htm](http://europa.eu.int/comm/external_relations/euromed/summit1105/memo05_442.htm).

<sup>26</sup> Rabea Naciri and Isis Nusair, “The Integration of Women’s Rights into the Euro-Mediterranean Partnership,” Euro-Mediterranean Human Rights Network, June 2003, 46–47; <http://www.euromedrights.net/english/emhrn-documents/country-reports/Women%20report.htm>.

<sup>27</sup> EuroMeSCo, “Barcelona Plus: Towards a Euro-Mediterranean Community of Democratic States,” April 2005, 53–54, [http://www.euromesco.net/media/barcelonaplus\\_en\\_fin.pdf](http://www.euromesco.net/media/barcelonaplus_en_fin.pdf).

<sup>28</sup> *Ibid.*, 24.

<sup>29</sup> *Ibid.*, 55, 61.

<sup>30</sup> Reuters, “Israel, Algeria, Morocco to Join NATO Counter-Terrorism Patrols,” April 7, 2006.

<sup>31</sup> “Barcelona Plus: Towards a Euro-Mediterranean Community of Democratic States,” 13.

<sup>32</sup> Ibid., 76.

<sup>33</sup> Freedom House, "Freedom of the Press," <http://www.freedomhouse.org/template.cfm?page=16&year=2005>. The study included the Palestinian Territories as part of Israel.

<sup>34</sup> Freedom House, "Freedom in the World," <http://www.freedomhouse.org/template.cfm?page=15&year=2005>.

<sup>35</sup> EuroMeSCo Report, 2005, 24.

<sup>36</sup> European Union, "European Neighborhood Policy," July 20, 2006, [http://europa.eu.int/comm/world/enp/policy\\_en.htm](http://europa.eu.int/comm/world/enp/policy_en.htm).

<sup>37</sup> European Union, "The European Neighbourhood Policy: Frequently Asked Questions," [http://ec.europa.eu/world/enp/faq\\_en.htm#1.2](http://ec.europa.eu/world/enp/faq_en.htm#1.2).

<sup>38</sup> Raffaella A. Del Sarto and Tobias Schumacher, "From EMP to ENP: What's at Stake with the European Neighborhood Policy towards the Southern Mediterranean?" *European Foreign Affairs Review* 10 (2005): 21.

<sup>39</sup> Ibid., 29.

<sup>40</sup> Ibid., 28.

<sup>41</sup> Organization for Economic Co-operation and Development, "Aid Statistics, Donor Aid Charts," [http://www.oecd.org/countrylist/0,2578,en\\_2649\\_34447\\_1783495\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/countrylist/0,2578,en_2649_34447_1783495_1_1_1_1,00.html).

<sup>42</sup> See the text of G-8 announcement, "Broader Middle East/N. Africa Partnership," Sea Island, Georgia. White House, June 9, 2004, <http://www.whitehouse.gov/news/releases/2004/06/20040609-30.html>.

<sup>43</sup> Ibid.

<sup>44</sup> See "Text of U.S.-EU Declaration Supporting Peace, Progress, and Reform in the Broader Middle East and in the Mediterranean," Dromoland Castle, Shannon, Ireland, June 26, 2004, <http://www.state.gov/p/eur/rls/fs/36897.htm>.

<sup>45</sup> See U.S. Department of State, "Confirmed Contributions to the Foundation for the Future," December 14, 2005, <http://bmena.state.gov/59527.htm>.

<sup>46</sup> See United Nations Development Programme, "Programme on Governance in the Arab Region," [www.pogar.org/](http://www.pogar.org/).

<sup>47</sup> David Adesnik and Michael McFaul, "Engaging Autocratic Allies to Promote Democracy," *Washington Quarterly* 29, no. 2 (Spring 2006): 20–21.

<sup>48</sup> Michael Emerson et al., "The Reluctant Debutante: The European Union as Promoter of Democracy in Its Neighbourhood," Working Document no. 223 (Brussels: Centre For European Policy Studies, July 2005), 23, [http://shop.ceps.be/BookDetail.php?item\\_id=1242](http://shop.ceps.be/BookDetail.php?item_id=1242).

<sup>49</sup> Ibid.

<sup>50</sup> Ibid.

<sup>51</sup> Ibid., 22–23.

## CHAPTER FOUR

---

### REFORM IN MOROCCO

The occasional disarray in outside efforts to promote reform in the Middle East and North Africa has not slowed the drive for change in Morocco. Indeed, Morocco has become an exemplar of Arab reform to many Western observers not because Western efforts have reformed Morocco but because the country appears to have embarked on a reform agenda on its own. Outside countries, therefore, need not move Morocco from a standing start but instead seek to encourage, prod, and shape what many consider a promising program that is already under way.

The recent reforms in Morocco fall into two basic categories. The first set affects the relation of the individual to the society and government of the country. Reforms in this category include the revision of the *moudawana*, or women's and family law; the efforts of the country's Equity and Reconciliation Commission to discover and make amends for human rights abuses of previous governments; the Human Development Initiative, which decentralizes efforts to promote social and economic progress; and the growing incorporation of Islamists and other groups into full political participation. The second set of reforms concerns the structure and functioning of the government itself. These reforms include economic reform, a revision of the press laws, parliamentary reform, and judiciary reform.

Few observers question whether something very real is happening in Morocco. King Mohammed VI has initiated such a variety of reforms across such a broad swath that it is inconceivable that real change will not result. What remains a more open question, however, is whether the changes under way will provoke a fundamental transformation in

the country or whether they represent merely a change in the monarchical style. To date, the palace has inspired and directed most of the reform activities in the country. Increasing signs that these efforts have genuine popular support and momentum behind them would be important indicators of these reforms and their ultimate direction.

## HASSAN II'S LIBERALIZATION

King Mohammed VI was not the first Moroccan monarch to lead an effort toward reform. His father, King Hassan II, oversaw a process of limited liberalization that granted political space and activism for civil society groups. Most observers point to the economic crisis of the 1980s as the beginning of Morocco's process of gradual liberalization. In response to an unmanageable government debt, in part from massive spending in Western Sahara, the government was forced to accept an IMF-sponsored economic restructuring program, which set in motion its process of economic liberalization. As a result Morocco devalued the dirham, cut public spending, and removed subsidies on many basic goods. Severe clashes between protestors and security forces in response to these changes left at least 100 Moroccans dead. In response, King Hassan announced that he would repeal the measures to cut food subsidies,<sup>1</sup> thereby demonstrating the potential peril of forcing change.

Morocco's riots and economic woes—combined with the unfolding revolutions in Eastern Europe—led to a reassessment of the basic compact between the monarch and the people. King Hassan recognized that in order to maintain stability he would need to expand space for political activity. Civil society and NGOs would be the main avenue for political expression, and numerous organizations sprang up representing a wide range of interests including women's issues, Amazigh (Berber) cultural rights, and human rights. Sensing an opening, opposition parties that had refused to cooperate with the palace agreed to participate in the parliamentary system. Hassan may not have intended thoroughgoing change in the Moroccan system, yet by loosening his tight grip in the last years of his reign, he set the stage for a robust debate on Morocco's future to emerge after his demise.

But Hassan's reforms did not represent a democratic opening. While he convinced more groups to participate in politics, the newcomers lacked real power. The palace continued its old ways, manipulating the

opposition and the electoral process so as to ensure that the king's allies remained in government. The new participants in power had little more to show for their efforts than their keenly held aspirations.<sup>2</sup>

## MOHAMMED VI'S REFORM AGENDA

These unfulfilled aspirations were one of the prime inheritances of King Mohammed VI when he rose to the throne. Rather than combat them, however, he sought to nurture them. The king publicly identified with the cause of reform in his first months in office, and his speeches repeatedly evoked the principles of democracy and pluralism. In one such speech he declared, "Our country has clearly opted for political pluralism in a democratic society. This choice implies the setting up of a system and institutions which must be governed by the rules of democracy."<sup>3</sup> He signaled that reform would be his most important legacy.

The king's most ambitious reforms were those that went to the heart of citizens' relations with their own government and with their society. Issues such as women's rights and human rights go to the core of how Morocco functions as a state and as a society, and King Mohammed has begun to confront them.

### Women's Rights and the Moudawana: Confronting Tradition

Women have made important strides forward under the policies of Mohammed VI. Early in his reign, the king appointed women to several high posts traditionally reserved for men. He appointed the first woman in Moroccan history as a royal counselor as well as a woman to sit on the Higher Council of Oulemas, the official council of religious scholars. In anticipation of the September 2002 national elections, Parliament approved a statute, proposed by the king, reserving 30 parliamentary seats (roughly 10 percent of Parliament) for women.

More far-reaching, however, was the enactment of the *moudawana* after considerable opposition from religious conservatives. When the proposal was first raised, Islamists and the official clergy led massive demonstrations, and the legislation was shelved. Later the palace's increased leverage in the aftermath of the Casablanca bombings in 2003 allowed it to finally push the bill through Parliament after it had been set aside for several years. The revised code raised the minimum age

of marriage from 15 to 18, gave women equal custody rights, allowed polygamy only with the consent of the first wife, and made it more difficult for a husband to unilaterally divorce his wife.<sup>4</sup>

Even more controversial in many ways is Morocco's recent initiative to license 50 women, trained in religious sciences, as religious preachers. Known as *mourchidates*, the women will be civil servants assigned various religious duties in local religious councils and in prisons. Although the women will not be allowed to deliver prayer sermons, the move to create officially sanctioned female religious authorities is a bold and risky one, unprecedented in the Arab world.

Morocco's changes to the status of women are unique in the Arab world, for both their substance as well as the way they have been enacted. Morocco has used Islamic law and tradition to justify its decisions rather than embrace an avowedly secular path as Tunisia has done. Religious scholars, albeit official religious scholars close to the monarchy, have drawn on Islamic law and tradition to justify these changes; they are not merely the adoption of Western norms and practices. This approach not only helps mute opposition from religious circles but also creates a religious imprimatur for socioeconomic and political reforms. In rural areas, where ideas about patriarchal societies are especially entrenched, the added legitimacy can be vital for the programs' long-term success.

Moroccan critics express concern that the government has not implemented or institutionalized the new code with enthusiasm equal to that with which it was passed. Training judges in the details of the new code has been slow, especially in more traditional and conservative rural areas. Critics speculate that the government's failure to provide adequate infrastructure to implement the new laws may have been intentional, allowing the king to be seen as a reformer without paying the domestic political costs of doing so. High levels of illiteracy among Moroccan women—an estimated 42 percent in urban areas and 82 percent in rural ones—suggest that informing women of their new rights will be an arduous process.<sup>5</sup>

Western diplomats, almost universally in favor of these reforms, have sought to help. Great Britain, Belgium, and a host of other European countries are producing publicity materials (often with little or no coordination) to spread the message to ordinary Moroccans. MEPI-funded and USAID-administered literacy projects also concentrate on

teaching sessions that involve the family code, informing women while educating them at the same time. In addition, the Global Rights Project, a two-year \$500,000 project completed in 2005, worked with local NGOs to increase the awareness and knowledge of legal rights among women, connect urban-based NGOs with local community groups, increase and diversify participation in women's groups, and expand international advocacy by Moroccan women. As of March 2005, more than 200 human rights education training seminars have been held for illiterate women throughout Morocco.<sup>6</sup>

### **Reconciliation**

By launching a human rights commission to expose past abuses by the regime, Morocco broke the mold of silence and lack of accountability that characterizes Arab regimes. The king's Equity and Reconciliation Commission, headed by former political prisoner Driss Benzekri, met with more than 10,000 claimants, victims, and witnesses between January 2004 and November 2005. The commission, known by its French acronym IER for Instance Équité et Réconciliation, investigated more than 16,000 claims of abuses allegedly committed between 1956 and 1999.<sup>7</sup> Seven of the IER's hearings were open to the public and broadcast on Moroccan television and radio.<sup>8</sup> The two-year investigation into state-perpetrated human rights abuses was without precedent in the Arab world.

The commission's 1,500-page final report judged that during the relevant time period, "state actors" inflicted illegal detentions, forced disappearances, torture, and other abuses on thousands of Moroccans. The report also outlined a reparations plan for victims and their families and set forth recommendations to advance victims' rights as well as standards to prevent future abuses. Additional recommendations included creating constitutional safeguards against disappearances, arbitrary detention, and torture; adopting a national strategy to fight against impunity within the government; increasing transparency in the decisionmaking processes; and establishing an independent judiciary. Finally, as Morocco previously had no structural body for addressing claims of human rights abuses, the IER established a forum where citizens could lodge complaints of mistreatment. The king accepted the report and its findings but has not yet acted on them.



Many in Morocco, the Arab world, and the West applaud the courage the IER process represents. Yet the IER's mandate is limited in many ways. It considers only those abuses committed under Morocco's previous government, and it looks principally at that government's foes: leftists and political opponents of the previous king. The IER process does little to address current complaints of government abuse, and it tends to be silent on the issue of Islamists, who were less of a concern for previous governments but are a growing concern for the current and future governments of Morocco. Critics also note that no religious figures served on the commission.<sup>9</sup> In the wake of the 2003 Casablanca bombings, the Moroccan government arrested approximately 2,000 Islamists suspected of supporting terrorism. Moroccan newspapers have reported cases of Islamist detainees being tortured,<sup>10</sup> and the U.S. Department of State's Country Reports on Human Rights Practices observes that Moroccan law gives wide latitude for arbitrary arrest and imprisonment, yet many officers still exceed their authority.<sup>11</sup>

In addition, some had hoped that the IER would do more than report, that it would actually name and punish alleged human rights violators, many of whom retain influential positions in the state security apparatus. During the hearings, witnesses were prohibited from revealing the names of the people responsible for abuses, and the IER was not given the authority to take alleged perpetrators, even those who were well known, to court. Supporters of the IER respond that it was intended to be a truth commission, not a judicial proceeding. They assert that its success in uncovering past crimes and putting structures in place to prevent their recurrence was more important than blaming a handful of individuals.

### **National Human Development Initiative**

Another pillar of Morocco's reform program is the National Human Development Initiative (INDH) launched by the palace in May 2005. INDH is an attempt to combat Morocco's admittedly dismal socioeconomic conditions. With adult illiteracy at nearly 50 percent and close to 20 percent of the population living below the poverty line, Morocco's economic challenges are significant.<sup>12</sup> Local government remains weak and underfunded, and corruption is rampant throughout the government and security forces. The INDH seeks to tackle these problems by catalyzing a process of decentralization and empowering local com-

munities and authorities to launch their own development projects that are based on local priorities and control their own budgets.

By prioritizing its projects on the basis of need, the INDH seeks to target 5 million people at a cost of \$1.1 billion through 2010. Organized through the Interior Ministry, which oversees both local governance and internal security, the INDH's sponsors assert that outside donors will contribute 20 percent of the program's budget. The program aims to target poor communities—rural communities with poverty rates of more than 30 percent and the 250 poorest urban quarters in the country—through a participatory development approach. The plan charges local authorities with proposing projects and then negotiating their implementation with the provincial *walis*, who are royal appointees.<sup>13</sup>

The INDH is promising, but its ultimate success is not yet clear. Some observers question whether a \$200 million annual budget is adequate for the scale of Morocco's challenges, especially in rural areas. In addition, skeptics point out that in its first phase, the centrally appointed *walis* manage the program's funds. Observers express concern that Interior Ministry agendas in Rabat are likely to have far more impact on the direction of local projects than initiatives emanating from provincial outposts such as Beni Mellal, Safi, or Oujda, let alone Marrakesh, Casablanca, or Fez. The nearly total control of what Moroccans call the *makhzen*—essentially the Moroccan ruling elite—ensures that local officials remain dependent on the central authorities for direction and their operating budgets. The country's highly centralized decisionmaking, though not unique, is an obstacle to encouraging grassroots decisionmaking.

### Integration of Islamists

What is in many ways the most daring of Morocco's recent reforms is the monarchy's resolve to incorporate Islamist parties into political life. Despite a strong regime reaction after the Casablanca bombings, the integration into mainstream politics of the Justice and Development Party (PJD, Parti de la Justice et du Développement) in the past decade has been a key ingredient of Morocco's transformation and arguably has strengthened the dynamic of change and debate under way in Morocco.<sup>14</sup>

Although skeptics argue that the Islamists were allowed to participate in order to further fragment the opposition, Morocco's move to

bring Islamists gradually into the political process set an important precedent at a time when neighboring Algeria was in the throes of a bloody civil war after its own failed experiment with electoral reform. Algeria's experiment, which both shut down a cautious move toward democratization and plunged the country into violence, influenced both the Moroccan government and the PJD. Each side sought to avoid repeating the Algerian experience. As a consequence, PJD members actively engage in coalition politics and make political compromises, proving that they are every bit as political as they are Islamic.

The PJD's incorporation was also a strategy to counter the popularity of the Justice and Charity Movement (JCM, also known as Justice and Spirituality, from the Arabic *al-'adl wal-ihsan*), an Islamic movement that rejects the political and religious authority of the king. Although it is difficult to accurately gauge the extent of support for JCM, its viewpoint remains an important factor within Moroccan society. Unlike the PJD, which accepts the current political system, JCM rejects the existing political order and calls for a new compact based on Islamic principles. Both the PJD and JCM have sought to distance themselves from the platform of the other and compete for allegiance within the political sphere. PJD strength gained through official political activity may push the JCM increasingly to the margins of tolerated political activity.

Despite the uncertainties of the PJD's ultimate political and religious objectives, its integration has had a stabilizing effect on Moroccan politics. Through dialogue with the regime, a segment of those who view Islam as a central guide in political life has agreed to play by the rules of the game. In the most recent legislative election in 2002, the PJD, through an informal agreement with the Interior Ministry, limited the number of seats it would contest and thereby assured itself of remaining a minority party. The PJD was still able to secure 42 seats in the 325-seat Parliament. Most observers, both inside Morocco and abroad, agree that if the 2007 elections are fair, the PJD will win a majority of votes.<sup>15</sup> PJD behavior in the 2007 legislative elections could strongly color the future course of Moroccan politics, positively or negatively. Should the PJD be tapped to form a government following those elections, there is a risk of confrontation with the *makhzen* over the issue of constitutional reform that the party has been cautiously promoting. The party's leadership has spoken of "sharing authority

with the king,” strengthening the power of the prime minister and the Parliament, and diminishing the power of the monarch.

Another fear is that the PJD could attempt to use its increased influence to enact religiously based laws. The party leadership initially opposed any changes to the *moudawana* but bowed to pressure in the aftermath of the Casablanca bombings. Some secularists fear that the party’s true intention is to Islamicize public life, progressively restricting freedoms as they gain more power.

If the secularists are right, the Moroccan government’s strategy of bringing in the PJD while excluding the JCM will only produce a Pyrrhic victory, subsuming the rights of the individual to the rule of clerics. Current Moroccan government efforts are placing a different bet: that progressive engagement with the political system will both moderate Islamic groups and give a political voice to many who are currently feeling dispossessed and alienated from politics. U.S. and European policymakers appear to be making the same bet in Morocco as they engage with the PJD and include party members in their democracy promotion activities. Underlying the Moroccan government’s position also appears to be a realization that the country’s politics cannot grow increasingly pluralistic while excluding the many citizens who seek a religious imprint on domestic governance. Of all of the changes that King Mohammed has put forward, this one holds both the greatest risk and the greatest promise for reward.

## CHANGING THE RULES OF THE GAME

King Mohammed VI has also promoted a process of change and reform that aims to improve the functioning of government. Many of these initiatives are along the lines of traditional reform efforts by governments around the world; their lack of uniqueness, however, makes them no less important.

### **Economic Liberalization**

Since the 1990s, Morocco has embarked on a series of economic restructuring programs to promote foreign and domestic investment, cut public expenditures, and privatize key sectors, thereby spurring greater competition. The government has also strengthened property rights and reformed labor regulations with the aim of developing new businesses and attracting investment.

Despite these reforms, reports by the World Bank and IMF indicate that Morocco has experienced growth in its gross domestic product (GDP) of only 3.5 percent per year over the past decade, an insufficient growth rate to curb unemployment and poverty or adequately fund the INDH.<sup>16</sup> In addition, Morocco continues to rely heavily on an agricultural industry that is at the mercy of unreliable rainfall. While the government is attempting to move economic activity toward industry and commerce, agriculture still accounts for 40 percent of the workforce while it produces merely 12–16 percent of GDP.<sup>17</sup> Morocco's lucrative drug trade, estimated to supply one-third of the world's cannabis resin<sup>18</sup> also fuels criminal networks and corruption and reinforces a dependency on agriculture. In addition, a select group of families that benefit from the status quo continues to control most economic interests in the country. Mohammed VI, who was hailed as "king of the poor" after his ascension to the throne, still indirectly controls a significant portion of the Moroccan economy. Royal assets account for a large share of the capitalization of the Casablanca stock exchange through significant holdings in Morocco's largest conglomerate, Omnium Nord Africain (ONA). Critics charge that ONA is so dominant in the Moroccan economy that free-market competition is nearly impossible.<sup>19</sup>

Economic reforms do not guarantee political reforms, but without a conducive economic environment it is unlikely that political reforms can proceed. Globalization and competition from East Asia have hurt Morocco's textile exports as well as other exports. Already grappling with an official unemployment rate of close to 12 percent (unofficial estimates are much higher), Morocco must balance the short-term risks and pain of economic liberalization with the long-term cumulative benefit to its economy. Without addressing these key issues and without allowing more space for economic competition, Morocco will find it difficult to realize the full potential of its economic reforms. More alarming, the World Bank expressed concern that even with Moroccan reform proceeding apace, in the next decade "poverty and exclusion could reach levels that provoke social tensions that would be difficult to manage."<sup>20</sup>

## Parliamentary Authority

Morocco has had a multiparty system since its independence in 1956 and regularly holds parliamentary elections.<sup>21</sup> Like most elections in the Arab world, they have historically been a facade of political participation, allowing the monarchy to maintain the semblance of competition while tightly controlling the outcome. However, the elections in 2002 were considered mostly free and fair and expanded popular representation if not popular power, and the 2007 elections will be an important bellwether of the direction of Morocco's parliamentary politics.

More than 30 political parties compete in Morocco's parliamentary system. Aside from the PJD, little differentiates one party from another. Even those with an established following and history, such as the Independence Party (Istiqlal) and the former opposition Socialist Union of Popular Forces (USFP), have little to offer voters. Critics complain that Morocco's Parliament is almost as powerless as it is diverse. Article 19 of the Constitution describes the king as the "supreme representative of the nation," and it is within his power to terminate the tenure of any member of Parliament, dissolve the Parliament, and call for new elections.<sup>22</sup> In addition, the king may revise or veto any piece of legislation; circumvent the Parliament entirely by acting through a rule or decree; and appoint the prime, foreign, interior, justice, and Islamic affairs ministers. Parliament's upper house, which is indirectly elected, also has the power to override any legislation from the lower house, giving the palace another lever of power in the Parliament. Even Parliament's nominal oversight role is minimal: it can approve or reject the state's annual budget, but it may not make additions or revisions. The prime minister serves at the pleasure of the king, appoints only some of the members of cabinet, and lacks the power to either dismiss ministers or call meetings of the cabinet.

Given the subordinate role of Parliament, it should not be surprising that political parties are typically weak, top-heavy organizations that often show greater loyalty to the king than to their constituents. Power is so centralized in the palace that there is little incentive for parties to work at the local level. Within such a system, legislators have little incentive to demand change, and among the chief drivers of reform in Morocco, Parliament is noticeably absent. There is one exception in the uninspiring Parliament: Islamists. The PJD has earned

a broad popular base in recent years by campaigning on a platform of transparency and accountability. It imposes party discipline on its parliamentarians by publishing attendance records, and it requires its members to actively participate in parliamentary debate. While the party is only the third largest in Parliament, its activism has been unmatched.

If the PJD wins significantly more seats in the next election, it will apply increasing pressure on the palace to clarify its vision for power sharing between the executive and the legislature.

### **Freedom of Speech and the Press**

One of the most noticeable changes in Morocco over the past few years has been the ability of the press to constantly test the limits of acceptable public discourse. Independent journalists and publications have broken many taboos by reporting on the monarchy, Islam, Western Sahara, and government corruption. This courage has not come easily; nor has it come without severe repercussions in some cases. Still, the trend has made Morocco's press freer than all of its neighbors, and journalists have played an important role in the public debate on poverty, corruption, and democratization.

The revised press code of 2002 illustrates the contradictions and challenges of Morocco's wider reform process. A revised press code reduces jail time for journalists accused of insulting the king, Islam, or Morocco's "territorial integrity" although it does not eliminate such penalties. The new law makes it more difficult for the security services to confiscate and shut down publications, but journalists continue to face pressure. According to the State Department's human rights report, "Journalists consistently practice self-censorship."<sup>23</sup> More alarmingly, antiterror legislation hastily passed in the wake of the 2003 bombings is also used to prosecute journalists. Several have been arrested under these laws although they were released later. Advocacy groups also note that the government sometimes singles out independent journalists who cross the red lines, and they assert that several journalists have been prosecuted without justification and given lengthy prison sentences.<sup>24</sup> One editor, Ali Lmrabet, was imprisoned for "insulting the king's person, threatening the integrity of the national territory, and undermining the monarchy." His four-year sentence was commuted,

and he was later released, although he was barred from practicing journalism for 10 years.

The government also uses an array of economic levers to punish independent journalists who cross certain red lines. The most common is to pressure advertisers, the main source of income for the independent press, to withhold advertisements in certain publications, making continued publication financially difficult. In another legal proceeding, a Belgian think tank sued the editor of a Moroccan French-language weekly for slander for suggesting that the Moroccan government had commissioned a favorable report on Western Sahara. The Moroccan court hearing the case denied the defendants' request to call expert witnesses and awarded damages of 3 million dirham, or approximately \$340,000.<sup>25</sup>

Despite the diversity now apparent in the written press, the electronic media remains firmly under state control. In many ways, they are far more important. In 2005, the total circulation of print publications was estimated at only 300,000, or approximately 1 percent of the population. In stark contrast, nearly 75 percent of households have a television.<sup>26</sup> Although a 2003 law liberalized the country's audiovisual sector by opening up the government's monopoly on radio and television to investors, all but one radio station, Tangier-based Medi-1, continues to operate under government control. Foreign-owned satellite stations such as Al Jazeera and Al Arabiya are making some inroads with audiences, but their coverage of local issues is often scant. Internet access is growing, although the government closely monitors and blocks some Islamist Web sites and those that support sovereignty for Western Sahara.<sup>27</sup>

## Notes

<sup>1</sup>David Seddon, "Riot and Rebellion: Political Responses to Economic Crisis in North Africa (Tunisia, Morocco and Sudan)," Discussion Paper no. 196. University of East Anglia, School of Development Studies, October 1986, <http://www.eco.utexas.edu/~hmcleave/357Lseddon.pdf>.

<sup>2</sup>Abdeslam Maghraoui, "Monarchy and Political Reform in Morocco," *Journal of Democracy* 12, no. 1 (January 2001): 78.

<sup>3</sup>King Mohammed VI, "Message by H.M. King Mohammed VI on National Press and Communication Day," November 15, 2002, [http://www.mincom.gov.ma/english/generalities/speech/2002/national\\_press\\_day.htm](http://www.mincom.gov.ma/english/generalities/speech/2002/national_press_day.htm).



<sup>4</sup>For an English translation of the family code, see Human Rights Education Associates, “The Moroccan Family Code (*Moudawana*) of February 5, 2004,” <http://www.hrea.org/moudawana.html>.

<sup>5</sup>Stephanie Willman Bordat and Saida Kouzzi, “The Challenge of Implementing Morocco’s New Personal Status Law,” Carnegie Endowment for International Peace, *Arab Reform Bulletin* 2, no. 8 (September 2004), <http://www.carnegieendowment.org/publications/index.cfm?fa=view&id=15783#morocco>.

<sup>6</sup>See U.S. Department of State, “Middle East Partnership Initiative: Women’s Rights,” n.d., <http://mepi.state.gov/c15980.htm>.

<sup>7</sup>See Human Rights Watch, *Morocco’s Truth Commission: Honoring Past Victims during an Uncertain Present* (New York: Human Rights Watch, November 2005), chapter 6, <http://hrw.org/reports/2005/morocco1105/morocco1105wcover.pdf>.

<sup>8</sup>The commission originally planned to hold 20 public hearings in each of Morocco’s region, but the number was reduced to 7. For a full account, see Pierre Hazan, “Morocco: Betting on a Truth and Reconciliation Commission,” United States Institute of Peace, Special Report no. 165, July 2006, <http://www.usip.org/pubs/specialreports/sr165.html>.

<sup>9</sup>Ibid.

<sup>10</sup>See “Moroccan Human Rights League Wants Truth about Torture, Other Abuses,” Assabah Web site, February 2, 2005, from BBC Worldwide Monitoring, February 3, 2005.

<sup>11</sup>U.S. Department of State, Bureau of Democracy, Human Rights, and Labor, “Morocco: Country Reports on Human Rights Practices,” March 8, 2006, <http://www.state.gov/g/drl/rls/hrrpt/2005/61695.htm>.

<sup>12</sup>According to the World Bank, poverty levels in Morocco can fluctuate significantly depending on Morocco’s agricultural output, which depends on rainfall. See World Bank, “Morocco: Overview,” December 2005, <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/MOROCCOEXTN/0,,contentMDK:20215323~pagePK:141137~piPK:141127~theSitePK:294540,00.html>.

<sup>13</sup>According to a Moroccan government publication, the INDH scheduled 1,104 projects in 2005; most went to rural development initiatives. See BdD Développement Economique et Social, “Initiative Nationale pour le Développement Humain,” January 2006, [http://doc.abhatoo.net.ma/doc/article.php3?id\\_article=2122](http://doc.abhatoo.net.ma/doc/article.php3?id_article=2122).

<sup>14</sup>The PJD emerged from the Movement for Unity and Reform, a blend of various Islamic organizations that ran under the PJD party in the 1997 elections.

<sup>15</sup>A poll conducted in Morocco by the International Republican Institute in December 2005, and later leaked to the press, reportedly demonstrated that 47 percent of voters would vote for the PJD. See Roula Khalaf, "Morocco Sees the Rise of Acceptable Islamist Party," *Financial Times*, May 23, 2006.

<sup>16</sup>*Economist* Intelligence Unit, "Country Report: Morocco," November 2005, 24.

<sup>17</sup>Oxford Business Group, "Morocco-Country Profile," 2005, <http://www.oxfordbusinessgroup.com/country.asp?country=27>.

<sup>18</sup>See *2006 World Drug Report* (Vienna: United Nations, Office on Drugs and Crime, Vienna, June 2006), [http://www.unodc.org/pdf/WDR\\_2006/wdr2006\\_volume1.pdf](http://www.unodc.org/pdf/WDR_2006/wdr2006_volume1.pdf).

<sup>19</sup>Jeremy Landor, "Bitter Pill to Swallow in the Sahara," *Guardian Unlimited*, March 7, 2004, <http://www.guardian.co.uk/globalisation/story/0,,1163651,00.html>.

<sup>20</sup>"Country Report: Morocco," 24.

<sup>21</sup>Morocco's bicameral Parliament comprises the Chamber of Representatives that is directly elected by popular vote for five-year terms and has 325 seats and the Chamber of Counselors, to which members are indirectly elected through various regional, local, and professional councils. One-third of the members of the Chamber of Counselors are renewed every three years.

<sup>22</sup>U.S. Department of State, "Background Note: Morocco," July 2006, <http://www.state.gov/r/pa/ei/bgn/5431.htm>.

<sup>23</sup>"Morocco: Country Reports on Human Rights Practices."

<sup>24</sup>Reporters Without Borders, "Third Annual Worldwide Press Freedom Index: East Asia and Middle East Have Worst Press Freedom Records," 2004, [http://www.rsf.org/article.php3?id\\_article=11713](http://www.rsf.org/article.php3?id_article=11713).

<sup>25</sup>Reporters Without Borders, "Appeal Court Upholds Exorbitant Damages Award against *Journal Hebdomadaire*," April 18, 2006, [http://www.rsf.org/article.php3?id\\_article=17166](http://www.rsf.org/article.php3?id_article=17166).

<sup>26</sup>See World Bank, "ICT at a Glance," [http://devdata.worldbank.org/ict/mar\\_ict.pdf#search=%22morocco%20televisions%20per%20capita%22](http://devdata.worldbank.org/ict/mar_ict.pdf#search=%22morocco%20televisions%20per%20capita%22).

<sup>27</sup>See Freedom House, "Country Report: Morocco (2005)," <http://www.freedomhouse.org/template.cfm?page=22&year=2005&country=6795>.



## CHAPTER FIVE

---

### EXTERNAL EFFORTS TO SUPPORT MOROCCAN REFORM

For both the United States and Europe, Morocco rates as a medium- to high-priority development target. As such, it takes its seat behind perennial aid recipients such as Israel, Egypt, Jordan, and more recently Iraq for the United States; and Turkey and the Palestinian Authority for Europe. Each of these countries receives billions of dollars and hundreds of millions of euros in foreign assistance annually, as much for reasons of politics as development.

It is among the next tier of priorities that Morocco shines. With a reform-leaning government, a history of ties to the West during the Cold War, a large European emigrant population that in some cases is becoming radicalized, and the threat of radical groups within the country itself, Morocco is a country many Westerners want to help succeed. Direct government assistance is most often in the tens of millions of dollars for the United States and in the hundreds of millions of euros for European countries, and the assistance is targeted toward promising projects and key priorities of the donor nations. Other funds come in as well, from charities and NGOs, and Morocco receives further support through preferential terms of trade with the United States and the EU. It is unlikely that even the Moroccan government itself is aware of all of the external support that comes to Morocco, but the governmental portion is by far the largest piece.

In this, the United States and Europe have tended to take different approaches. For the most part, U.S. efforts to assist Morocco have been on a relatively small scale and generally directed at building local capacity. The U.S. approach draws on two aspects of the U.S. experience. First, the long history of decentralized control in the United States has

created an elaborate system of overlapping local, state, and federal sovereignty that is central to the way governance works. Few Americans can imagine a democracy that is not highly decentralized; and the notion of overlapping authorities is taken for granted. In addition, the United States is a highly individualistic society that places a premium on individual autonomy. Rights do not accrue to groups directly but, instead, represent an agglomeration of the rights of individuals who belong to those groups.

The European approach to aiding Morocco has tended to be centered less on the rights of individuals and directed more toward promoting change in the society at large. Europe's efforts are centered on the state, on infrastructure, and on macroeconomic indicators. Indeed, if there is a single element that characterizes the European approach, it is to stress government-to-government dialogues as a path to promoting change rather than through extensive work energizing the grass roots. Such an approach is consistent with European norms, which, while not uniform across 25 EU member states, tend to emphasize collective rights and societal prerogatives over the individual.

## **U.S. PROGRAM OVERVIEW**

The United States provides slightly less than \$30 million per year in assistance to Morocco, largely through USAID. In 2006, USAID devoted its funding to three areas of activity: increasing economic growth and job creation, improving education and training for employment, and improving government responsiveness to citizens' needs. In addition, Morocco has received \$16 million in MEPI funds in the last three years, encompassing both Morocco-specific programs and cross-country programs that include Moroccan participants.

Most of the assistance in the economic sector is tied into implementation of the 2004 U.S.-Morocco Free Trade Agreement, which entered into force in January 2006. As a result of the FTA, more than 95 percent of bilateral trade in consumer and industrial products became duty free, with a promise to remove remaining tariffs within nine years. In addition, Morocco agreed to open up access to its service industry; grant U.S. companies the right to enter into joint ventures with Moroccan companies in the banking, insurance, and securities industries; open its telecommunications industry; publish laws and regulations governing trade and investment; combat bribery, piracy, and coun-

terfeiting; protect patents, trademarks, and copyrights; and increase protection for the environment and workers rights.<sup>1</sup>

The agreement stipulated that Morocco adopt a series of policy reforms, and U.S. assistance helps pay for that process. In addition, the United States supported market research to develop trade. Overwhelmingly, U.S. assistance has been focused on Morocco's agricultural sector, which accounts for approximately 40 percent of the workforce but only 12–16 percent of GDP.<sup>2</sup>

The largest portion of education funding goes to increasing the relevance of high school education to the needs of the marketplace. More than \$7 million in 2005 went toward identifying schools, recruiting business participation, designing programs, and beginning faculty training. USAID also invests just over \$6 million a year in improving basic education at the elementary and middle school levels, teacher training, and parent involvement.

The political pillar of USAID funding often gets the most attention in Washington because it is in the area of democratization that Morocco stands out so prominently from its neighbors. In 2005, USAID invested more than \$5 million to support local government and decentralization, fund workshops and conferences, supply trainers, and create integrated budget and planning systems. Slightly less was invested in supporting reforms in the Moroccan Parliament, helping “strengthen Parliament’s oversight and policy assessment capacity, as well as its ability to review the national budget.”<sup>3</sup>

Generally, USAID funds do not go directly to Moroccan recipients but instead to U.S.-based contractors that execute the projects. These contractors, in turn, hire subcontractors to carry out many of the activities, sometimes creating long chains of accountability.

Efforts in what USAID calls “democracy and governance” have been augmented—and, some might argue, duplicated—by some of the activities of the Middle East Partnership Initiative. MEPI funding added millions of dollars to the democracy and governance pot as it supported efforts to strengthen political parties (at both the national and regional levels), boosted the actions of grassroots and local organizations, trained women and girls, and encouraged entrepreneurship. Some of the larger MEPI recipients were the National Democratic Institute and the International Republican Institute, quasi-governmental

organizations affiliated with the major U.S. political parties and dedicated to strengthening political processes around the world.

USAID in Morocco provides an institutional umbrella and administers MEPI projects, but MEPI has its own set of priorities, parameters, and modalities. Because many of the MEPI programs in Morocco were part of regionwide initiatives with U.S.-based sponsors, they tended to involve individuals affiliated with a wide variety of institutions and not just a small number of Moroccan government institutions; for that reason, they have been more resource intensive for USAID to administer. More troubling, a difference in culture between USAID and MEPI—an institutionalized, big-money operation versus a more entrepreneurial, small-grant shop—also seems to have raised frictions between the two organizations.

In a rather blunt assessment of the impact of MEPI projects on the USAID mission, USAID complained that “an internal audit demonstrated that not all of the MEPI-funded activities contribute to its strategic objectives, and performance indicators were not defined. The quick-response nature of selected activities is not always consistent with the need for sustainability.”<sup>4</sup> It is not surprising that different people would have different approaches to the task of assisting Moroccan reform. Although relations between the embassy and the USAID mission in Morocco are generally good, the inevitable resentment and infighting within individual country missions suggest how difficult international coordination is in general, let alone coordination with host governments.

Another potential area of battle is looming, and that is Morocco’s participation with the Millennium Challenge Corporation (MCC). Although Morocco has not yet reached an agreement with the United States on MCC funding, a State Department press release reported a prediction by the chief executive officer of the MCC that, when such funding comes through, it “may be for ‘significantly’ more than MCC’s highest compact so far, which is approximately \$500 million.”<sup>5</sup> Such a commitment would likely more than quadruple the size of the U.S. aid program in Morocco. As the MCC has its own set of priorities and mechanisms—and during its creation was purposely kept outside of USAID—the political cacophony on the U.S. side is likely to grow louder rather than quieter.

For all of their differences in approach, the U.S. programs tend to share an important characteristic: they are directed toward the demand side of internal change. There is a preference in the projects outlined above for working with people rather than institutions, and the projects stress individual empowerment and capacity building over infrastructure or grand projects.

## EUROPEAN PROGRAM OVERVIEW

Compared with U.S. levels of funding, Europe is a far more significant player in Moroccan development. The European Union itself donates nearly 10 times the amount of money as the United States and is embarking on a far more ambitious agenda of programs. Individual countries make significant contributions as well. France's contribution alone is more than \$300 million annually, exceeding that of the entire European Union by more than 60 percent. Germany and Spain—at \$75 and \$72 million, respectively, in 2003—individually gave almost three times as much as the \$23 million given by the United States in the same year.<sup>6</sup>

Two things are striking about the European plans. The first is the emphasis on dialogue in order to reach common goals. The association agreement the EU signed with Morocco in 2000 calls for macroeconomic dialogues; exchange of information and training; joint ventures; and a commitment to combat money laundering, drug trade, organized crime, and migration. On the social front, it calls for dialogues and programs to address concerns over living and working conditions of workers, migration and illegal immigration, social and economic development of women, family planning, and health care.<sup>7</sup> In 2003, the Association Council created six new subcommittees covering the internal market; industry, trade, and services; transport, environment, and energy; research and innovation; agriculture and fisheries; and justice and security. The council also set out to create a new subcommittee on human rights, democratization, and governance.<sup>8</sup>

The EU's commitment to dialogue also saw the creation of the Euro-Med Parliamentary Assembly in 2003 and the establishment of the Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures in 2004, both aimed at promoting trans-Mediterranean dialogue and understanding.<sup>9</sup> The example of Morocco confirms,



however, that there is relatively scant reporting on the outcomes of all of these meetings or the innovations they have helped produce. Some European diplomats complain that the groups are far better at producing discussions than results. Nonetheless, such dialogues continue to play a key role in the EU's approach to the Mediterranean.

The second striking aspect of Europe's relationship with Morocco is how much more willing Europe is to invest in physical infrastructure rather than individual training and human rights promotion. The EU committed €90 million in 2003 alone for slum clearance, in a project covering everything from knocking down buildings, to building new ones, to compiling volumes on the requisite accounting regulations. In another example, the European commitment merely to renovate two 30-kilometer stretches of road in northern Morocco exceeds the entire annual U.S. aid budget for Morocco.<sup>10</sup> Although Europe did put some funds into human capacity building, those funds amount to approximately 5 percent of Europe's overall aid spending in the country, whereas the U.S. percentage was much closer to 50.

Along these lines, the case of Morocco also illustrates Europe's general reluctance to invest in civil society and political initiatives. For instance, projected EU and member-state disbursements to Morocco in 2003 through the National Indicative Program (NIP) allocated a total of €1.3 million toward gender equality initiatives and €275,000 toward NGO support, while a total of €48 million was set aside for water supply and sanitation measures and €38 million for transport and storage aid.<sup>11</sup> As these examples demonstrate, Europe values constructing things one can see, while the United States prefers to promote more intangible outcomes. In addition, the EU and its member states are far more likely to give their aid money directly to the pertinent ministries or to NGOs based in Europe or target countries rather than local organizations. Professional consultants appear to play a far lesser role in European planning, while local officials and Europe-based NGOs reap far more of the rewards.

Despite the conditional requirements of the association agreement, European leaders have expressed frustration with Morocco's unwillingness to comply with many of the agreement's provisions, particularly those that call for increased economic competition and liberalization. While it is too soon to tell whether the United States will have better success with Moroccan compliance, there is broad disagreement over

whether FTAs can ever contribute to political reform. One view is that free trade leads to stronger property rights, competition, and investment, which necessitate transparency, anticorruption measures, and the rule of law—all of which lead to increased prosperity, a stronger middle class, and, finally, political reform. This view is firmly supported by EU officials, who continue to place trade liberalization at the top of the Euro-Med agenda despite ongoing reluctance from some member states to open European markets to cheaper agricultural imports from the South.<sup>12</sup>

Another view is that free trade only reinforces the social and political status quo, and that, where there are not already strong economic and political freedoms, FTAs are unlikely to strengthen the overall economy, reduce poverty, or induce reform. This is a particularly acute concern in Morocco, where a tiny elite controls a disproportionate amount of capital. One U.S. analyst argues that the benefits of free trade can be realized only when a participating nation already has a “critical mass of institutions facilitating economic expansion” and is concerned that Morocco “may not be at the point where expanded trade is capable of inducing improved governance structures capable of sustaining and expanding growth and trade.”<sup>13</sup>

## COORDINATION AND COOPERATION

While donors—and the Moroccan government itself—broadly agree on development goals for the country, coordination among donors continues to lag. According to one account, the Moroccan Ministry of Finance pledged to take the lead in creating a framework for donor coordination, but much of the work on the subject so far has been done through ad hoc meetings of donor nations themselves.<sup>14</sup>

As suggested above, different donor philosophies often lead to different priorities. In some cases, such as publicizing the *moudawana*, similar philosophies in favor of women’s empowerment led to broad yet uncoordinated donor support that might have been more efficient with greater cooperation among sponsoring governments.

Where the lack of transatlantic donor coordination is perhaps most harmful is in the realm of conditionality. Conditionality is not always effective, but studies and experience suggest that it can be, especially when the targeted behaviors are narrowly chosen, when there are clear and objective indicators of compliance, and when there are significant

rewards (or punishments) for compliance. However, donor disarray on issues of conditionality undermines the effectiveness of any effort to impose it. Multiple donors pursuing multiple agendas simultaneously muddy the waters and weaken or negate both the rewards and punishments for compliance. In late 2004, an OECD report on Morocco concluded that “no streamlining of conditions is currently reported in any sector or modality at the present time.”<sup>15</sup> There are no indications that this trend is changing.

What is perhaps most positive about U.S. and European efforts to promote reform in Morocco is the extent to which the Moroccan government has made itself an attractive target for assistance. Aid to Morocco is increasing, not decreasing, and all bilateral and multilateral donors consider Morocco an important case study for improved coordination. This support is not merely a reflection of Morocco’s poverty—a poverty that is found or exceeded in much of the developing world—nor of its strategic importance to the United States and to Europe. The government of Morocco has also managed to persuade the international community that it is serious about change, and serious about an international partnership to help achieve that change.

## Notes

<sup>1</sup> See U.S. Trade Representative, “Free Trade with Morocco: A Vital Step Towards Middle East Reform,” March 2, 2004, [http://www.ustr.gov/Document\\_Library/Fact\\_Sheets/2004/Free\\_Trade\\_with\\_Morocco\\_A\\_Vital\\_Step\\_Towards\\_Middle\\_East\\_Reform.html](http://www.ustr.gov/Document_Library/Fact_Sheets/2004/Free_Trade_with_Morocco_A_Vital_Step_Towards_Middle_East_Reform.html).

<sup>2</sup> Oxford Business Group, “Morocco-Country Profile,” 2005, <http://www.oxfordbusinessgroup.com/country.asp?country=27>.

<sup>3</sup> USAID, “Morocco: Data Sheet,” 2004. <http://www.usaid.gov/policy/budget/cbj2006/ane/pdf/ma608-013.pdf>.

<sup>4</sup> USAID, “USAID Budget: Morocco,” 2005. <http://www.usaid.gov/policy/budget/cbj2006/ane/ma.html>.

<sup>5</sup> U.S. Department of State, International Information Programs, “U.S. Aid Group To Name Three More Recipients, Official Says,” January 27, 2006, <http://usinfo.state.gov/af/Archive/2006/Jan/31-862302.html>.

<sup>6</sup> Organization for Economic Co-operation and Development, “Morocco,” [www.oecd.org/dataoecd/23/6/1882353.gif](http://www.oecd.org/dataoecd/23/6/1882353.gif).

<sup>7</sup> See European Union, “The Euro-Mediterranean Partnership: Association Agreements,” [http://europa.eu.int/comm/external\\_relations/euromed/med\\_ass\\_agreemnts.htm](http://europa.eu.int/comm/external_relations/euromed/med_ass_agreemnts.htm).

<sup>8</sup> European Union, “The Euro-Mediterranean Partnership: Morocco-National Indicative Program, 2005–2006,” 2004, [http://ec.europa.eu/comm/external\\_relations/morocco/csp/nip0506.htm](http://ec.europa.eu/comm/external_relations/morocco/csp/nip0506.htm).

<sup>9</sup> See Miltiadis Makriyannis and Ioannis Seimenis, “Reinvigorating the Parliamentary Dimension of the Barcelona Process: The Establishment of the Euro-Mediterranean Parliamentary Assembly,” *Mediterranean Quarterly* 16, no. 2 (Spring 2005), 89–90; and EuroMed, “Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures,” <http://www.euromedalex.org/En/BackGround.htm>.

<sup>10</sup> European Union, “The Euro-Mediterranean Partnership: Morocco-National Indicative Program, 2005–2006,” 23, 25.

<sup>11</sup> *Ibid.*, 37.

<sup>12</sup> Michael Emerson et al., “The Reluctant Debutante: The European Union as Promoter of Democracy in Its Neighbourhood,” Centre For European Policy Studies, Working Document no. 223, July 2005, 22, [http://shop.ceps.be/BookDetail.php?item\\_id=1242](http://shop.ceps.be/BookDetail.php?item_id=1242).

<sup>13</sup> Robert Looney, “US Middle East Economic Policy: The Use of Free Trade Areas in the War on Terror,” *Mediterranean Quarterly* 16, no. 3 (Summer 2005): 102–117.

<sup>14</sup> Organization for Economic Co-operation and Development, “Survey on Harmonisation and Alignment: Morocco,” 2005, <http://www.oecd.org/dataoecd/41/60/33813558.pdf>.

<sup>15</sup> *Ibid.*, 83.



## CHAPTER SIX

---

### MOROCCO AS A MODEL?

Speaking at an event marking the release of Moroccan prisoners of the Western Sahara conflict, Senator Richard Lugar (R-Ind.), chairman of the U.S. Senate Committee on Foreign Relations, articulated the important role Morocco plays in the U.S. strategy for the region:

Morocco is a model of reform in the region. The passage last year of the new family code that protects the rights of women was not just a landmark event for Morocco, but a shining example of government-led reform supported by civil society for all countries in the Middle East and North Africa region. The United States looks to Morocco as a reform leader in the region. Reform will secure long-term stability and prosperity in the region and remains a priority for the United States and all of the members of the G-8.<sup>1</sup>

In the past several years, Morocco has taken a number of profound steps toward political and economic transformation, setting the country at the forefront of reform efforts in the Middle East and North Africa. By regional standards, it has made significant strides in women's rights, freedom of the press, and multiparty politics. Morocco is the only Arab country to qualify for Millennium Challenge Corporation funds and continues to be seen as a model of political inclusion in the region. On the economic front, the country has embarked on a path of economic restructuring and has signed free trade agreements with both the United States and the EU. Morocco has undertaken a courageous and ambitious reform plan as it faces a host of complex challenges, none of them wholly unique. Transformation under any circumstances is difficult, but it is especially risky in Morocco, a country beset by high unemployment, rural poverty and illiteracy, and the

existence of a large and vocal Islamist movement that seeks to unseat the monarchy—a monarchy that also happens to be the driving force behind the reform process.

The United States and Europe are eager for a success story and model for successful transformation in the Arab world. Both the United States and Europe have sought to highlight Morocco's success, hailing the country as a model for reform in the region. Morocco has proved eager to fulfill the role.

Morocco provides several useful lessons for those interested in Middle East reform.

- **Morocco's experiences highlight the importance of government leadership in managing the reform process.** While civil society has grown increasingly vocal and active, it has done so under government inducements—and government constraints. The Moroccan monarchy is clearly the most important driver of reform in the country, and it has made reform a strategic priority. It both sets the agenda and closely regulates the pace of reform. Within this leadership lies a danger, however: namely, that too much leadership and control will prevent true reform from taking root. The use of royal decrees (*dahir*) combined with the unchecked power of many appointed officials in government contributes to a perception that decisionmakers are unaccountable. Many sectors of Moroccan society claim they have felt excluded from debate over reform both within Morocco and with external actors. A key test facing the Moroccan government will be the skill with which the palace adopts a lower profile in promoting reform, its willingness to yield some of the initiative to forces beyond its control, and the degree to which the monarchy permits a genuine devolution of power to local elected officials.
- **Morocco's experience demonstrates that it is possible to reform politics and economics simultaneously and that the two processes can be reinforcing.** Many of Morocco's neighbors have sought to sequence their reform efforts, promoting economic reform in the near term and deferring true political reform to a time of greater prosperity and security. Morocco has recognized that its political opening cannot succeed without simultaneous economic improvement, and vice versa. In actively pursuing this linkage, Morocco is undertaking a risk. In the near term, eco-

conomic reform and restructuring programs often hurt the most vulnerable sectors of society. Cuts in subsidies can set off riots, as they did in Morocco in the 1980s. The Moroccan government is placing a major bet that it can persuade the public of the wisdom of restructuring, thereby weathering the transition period. Thus far, that gamble has paid off, and a more vibrant political sphere has been its most immediate result.

- **Morocco's experience suggests that Islamist movements can be brought into the political process.** While many of Morocco's neighbors—such as Tunisia and Egypt—have sought to explicitly exclude Islamist parties from political participation, thus far Morocco has successfully managed their integration into mainstream politics. Islamists organize and campaign, and those that participate in parliamentary life remain pledged to the survival of the current system. They play by the same rules as other parties, and other parties interact with them. At the same time, a clear line excludes some Islamists from participating in politics because they refuse to accept those same ground rules. It is too early to conclude whether this has been a successful effort. It is also too early to tell whether political participation truly moderates these parties and their adherents or merely moderates their public speech. Nevertheless, the Islamists are part of a broadening of participation in political life, and the skill with which they campaign and serve in office is a spur to other parties to improve their performance as well.
- **Morocco's experience suggests that monarchies have certain advantages in promoting democratic reform over systems that purport to be republics.** Kings in countries such as Morocco have a degree of natural legitimacy without the need to prove their popularity, as many presidents in the region must do. As such, monarchs have a greater ability to reach accommodations with political opposition forces because their opposition is not so much to the monarch as to the parties allied to him. A king's trust can be abused not only through personal excesses but also through excesses committed in his name; there is no shortage of examples of that, either in Morocco or in the region more broadly. With wisdom and patience, however, Morocco's king can promote a long-term vision for the country far better than most politicians



can. In Morocco, it has been the king who has defined Morocco's challenges as a race against the clock, and it was the king who insisted on the adoption of unpopular measures in the name of national interest.

- **Morocco's experience demonstrates that outside parties can play a useful role in promoting reform, but they cannot force reform.** The key drivers of the Moroccan reform process during the past several decades have almost entirely been domestic factors. At the same time, external support has helped direct attention toward specific internal reform efforts and has helped the government execute them. More than most countries, Morocco has avoided a sense that it is merely responding to foreign donors. The Moroccan government instead has successfully put forth the idea that foreign donors are responding to Moroccan initiatives and the Moroccan national interest.
- **Morocco's experience demonstrates that there is wisdom in both the top-down approach generally favored by European donors and the bottom-up approach that the United States often pursues.** The Moroccan government's sustained interest in reform vindicates in many ways the European model of promoting political reform, which stresses long-term engagements with governments. In recent years, reform efforts have been less effective in countries like Egypt and Tunisia, where the regimes continue to be ambivalent or make no pretenses of their commitment to political reform. But the top-down approach has its limits and is more likely to succeed when the regime allows sufficient space for an active civil society and political groups that are willing to press the regime. In this sense, the U.S. approach of supporting civil society and political activists is also an important element of reform. In Morocco these two approaches have converged, which has created a robust and healthy debate over the reform process.
- **Morocco's experience suggests that outside donors should seek coordination more than cooperation as there is far more agreement on long-term outcomes than there is on the methods to achieve them.** U.S. and European approaches to reform agendas differ significantly, and the constraints on each side differ as well. This diversity creates an opportunity for complementary ap-

proaches to reform and development initiatives, but achieving complementarity will require far more coordination than donors have been able to muster up to now. Morocco is a remarkable laboratory in which to consider these issues because of the high degree of outside interest and the high level of governmental activity associated with reform efforts. That interest and activity creates a level of competition between the United States and the EU and between EU member states, some of which is quite helpful. This competition forces all supporters of the reform process to perform, creates an incentive to concentrate on each participant's core competencies, and preserves the ability of donors to bow out of actions that are too politically sensitive back home. Such a competitive environment suggests that donor coordination is likely to be a far more effective enterprise than cooperation. Coordination should focus on transparency of activities, sharing information and best practices among donor governments, and ensuring that scarce dollars or euros are not dedicated to duplicative efforts.

Some of the most effective coordination is not institutionalized; instead, it happens at the micro level. During Palestinian parliamentary elections in 2005, for example, European and U.S. aid workers maintained an active informal network to share information about how to project and interpret election results. Such coordination mechanisms could also be used to share best practices among donor countries, improving the efficacy of donors' efforts both in country and more broadly in the region. Pursuing reform policies on the basis of a division of labor will ultimately strengthen the dynamics of political change in the region by bringing more resources, tools, and ideas to the process. Such a model will also give the United States and the EU policy flexibility and options rather than lock both into monolithic policies.

Some issues do require cooperation more than mere coordination; usually they are issues in which outside parties seek to apply pressure upon target governments, either to reward good behavior or punish bad. Pooling resources and orchestrating conditions help focus the local government on a narrower set of choices and commensurately larger rewards and punishments for making those choices. In the reform arena, these are often issues through which governments seek to use conditionality to promote compli-

ance. While conditionality has been overused in recent years, it remains an important tool, and international cooperation greatly sharpens its efficacy. Issues that lend themselves to international cooperation include basic guidelines for political participation, discrete economic reform measures, and trade agreements.

A clearer division of labor, greater coordination, and periodic cooperation would greatly enhance U.S. and European programs to promote reform in Morocco and across North Africa and the Middle East. Without these elements, different U.S. and European strategies risk undermining each other's programs, allow Arab regimes to play the United States and the EU off each other, and waste resources through redundant and overlapping programs.

There are many positive indicators of Morocco's efforts, but they do not promise success. There are storm clouds on the horizon, as job growth lags far behind labor market growth and slums and bidonvilles spread with the influx of the poor from the countryside. The threat of terrorism remains a deep concern and could affect the pace of reforms. Morocco is moving swiftly, but only time will tell whether it is moving swiftly enough.

Morocco's key challenge is to balance leadership from above with demands from below. Broad public enthusiasm for the reform process does not yet exist, neither is there deep confidence in its success. Reforms have begun to touch people's lives, but much work needs to be done for them to reach into the countryside and into the poor neighborhoods, and a great deal will need to be done to create visible economic progress for Morocco's poor and middle classes. Creating public enthusiasm for reform also means creating public pressure, and such pressure can swiftly prove unmanageable.

In this way, Morocco is on the horns of a dilemma. The same public enthusiasm necessary for the reforms to work can also endanger not only the reforms but also the entire Moroccan system itself. Yet, without reforms, the current system will be in perpetual crisis. A risk-free option is not apparent.

It is too early to call Morocco's reforms a success, but they are certainly promising. Over the next several years, key indicators will be the king's willingness to truly devolve power and initiative to the public and whether the public acts responsibly in response. This is, perhaps,

a generational task as patience among the young, poor, and disenfranchised is often in short supply.

In all of this, European countries and the United States have been playing a helpful role, and through better communication among themselves and with the Moroccan government, their effectiveness can increase. Morocco is a laboratory for their efforts to create healthy societies in the Middle East and North Africa, and they have devoted billions of dollars and euros during the last half century toward its attainment, often with paltry results. What Moroccans understand keenly is that the responsibility for success or failure remains their own.

### **Note**

<sup>1</sup> Richard Lugar (remarks at a press conference, Tetouan, Morocco, August 19, 2005).



## BIBLIOGRAPHY

- Adesnik, David, and Michael McFaul. "Engaging Autocratic Allies to Promote Democracy." *Washington Quarterly* 29, no. 2 (Spring 2006): 7–26.
- Alterman, Jon B. "The False Promise of Arab Liberals." *Policy Review*, no. 125 (June/July 2004): 77–85. <http://www.policyreview.org/jun04/alterman.html>.
- Arms Export Control Act of 1976*. [http://www.atf.gov/pub/fire-explo\\_pub/aeca.htm](http://www.atf.gov/pub/fire-explo_pub/aeca.htm).
- Assabah Web site. "Moroccan Human Rights League Wants Truth about Torture, Other Abuses." February 2, 2005, from BBC Worldwide Monitoring, February 3, 2005.
- . "Morocco: Press Trade Union Leader Rebuffs U.S. over Help Offer." February 28, 2006, from BBC Worldwide Monitoring, March 1, 2006.
- Associated Press. "EU's Ferrero-Waldner: Relations between Europe and Islamic World Suffering from Deep-Seated Resentment." March 27, 2006.
- Baker, James A. "Assistance and Reform: Eastern Europe and Central America—Transcript." U.S. Department of State Dispatch, September 3, 1990.
- BdD Développement Economique et Social. "Initiative Nationale pour le Développement Humain." January 2006. [http://doc.abhatoo.net.ma/doc/article.php3?id\\_article=2122](http://doc.abhatoo.net.ma/doc/article.php3?id_article=2122).

- BMENA Foundation for the Future. "Frequently Asked Questions." <http://www.bmenafoundation.org/faq.html>.
- Bordat, Stephanie Willman, and Saida Kouzzi. "The Challenge of Implementing Morocco's New Personal Status Law." Carnegie Endowment for International Peace. *Arab Reform Bulletin* 2, no. 8, September 2004. <http://www.carnegieendowment.org/publications/index.cfm?fa=view&id=15783#moroco>.
- Brumberg, Daniel. "Liberalization versus Democracy: Understanding Arab Political Reform." Carnegie Endowment for International Peace. Carnegie Paper no. 37, May 2003. <http://www.carnegieendowment.org/publications/index.cfm?fa=view&id=1250>.
- Bush, George W. "President Discusses the Future of Iraq." Washington, D.C., February 26, 2003. <http://www.whitehouse.gov/news/releases/2003/02/20030226-11.html>.
- Carothers, Thomas. "A Better Way to Support Middle East Reform." Carnegie Endowment for International Peace. Policy Brief no. 33, February 2005. <http://www.carnegieendowment.org/files/PB33.carothers.FINAL.web.pdf>.
- Del Sarto, Raffaella A., and Tobias Schumacher. "From EMP to ENP: What's at Stake with the European Neighborhood Policy towards the Southern Mediterranean?" *European Foreign Affairs Review* 10, 2005.
- Djerejian, Edward P. "The U.S. and the Middle East in a Changing World." Address at Meridian House International, Washington, D.C., June 2, 1992.
- Economist* Intelligence Unit. "Country Report: Morocco." November 2005.
- "Egypt's Mubarak Comments on Arab Reforms, Palestinian, Iraqi Issues." Egyptian Satellite Channel TV, Cairo, May 19, 2004.
- Emerson, Michael, et al. "The Reluctant Debutante: The EU as a Promoter of Democracy in Its Neighborhood." Working Document no. 223. Brussels: Centre For European Policy Studies, July 2005. [http://shop.ceps.be/BookDetail.php?item\\_id=1242](http://shop.ceps.be/BookDetail.php?item_id=1242).
- EuroMed. "Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures." <http://www.euromedalex.org/En/BackGround.htm>.

- EuroMeSCo. "Barcelona Plus: Towards a Euro-Mediterranean Community of Democratic States." March 2005. [http://www.euromesco.net/media/barcelonaplus\\_en\\_fin.pdf](http://www.euromesco.net/media/barcelonaplus_en_fin.pdf) .
- European Commission. "Mediterranean Region." August 2005. [http://europa.eu.int/comm/trade/issues/bilateral/regions/euromed/euromed\\_en.htm](http://europa.eu.int/comm/trade/issues/bilateral/regions/euromed/euromed_en.htm).
- European Investment Bank. "Breakdown by Region." August 9, 2006. <http://www.eib.europa.eu/projects/loans/regions/>.
- European Union. "Barcelona Declaration." November 27–28, 1995. [http://europa.eu.int/comm/external\\_relations/euromed/bd.htm](http://europa.eu.int/comm/external_relations/euromed/bd.htm).
- . "Common Foreign & Security Policy (CFSP)." [http://europa.eu.int/comm/external\\_relations/cfsp/intro/gac.htm](http://europa.eu.int/comm/external_relations/cfsp/intro/gac.htm).
- . "Enlargement: Accession Criteria." n.d. [http://ec.europa.eu/enlargement/enlargement\\_process/accession\\_process/criteria/index\\_en.htm](http://ec.europa.eu/enlargement/enlargement_process/accession_process/criteria/index_en.htm).
- . "Enlargement: Phare." n.d. [http://ec.europa.eu/enlargement/financial\\_assistance/phare/index\\_en.htm](http://ec.europa.eu/enlargement/financial_assistance/phare/index_en.htm).
- . "Euro-Mediterranean Partnership—Where Are We 10 Years after the Barcelona Declaration?" November 24, 2005. [http://europa.eu.int/comm/external\\_relations/euromed/summit1105/memo05\\_442.htm](http://europa.eu.int/comm/external_relations/euromed/summit1105/memo05_442.htm).
- . "European Neighborhood Policy." July 20, 2006. [http://europa.eu.int/comm/world/enp/policy\\_en.htm](http://europa.eu.int/comm/world/enp/policy_en.htm).
- . "The Euro-Mediterranean Partnership/Barcelona Process." n.d. [http://ec.europa.eu/comm/external\\_relations/euromed/](http://ec.europa.eu/comm/external_relations/euromed/).
- . "The Euro-Mediterranean Partnership: Association Agreements." [http://ec.europa.eu/comm/external\\_relations/euromed/med\\_ass\\_agreemnts.htm](http://ec.europa.eu/comm/external_relations/euromed/med_ass_agreemnts.htm).
- . "The Euro-Mediterranean Partnership: Morocco—National Indicative Program, 2005–2006." 2004. [http://ec.europa.eu/comm/external\\_relations/morocco/csp/nip0506.htm](http://ec.europa.eu/comm/external_relations/morocco/csp/nip0506.htm).
- Ferrero-Waldner, Benita. "The EU, the Mediterranean and the Middle East: A Partnership for Reform." Speech at the eighth German World Bank Forum, Hamburg, June 2, 2006. <http://europa.eu/>



rapid/pressReleasesAction.do?reference=SPEECH/06/341&type=HTML&aged=0&language=EN&guiLanguage=en.

*Foreign Assistance Act of 1961*. U.S. Government Printing Office. 2003. <http://www.usaid.gov/policy/ads/faa.pdf>.

Freedom House. "Country Report: Morocco (2005)." <http://www.freedomhouse.org/template.cfm?page=22&year=2005&country=6795>.

———. "Freedom in the World." <http://www.freedomhouse.org/template.cfm?page=15&year=2005>.

———. "Freedom of the Press." <http://www.freedomhouse.org/template.cfm?page=16&year=2005>.

"G8: Broader Middle East/N. Africa Partnership." Sea Island, Georgia, June 9, 2004. <http://www.whitehouse.gov/news/releases/2004/06/20040609-30.html>.

General Accounting Office. *U.S. Democracy Programs in Six Latin American Countries Have Yielded Modest Results*. Report no. GAO-03-358. Washington D.C.: U.S. Government Printing Office, March 2003. <http://www.gao.gov/new.items/d03358.pdf>.

Green, David L. "Bush Says Any NATO Role Is Up To New Iraqi Leaders; At G8 Summit, President Acknowledges Support for Expansion Is Weak." *Baltimore Sun*, June 11, 2004.

Hamarneh, Mustafa, and Danielle Pletka. "Arab Reform and the West." *Dialogue* no. 3. June 2005. <http://www.bitterlemons-dialogue.org/dialogue3.html>.

Hazan, Pierre. "Morocco: Betting on a Truth and Reconciliation Commission." Special Report No. 165. Washington, D.C.: United States Institute of Peace, July 2006. <http://www.usip.org/pubs/specialreports/sr165.html>.

Human Rights Education Associates. "The Moroccan Family Code (*Moudawana*) of February 5, 2004." <http://www.hrea.org/moudawana.html>.

Human Rights Watch. "Morocco: Human Rights at a Crossroads." October 2004. <http://hrw.org/reports/2004/morocco1004/index.htm>.

- . *Morocco's Truth Commission: Honoring Past Victims during an Uncertain Present: The ERC in Action*. New York: Human Rights Watch, November 2005. <http://hrw.org/reports/2005/morocco1105/morocco1105wcover.pdf>.
- Indyk, Martin S. "Back to the Bazaar." *Foreign Affairs* 81, no. 1 (January/February 2002): 75–88.
- Kefaya (Egyptian Movement for Change). "Declaration to the Nation." Kefaya Manifesto. [http://harakamasria.org/manifesto\\_english](http://harakamasria.org/manifesto_english).
- Khalaf, Roula. "Morocco Sees the Rise of Acceptable Islamist Party." *Financial Times*, May 23, 2006.
- King Mohammed VI. "Message by H.M. King Mohammed VI on National Press and Communication Day." November 15, 2002. [http://www.mincom.gov.ma/english/generalities/speech/2002/national\\_press\\_day.htm](http://www.mincom.gov.ma/english/generalities/speech/2002/national_press_day.htm).
- Landor, Jeremy. "Bitter Pill to Swallow in the Sahara." *Guardian Unlimited*, March 7, 2004. <http://www.guardian.co.uk/globalisation/story/0,,1163651,00.html>.
- Looney, Robert. "US Middle East Economic Policy: The Use of Free Trade Areas in the War on Terrorism." *Mediterranean Quarterly* 16, no. 3 (Summer 2005): 102–117.
- Lugar, Richard. Remarks at a press conference, Tetouan, Morocco, August 19, 2005.
- Maghraoui, Abdeslam. "Monarchy and Political Reform in Morocco." *Journal of Democracy* 12, no. 1 (January 2001): 73–86.
- Makriyannis, Miltiadis, and Ioannis Seimenis. "Reinvigorating the Parliamentary Dimension of the Barcelona Process: The Establishment of the Euro-Mediterranean Parliamentary Assembly." *Mediterranean Quarterly* 16, no. 2 (Spring 2005).
- Mellah, Salima, and Jean-Baptiste Rivoire. "El Para, the Maghreb's Bin Laden." *Le Monde Diplomatique*, February 2005. [http://mondediplo.com/2005/02/04algeria?var\\_recherche=GSPC](http://mondediplo.com/2005/02/04algeria?var_recherche=GSPC).
- Ministry of Foreign Affairs of Italy. "EU Policy in the Mediterranean." 2004. [http://www.esteri.it/eng/4\\_27\\_58\\_52.asp](http://www.esteri.it/eng/4_27_58_52.asp).

- Naciri, Rabea, and Isis Nusair. "The Integration of Women's Rights into the Euro-Mediterranean Partnership." Euro-Mediterranean Human Rights Network, June 2003. <http://www.euromedrights.net/english/emhrn-documents/country-reports/Women%20report.htm>.
- Organization for Economic Co-operation and Development. "Aid Statistics, Donor Aid Charts." [http://www.oecd.org/countrylist/0,2578,en\\_2649\\_34447\\_1783495\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/countrylist/0,2578,en_2649_34447_1783495_1_1_1_1,00.html).
- . *African Economic Outlook 2005–2006*. Paris: OECD, 2006.
- . "Morocco." [www.oecd.org/dataoecd/23/6/1882353.gif](http://www.oecd.org/dataoecd/23/6/1882353.gif).
- . "Survey on Harmonisation and Alignment: Morocco." 2005. <http://www.oecd.org/dataoecd/41/60/33813558.pdf>.
- Ottaway, Marina. "Democracy and Constituencies in the Arab World." Carnegie Paper no. 48. Washington, D.C.: Carnegie Endowment for International Peace, July 2004. <http://www.carnegieendowment.org/files/CP48.Ottaway.final.pdf>.
- Oxford Business Group. "Morocco—Country Profile." 2005. <http://www.oxfordbusinessgroup.com/country.asp?country=27>.
- Pace, Roderick, Stelios Stavridis, and Dimitris Xenakis. "Parliaments and Civil Society Cooperation in the Euro-Mediterranean Partnership." *Mediterranean Quarterly* 15, no. 1 (Winter 2004): 93–104.
- Prodi, Romano. "Interview with Romano Prodi." *Fox News Sunday*, March 21, 2004.
- Reporters Without Borders. "Appeal Court Upholds Exorbitant Damages Award against *Journal Hebdomadaire*." April 18, 2006. [http://www.rsf.org/article.php3?id\\_article=17166](http://www.rsf.org/article.php3?id_article=17166).
- . "Third Annual Worldwide Press Freedom Index: East Asia and Middle East Have Worst Press Freedom Records." 2004. [http://www.rsf.org/article.php3?id\\_article=11713](http://www.rsf.org/article.php3?id_article=11713).
- Reuters. "Israel, Algeria, Morocco to Join NATO Counter-Terrorism Patrols." April 7, 2006.
- Rice, Condoleezza. "Remarks at the American University in Cairo." Cairo, June 20, 2005. <http://www.state.gov/secretary/rm/2005/48328.htm>.

- Seddon, David. "Riot and Rebellion: Political Responses to Economic Crisis in North Africa (Tunisia, Morocco and Sudan)." Discussion Paper no. 196. University of East Anglia, School of Development Studies, October 1986. <http://www.eco.utexas.edu/~hmcleave/357Lseddon.pdf>.
- "Text of U.S.-EU Declaration Supporting Peace, Progress, and Reform in the Broader Middle East and in the Mediterranean." Dromoland Castle, Shannon, Ireland. June 26, 2004. <http://www.state.gov/p/eur/rls/fs/36897.htm>.
- Truman, Harry S. "Inaugural Address," in *Public Papers of the Presidents of the United States: Harry S. Truman, 1949*. Washington, D.C.: Government Printing Office, 1964.
- United Nations. *2006 World Drug Report*. Vienna: United Nations, Office on Drugs and Crime, June 2006. [http://www.unodc.org/pdf/WDR\\_2006/wdr2006\\_volume1.pdf](http://www.unodc.org/pdf/WDR_2006/wdr2006_volume1.pdf).
- United Nations Development Program. "Programme on Governance in the Arab Region." [www.pogar.org/](http://www.pogar.org/).
- United Press International. "Mideast Peace Precondition to Democracy." October 5, 2004.
- U.S. Agency for International Development (USAID). "Asia and the Near East." n.d. [http://www.usaid.gov/locations/asia\\_near\\_east/](http://www.usaid.gov/locations/asia_near_east/).
- . "Jordan." n.d. <http://jordan.usaid.gov/upload/keydocs/FY%202006%20CBJ.pdf>.
- . "Morocco." n.d. [http://www.usaid.gov/policy/budget/cbj2006/ane/pdf/ma\\_complete06.pdf](http://www.usaid.gov/policy/budget/cbj2006/ane/pdf/ma_complete06.pdf).
- . "Morocco: Data Sheet." 2004. <http://www.usaid.gov/policy/budget/cbj2006/ane/pdf/ma608-013.pdf>.
- . "Morocco: Overview." 2006. [http://www.usaid.gov/locations/asia\\_near\\_east/countries/morocco/](http://www.usaid.gov/locations/asia_near_east/countries/morocco/).
- . "USAID Budget: Morocco." 2005. <http://www.usaid.gov/policy/budget/cbj2006/ane/ma.html>.
- . "USAID Primer: What We Do and How We Do It." July 14, 2006. [http://www.usaid.gov/about\\_usaid/primer.html](http://www.usaid.gov/about_usaid/primer.html).
- U.S. Department of State. "Background Note: Morocco." July 2006. <http://www.state.gov/r/pa/ei/bgn/5431.htm>.

- . “Confirmed Contributions to the Foundation for the Future.” December 14, 2005. <http://bmena.state.gov/59527.htm>.
- . “Human Rights and Democracy Fund.” June 2, 2005. <http://www.state.gov/g/drl/c7607.htm>.
- . “Middle East Partnership Initiative.” n.d. <http://mepi.state.gov/>.
- . “Middle East Partnership Initiative: Goals.” n.d. <http://mepi.state.gov/c10120.htm>.
- . “Middle East Partnership Initiative: Success Stories.” n.d. <http://mepi.state.gov/c16050.htm>.
- . “Middle East Partnership Initiative: Women’s Rights.” n.d. <http://mepi.state.gov/c15980.htm>.
- . “Morocco: Country Reports on Human Rights Practices.” Bureau of Democracy, Human Rights, and Labor. March 8, 2006. <http://www.state.gov/g/drl/rls/hrrpt/2005/61695.htm>.
- . “U.S. Aid Group to Name Three More Recipients, Official Says.” International Information, January 27, 2006. <http://usinfo.state.gov/af/Archive/2006/Jan/31-862302.html>.
- U.S. Department of State, Bureau of Democracy, Human Rights, and Labor. “Morocco: Country Report on Human Rights Practices.” March 8, 2006. <http://www.state.gov/g/drl/rls/hrrpt/2005/61695.htm>.
- U.S. Trade Representative. “Free Trade with Morocco: A Vital Step Towards Middle East Reform.” March 2, 2004. [http://www.ustr.gov/Document\\_Library/Fact\\_Sheets/2004/Free\\_Trade\\_with\\_Morocco\\_A\\_Vital\\_Step\\_Towards\\_Middle\\_East\\_Reform.html](http://www.ustr.gov/Document_Library/Fact_Sheets/2004/Free_Trade_with_Morocco_A_Vital_Step_Towards_Middle_East_Reform.html).
- Wise, Lindsay. “Show Them The Money.” *Cairo Magazine*, July 29, 2005. [http://www.cairomagazine.com/?module=displaystory&story\\_id=1231&format=html](http://www.cairomagazine.com/?module=displaystory&story_id=1231&format=html).
- Wittes, Tamara Cofman, and Sarah E. Yerkes. “The Middle East Partnership Initiative: Progress, Problems, and Prospects.” Saban Center Middle East Memo no. 5. Washington, D.C.: Brookings Institution, November 29, 2004. <http://www.brookings.edu/views/op-ed/fellows/wittes20041129.htm>.

- World Bank. "Morocco: Overview." December 2005. <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/MOROCCOEXTN/0,,contentMDK:20215323~pagePK:141137~piPK:141127~theSitePK:294540,00.html>.
- . "WDI Online." <http://devdata.worldbank.org/dataonline/>.
- Zielonka, Jan, and Alex Pravda, eds. *Democratic Consolidation in Eastern Europe*, vol. 2. New York: Oxford University Press, 2001.



## INDEX

*Page numbers followed by n refer to notes.*

- Abbas, Mahmoud, 20  
Abdullah (king of Jordan), 18  
Abdullah (king of Saudi Arabia), 18  
Afghanistan, Taliban rule in, 13, 16  
Agadir Agreement (2004), 30  
Algeria: counterterrorism efforts, 18, 30; EU association agreement, 41n; Moroccan conflict, 31; NATO and, 30; reform efforts, 7–8, 52  
American Enterprise Institute, 9  
Anna Lindh Euro-Mediterranean Foundation for the Dialogue between Cultures, 65  
*Arab Human Development Report* (UNDP), 14, 24, 37  
Arab-Israeli conflict: Arab views on, 8, 21; and European Middle East policy, 8, 29, 31; impact on Arab-Western relations, 20; and U.S. Middle East policy, 6, 8, 23  
Arabs in Europe, alienation of, 6–7  
Arafat, Yasser, 18–19  
Armed Islamic Group (GIA), 18  
Association Council, 65  
  
Bahrain: BMENA and, 35; USAID and, 27  
Barcelon + 10 summit (2005), 31  
Barcelona Process, xii, 6, 10, 20, 28–31  
Barcelona Summit (2005), 31  
Belgium, and Moroccan reforms, 48  
Benjedid, Chadli, 7  
  
bin Laden, Osama, 18  
BMENA (Broader Middle East and North Africa) Initiative, viii, 20–21, 34–37  
Bureau of Democracy, Human Rights, and Labor, 23  
Bureau of Near Eastern Affairs, 24  
Bush administration: European concerns about, 9; Middle East policy, xii, 9–10, 34, 38  
  
Caribbean, U.S. development aid to, 2  
Casablanca bombings (2003), xii, 17, 47, 50–51, 53  
Central and Eastern Europe, European reform efforts in, xiii, 4–5  
Cheney, Elizabeth, 24, 27–28  
Chirac, Jacques, xii  
Clinton administration: Middle East policies, 8; reform efforts, 23  
Cold War, development aid and, 2  
Common Market, 32  
Complementarity of aid efforts, 74–76  
Conditionality: and aid coordination, 67–68, 75–76; in European efforts in Central and Eastern Europe, 4–5  
Congress, funding of U.S. programs, 38  
Constitutional reform, in Morocco, 52–53  
Coordination of aid efforts: importance of, 74–76; in Morocco, 67–68



- Counterterrorism: Algerian efforts, 18, 30; democratization and, 17–18; EU programs supporting, 30, 33; Moroccan efforts, 56
- Democratization and governance:  
 Bush policy on, xii, 9, 34, 38; economic reform and, 54, 72–73; EU programs and, 30–33, 39, 66; European Middle East policy on, 8–9; international programs supporting, 37; Islamists as obstacle to, 16; joint U.S.-EU programs supporting, 34–36; as key to reform, xiii; Moroccan reform efforts, xi, 7, 45–46, 50–56, 71–72; public support for reforms, 19–20; Rice on, 9–10; U.S. Middle East policy on, xii, 8–10, 38–39; U.S. programs supporting, 23–25, 27, 63–64; war on terrorism and, 17–18
- Development aid. *See* Economic aid  
 Djerejian, Edward, 6
- EBRD. *See* European Bank for Reconstruction and Development
- Economic agreements: EU-MENA, 28–31; U.S.-Morocco Free Trade Agreement (2004), 62, 71
- Economic aid, European: to Central and Eastern Europe, xiii, 4; to Middle East, 33; to Morocco, 65; Morocco's priority in, 61; to Palestinian Authority, 8–9. *See also* European Union programs
- Economic aid, U.S.: to Latin America, 2–3; Morocco's priority in, 61; policy on, 1–2; results of, 2–3. *See also* United States programs
- Economic reform: EU programs supporting, 28–33, 39–40, 67; joint U.S.-EU programs supporting, 34–36; as key to reform, xiii, 6; Moroccan efforts, 45–46, 50–51, 53–54, 71; and political reform, 54, 72–73; resistance to, xiii; U.S. programs supporting, 25, 27
- Education: joint U.S.-EU programs supporting, 34; U.S. programs supporting, 25, 27, 63
- Egypt: Agadir Agreement and, 30; Alexandria reform conference (2004), 14; EU aid to, 33; EU association agreement, 41n; and Forum for the Future, 36; Kefaya movement, 21; MEPI in, 24–27; Napoleon's invasion of, 14; reform efforts, 16, 73–74; USAID in, 27
- EIDHR. *See* European Initiative for Democracy and Human Rights
- EMP. *See* Euro-Mediterranean Partnership
- ENP. *See* European Neighborhood Policy
- Equity and Reconciliation Commission (IER; Instance Équité et Réconciliation), 45, 49–50
- Erdogan, Recep Tayyip, 20
- ESDP. *See* European Security and Defense Policy
- Euro-Med Free Trade Agreement, 30, 71
- Euro-Mediterranean Partnership (EMP), 6, 28–31, 33
- Euro-Med Parliamentary Assembly, 65
- EuroMeSCo report (2005), 30
- Europe: alienation of Arab/Muslim population, 6–7; concerns about Bush foreign policy, 9–10; Middle Eastern views on, 20–21; reform effort experiences, xiii, 4–5, 31; support for Moroccan reforms, xii, 48, 62, 65–68, 77; terrorist attacks on, 10; views on Iraq War, 10. *See also* European Union
- European Bank for Reconstruction and Development (EBRD), 4
- European colonialism: legacy of, 19–20, 39; in Middle East and North Africa, 1
- European Commission, 4
- European Initiative for Democracy and Human Rights (EIDHR), 33
- European Investment Bank, 29

- European Middle East and North Africa policy: Arab-Israeli conflict and, 8, 29, 31; emphases in, vii, 6; forces influencing, 6–7; on reform, xiii–xiv, 8–9, 23; September 11th attacks and, 9–10; U.S. policy and, 10. *See also* Economic aid, European
- European Neighborhood Policy (ENP), 32–33
- European Security and Defense Policy (ESDP), 30
- European Union: admission of Central and Eastern European states, xiii, 4–5; commitment to dialogue, 65–66; Copenhagen criteria, 4–5; foreign direct investment in MENA region, 29; internal conflicts within, 39–40; support for Moroccan reforms, 65–68
- European Union programs, 28–33; Barcelona Process, xii, 6, 10, 20, 28–31; BMENA (Broader Middle East and North Africa) Initiative, viii, 20–21, 34–37; efficacy of, 66, 74; European Neighborhood Policy (ENP), 32–33; Forum for the Future, 34–36; Foundation for the Future, 36; Fund for the Future, 36; individual country approaches, 33; joint U.S. programs, 34–37, 67–68; in Morocco, 65–68; National Indicative Program (NIP), 66; obstacles to, 39–40
- Ferrero-Waldner, Benita, 20
- 5 + 5 dialogue, 6
- Foreign direct investment in MENA region, from EU, 29
- Foreign influence, Middle Eastern fear of, 19–21
- Forum for the Future, 34–36, 38
- Foundation for the Future, 36
- France: aid to Morocco, 65; bilateral programs, 33; in Middle East, 1; rivalry with Spain, 39
- Freedom House, 31
- Free trade agreements: Euro-Med Free Trade Agreement, 30, 71; and reform, 67; U.S.-Morocco Free Trade Agreement (2004), 62, 71
- Fund for the Future, 36
- GAO. *See* Government Accountability Office
- Germany: aid to Morocco, 65; bilateral programs, 33; ENP and, 32
- GIA. *See* Armed Islamic Group
- Global Mediterranean Policy (1972), 28
- Global Rights Project, 49
- Governance. *See* Democratization and governance
- Government Accountability Office (GAO), 2
- Governments in MENA: antiterrorism efforts, 17; distrust of citizens, 16; leadership in reform, 72; limitations of, 19; views on reform, 13, 15–16, 18–19, 21; Western support for, 20
- Group of Eight (G-8): Arab views on, 21; Broader Middle East and North Africa (BMENA) Initiative, viii, 20–21, 34–37
- GSPC. *See* Salafist Group for Preaching and Combat
- Hamas, 38–39
- Hassan II (king of Morocco), xi, 7, 46–47
- Higher Council of Oulemas, 47
- HRDF. *See* Human Rights and Democracy Fund
- Human Development Initiative (Morocco), 45
- Human rights: EU programs and, 30, 32–33; joint U.S.-EU programs supporting, 34; Moroccan dialogue on, 15–16; Moroccan reform efforts, 45–46, 49–50; in Morocco, 50; U.S. programs supporting, 49; war on terrorism and, 18. *See also* Women's rights
- Human Rights and Democracy Fund (HRDF), 23

- Hungary, economic aid to, 4  
 Hussein (king of Jordan), 7
- IER. *See* Equity and Reconciliation Commission
- IMF. *See* International Monetary Fund
- Immigration control, EU programs supporting, 23, 33
- Independence Party (Istiqlal), 55
- INDH. *See* National Human Development Initiative
- Indyk, Martin, 6
- Infrastructure, EU aid programs and, 66
- Instance Équité et Réconciliation. *See* Equity and Reconciliation Commission
- International Finance Corporation, 24
- International Monetary Fund (IMF), 7, 46, 54
- International Republican Institute (IRI), 25–26, 63–64
- Iran, clerical government in, 16
- Iraq: local government in, 16–17; reform process and, 17; USAID in, 27
- Iraq War: European view of, 10; Middle East views on, 13, 20–21
- IRI. *See* International Republican Institute
- Islam, as harbor for violent groups, 17
- Islamists: and Algerian reform efforts, 7–8; as danger to Morocco, 50; and Jordanian reform efforts, 7; Middle East reform efforts and, 16–17, 20, 73; Moroccan reform efforts and, xi–xii, 45, 51–53, 55–56, 73; and Palestinian elections, 38–39
- Israel, 41n. *See also* Arab-Israeli conflict
- Istiqlal. *See* Independence Party
- Italy: bilateral programs, 33; in Middle East, 1
- JCM. *See* Justice and Charity Movement
- Jordan: Agadir Agreement and, 30; EU association agreement, 41n; human rights in, 24; reform efforts, 7, 17; terrorist attacks in, 17; USAID in, 27
- Judicial reform: Moroccan efforts, 45, 48; U.S. programs supporting, 24, 27
- Justice and Charity Movement (JCM; Justice and Spirituality), 52–53
- Justice and Development Party (PJD; Parti de la Justice et du Développement), 51–53, 55–56
- Justice and Spirituality. *See* Justice and Charity Movement
- Kefaya movement, 21
- Kuwait, U.S. liberation of, 8
- Latin America: U.S. development aid to, 2–3; U.S. interventions in, 2
- Lebanon: EU association agreement, 41n; MEPI in, 25; USAID in, 27
- Literacy programs, U.S. support for, 48–49
- Lmrabet, Ali, 56–57
- Lugar, Richard, 71
- Makhzen*: debate on role of, xii; reform efforts and, 51–52
- MCC. *See* Millennium Challenge Corporation
- Media. *See* Press
- MENA. *See* Middle East and North Africa
- MEPI. *See* Middle East Partnership Initiative
- Middle East and North Africa (MENA): EU economic agreements with, 28–31; European colonialism and, 1, 19–20, 39. *See also* European Middle East and North Africa policy; Governments in MENA; United States Middle East and North Africa policy
- Middle East and North Africa reform efforts: history of, 1, 7–8, 13–14; joint U.S.-EU programs, 34–37; key elements in, xiii; Middle Eastern governments' views on, 13, 15–16, 18–19, 21; Middle Eastern views on,

- 13–15, 19–21; need for, 13; obstacles to, 15–21, 38–40; public support for, 19; top-down vs. bottom-up, 18, 74; Western support for, vii, xi, xiv, 8–9, 61. *See also* European Union programs; United States programs
- Middle East Partnership Initiative (MEPI), 24–28, 37–38, 48–49, 62–64
- Middle East policy. *See* European Middle East and North Africa policy; United States Middle East and North Africa policy
- Millennium Challenge Corporation (MCC), 38, 64, 71
- Moderate States Initiative, 24
- Mohammed VI (king of Morocco): constitutional power of, 55; economic power of, 54; reform efforts, vii, xi, 18, 45, 47–57
- Monarchy, debate on role of, xii, 73–74
- Moroccan reform efforts: determinants of success, xiv; dialogue on human rights, 15–16; donor coordination, 67–68; in economics, 7, 45–46, 50–51, 53–54, 71; efficacy of, 45–46, 54, 76–77; Equity and Reconciliation Commission (IER), 45, 49–50; European support for, xii, 48, 62, 65–68, 77; in governance, xi, 7, 45–46, 48, 50–56, 71–72; history of, 46–47; in human rights, 45–46, 49–50; internal debate on, xii; Islamists and, xi–xii, 45, 50–53, 55–56, 73; as model, vii, 71–76; monarchy and, xii, 73–74; *moudawana* (family code), 29, 45, 47–49, 53, 67; National Human Development Initiative (INDH), 50–51, 54; obstacles to, 51, 71–72, 76; outside support of, vii, xi, xii, 74; overview of, xi, 45; in press freedom, 45, 56, 71; public support of, xii, 76; as self-originating, 45; as test case, vii; U.S. support for, xii, 48–49, 53, 61–65, 68, 77; in women's rights, 29, 45–49, 71
- Morocco: Agadir Agreement and, 30; Algerian conflict, 31; BMENA and, 35; drug trade in, 54; EU association agreement, 41n, 65; French aid to, 33; human rights in, 24; MEPI in, 24–25, 27, 48–49, 62–64; NATO and, 30; political power in, 55–56; priority in Western aid structure, 61; as reform model, vii, 71–77; seizure of Perejil, 39; socioeconomic challenges, xii; terrorist attacks in, xii, 17; USAID in, 27, 48–49, 62–64
- Moudawana* (family code), 29, 45, 47–49, 53, 67
- Mubarak, Hosni, 11n, 19, 21
- Muslims in Europe, alienation of, 6–7
- Napoleon, 14
- Nasser, Gamal Abdel, 16
- National Democratic Institute (NDI), 26, 63–64
- National Endowment for Democracy, 38
- National Human Development Initiative (INDH), 50–51, 54
- National Indicative Program (NIP), 66
- NATO: admission of Central and Eastern European states, 5; security dialog with MENA, 30
- NDI. *See* National Democratic Institute
- Netherlands, bilateral programs, 33
- NGOs (nongovernmental organizations): Moroccan reform efforts and, 46, 49, 61, 66; reform efforts and, 36
- NIP. *See* National Indicative Program
- OECD. *See* Organization for Economic Cooperation and Development
- Omnium Nord Africain (ONA), 54
- ONA. *See* Omnium Nord Africain
- Organization for Economic Cooperation and Development (OECD), xiii, 4–5, 68
- Ottoman Empire, 1, 14
- Outsiders: support of Moroccan reform, vii, xi, xii; support of reform, 74

- PA. *See* Palestinian Authority
- Palestinian Authority (PA): Clinton foreign policy and, 8; elections, 38–39, 75; EU association agreement, 41n; European aid to, 8–9; USAID and, 27
- Parliament, Moroccan: reform efforts, 63; role of, xi–xii, 55–56
- Parti de la Justice et du Développement. *See* Justice and Development Party
- PJD. *See* Justice and Development Party
- Poland, economic aid to, 4
- Press freedom and training: EU programs and, 24; Moroccan reform efforts, 45, 56, 71; in Morocco, 56–57; U.S. programs supporting, 24–25
- Prodi, Romano, 10
- Rabin, Yitzhak, 8
- Reform: European experience with, xiii, 4–5, 31; European views on, xiii–xiv, 8–9, 23; importance of government leadership, 72; Morocco as model for, vii, 71–76; U.S. experience with, 2–3, 5, 61–62; U.S. views on, xiii–xiv, 23. *See also* European Union programs; Middle East and North Africa reform efforts; Moroccan reform efforts; United States programs
- Regional integration, EU programs and, 31
- Religious tolerance and reform: Moroccan programs supporting, 48; U.S. programs supporting, 23–24
- Rice, Condoleezza, 9–10
- Rif region, xi
- Sadat, Anwar, 13
- Salafist Group for Preaching and Combat (GSPC), 18
- Security concerns, as obstacle to reform, 16–18
- September 11th terrorist attacks: and European Middle East policy, 9–10; and U.S. Middle East policy, 9–10
- Shah of Iran, 13
- Socialist Union of Popular Forces (USFP), 55
- Soviet Union, and Middle East, 7
- Spain: aid to Morocco, 65; bilateral programs, 33; rivalry with France, 39
- State Department: bureaucratic rivalry and, 38; Bureau of Democracy, Human Rights, and Labor, 23; Bureau of Near Eastern Affairs, 24; Country Reports on Human Rights Practices, 50, 56; Human Rights and Democracy Fund, 23; interpretation of United States Middle East policy, 6; Moderate States Initiative, 24; USAID and, 27–28
- Syria, human rights in, 24
- Tactical liberalization, 16
- Taliban, 13, 16
- Terrorism: Casablanca bombings (2003), xii, 17, 47, 50–51, 53; European response to, 10; Jordanian hotel bombings (2005), 17; Moroccan fear of, xii; and Moroccan reform process, 76. *See also* Counterterrorism; September 11th terrorist attacks
- Truman, Harry S., 1–2
- Tunisia: Agadir Agreement and, 30; EU association agreement, 41n; reform efforts, 73–74
- Turkey, EU association agreement, 41n
- UNDP. *See* United Nations Development Program
- United Kingdom: bilateral programs, 33; in Middle East, 1; support for Moroccan reforms, 48, 53
- United Nations Development Program (UNDP): aid programs, 24; *Arab Human Development Report*, 14, 24, 37; Program on Governance in the Arab Region, 37
- United States: internal divisions in government, 27–28, 38–39, 64;

- Middle Eastern views on, 20–21, 26; reform effort experiences, 2–3, 5, 61–62; support for Moroccan reforms, xii, 48–49, 53, 61–65, 68, 77
- United States Agency for International Development. *See* USAID
- United States Middle East and North Africa policy: Arab-Israeli conflict and, 6, 8, 23; under Bush, xii, 9–10, 34, 38; under Clinton, 8, 23; emphases in, vii; history of, 5–6; on reform, xiii–xiv, 6, 8–9, 23; September 11th attacks and, 9–10; support for democracy, xii, 8–10, 38–39; under Truman, 1–2. *See also* Economic aid, U.S.
- United States programs, 23–28; BME-NA (Broader Middle East and North Africa) Initiative, viii, 20–21, 34–37; bureaucratic obstacles to, 27–28, 38–39, 64; efficacy of, 74; Forum for the Future, 34–36, 38; Foundation for the Future, 36; Fund for the Future, 36; Global Rights Project, 49; joint EU programs, 34–37, 67–68; MEPI (Middle East Partnership Initiative), 24–28, 37–38, 48–49, 62–64; Middle Eastern reluctance to accept help from, 20, 26; Millennium Challenge Corporation, 38, 64, 71; in Morocco, 48–49, 61–65, 68; National Endowment for Democracy, 38; USAID (United States Agency for International Development), 26–28, 38, 48–49, 62–64
- U.S.-Morocco Free Trade Agreement (2004), 62, 71
- USAID (United States Agency for International Development), 26–28, 38, 48–49, 62–64
- USFP. *See* Socialist Union of Popular Forces
- Valencia Action Plan (2002), 30
- Western influence, Middle Eastern fear of, 19–21
- Western role in reform: debate on, xii, xiii–xiv, 14; reform pressure, 19; support of reform efforts, vii, xi, xiv, 8–9, 61; Western views on, 21–22
- Western Sahara dispute, xii
- Women's rights: EU programs and, 29–30, 66; international programs supporting, 37; joint U.S.-EU programs supporting, 34; Moroccan reform efforts, 29, 45–49, 71; U.S. programs supporting, 24–25
- World Bank, 37, 54
- Yemen, USAID in, 27
- Youssefi, Abdel Rahman, 7



## ABOUT THE AUTHORS

---

**Haim Malka** is a fellow in the CSIS Middle East Program. His principal research focuses are North Africa, the Arab-Israeli conflict, and efforts to bring militant groups into political processes. Before joining CSIS, he was a research analyst at the Saban Center for Middle East Policy at the Brookings Institution, where he concentrated on Israeli-Palestinian issues and coordinated numerous track-two projects with senior Israeli, Palestinian, and U.S. representatives. Malka spent six years living in Jerusalem, where he worked as a television news producer for Reuters and Fox News Channel. He holds a bachelor's degree (magna cum laude) from the University of Washington in Seattle and a master's degree from Columbia University's School of International and Public Affairs.

**Jon B. Alterman** is director and senior fellow of the CSIS Middle East Program. Prior to joining CSIS, he served as a member of the Policy Planning Staff at the U.S. Department of State and as a special assistant to the assistant secretary of state for Near Eastern affairs. Before entering government, he was a scholar at the U.S. Institute of Peace and at the Washington Institute for Near East Policy. From 1993 to 1997, he taught at Harvard University, where he received his doctorate in history. He also worked as a legislative aide to Senator Daniel P. Moynihan (D-N.Y.), responsible for foreign policy and defense. Alterman has lectured in more than 20 countries on subjects related to the Middle East and U.S. policy toward the region. He is the author of *Egypt and American Foreign Assistance, 1952–1956: Hopes Dashed* (Palgrave, 2002) and *New Media, New Politics? From Satellite Television to the Internet in the Arab World* (Washington Institute for Near East Policy, 1998) and is the editor of *Sadat and His Legacy: Egypt and the World, 1977–1997* (Washington Institute for Near East Policy, 1998).



