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Defying Peripherality: How Morocco Has Sought to Integrate Its Eastern Borderlands

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INTRODUCTION

The Moroccan-Algerian border is receding in significance, particularly in its economic impact on the Moroccans who live in its vicinity. The main reason for this development is that, in recent years, the Moroccan government has sought to wean its eastern borderlands off their dependence on cross-border trade, licit or illicit, with Algeria. Rabat's efforts have revolved around connecting the previously far-flung eastern borderlands to the country's economic centers, as well as providing the region's inhabitants with the means to generate revenue locally. If anything, growing tensions between Algeria and Morocco over the past two years have further spurred Rabat to integrate the country's eastern borderlands into the national economy.

However, the project of disenclaving the eastern borderlands is not without its challenges. The question of how Rabat will face these challenges is not always clear. To begin with, Morocco cannot very well change its geographic location. As such, the tense political situation with Algiers often leads to securitization of the border, so that the communities of Morocco's eastern region remain subject, in part, to the vicissitudes of geopolitics. Second, industrialization drives in poorer regions often result in an uneven distribution of wealth and resources, creating social friction and even giving rise to a new class system. If this happens in Morocco's eastern borderlands, it will replace the older problem with a new one. Finally, climate change and concomitant desertification are already affecting the eastern borderlands, particularly the southern portion of the region, and seem likely to gain pace with time.

THE MAKING OF THE BORDER AND ITS RECENT DIMINISHING INFLUENCE

The trajectory of the modern Moroccan state reflects the declining impact of the border with Algeria on Morocco's borderlands. To understand what happened, one must start by examining how the eastern borderlands came to merit such a designation. The Treaty of Lalla Maghnia in 1845 set the stage for the establishment of a land border separating Morocco and Algeria. The actual demarcation of the border took place in the post-independence period. Yet despite the emergence of Morocco and Algeria as independent states, areas on either side of the border remained connected to each other through kinship, trade, and commerce. Much of the economic activity was concentrated in the border cities of Oujda in Morocco and Maghnia and Tlemcen in Algeria.

Successive Moroccan governments have demonstrated awareness and even sensitivity to the eastern borderlands' economic exigencies. Yet in 1996, the Moroccan government moved to reform both the country's economy and its political structures, an undertaking that would have a direct impact on the eastern borderlands. This tendency toward reform had first manifested itself in the 1970s, following two failed coups d'état and the creation of a serious financial deficit stemming from a drop in phosphate prices and a growing import-export imbalance.[1] Whereas the state initially attempted to resolve the problem through a national program of financial stabilization, political upheaval in the 1980s, including disturbances that came to be known collectively as the "bread riots," prompted a series of structural adjustment programs and economic liberalization policies necessary to secure the financial support of the International Monetary Fund (IMF) and the World Bank.

In 1996 and 1997, a coalition government known as the "alternance" and led by the country's main opposition party at the time, the Socialist Union of Popular Forces, oversaw a series of constitutional amendments, several of which allowed for a gradual political opening, including the establishment of a directly elected Chamber of Representatives. Economic changes, motivated at once by international demands and local dynamics such as rapid urbanization, were also set in motion, and began to weaken the strong center versus periphery divide that had long characterized Morocco. This was most apparent with the launch, in 2003, of the Royal Initiative for the Development of Morocco's Eastern Region (IRDO), a project to integrate the neglected eastern region into the national economy. The tightening of border security and the negative impact of the coronavirus pandemic on people's livelihood accelerated this process.

The coastal conurbations of Casablanca-Settat, Tangier-Tétouan-Al Hoceima, and Rabat-Salé-Kénitra make up Morocco's economic center. According to the Higher Planning Commission (HCP), a government-run statistical institution, Casablanca-Settat and Tangier-Tétouan-Al Hoceima together created fully 58 percent of the country's wealth in 2019. In comparison, the eastern region contributed 5.1 percent to the national GDP. Unemployment rates may not be quite as skewed, but are nonetheless cause for concern. In 2019, the HCP reported 13.8 percent unemployment in the country's east. This was the second-highest rate in Morocco, where the average across regions was 9.2 percent. Over the decades, the concentration of industry, commerce, and employment opportunities along the coast has sustained a continuous rural exodus from the marginalized borderlands, with most migrants making their way to coastal cities.

The Moroccan government viewed connecting the east to the economic centers—principally Casablanca-Settat and Tangier-Tétouan-Al Hoceima, but also Rabat-Salé-Kénitra—as essential to boosting the region's ability to attract the sort of major investment projects imperative for spurring socioeconomic development. IRDO played a major role in this regard. The initiative saw the construction of the Oujda-Angads airport, railroads connecting the southern parts of the eastern region to the country's north, and a highway between Oujda and Nador. These important projects were completed between the early 2000s and 2015, at a cost of approximately $10 billion.

Although Nador lies on the coast, it is east of Morocco's three coastal conurbations and has historically seen little in the way of industrial development. This looks set to change with the opening of the Nador West Med port complex, scheduled for 2024. A megaproject that includes a port, industrial and logistics units, and a free-trade zone, Nador West Med has the potential to further consolidate the region's integration by connecting it to international maritime routes. Additionally, the port's capacity to store 1–2 million cubic meters' worth of refined petroleum products could enhance the kingdom's energy sovereignty. So far, confidence in the project has resulted in an investment of €113 million ($119 million) by the African Development Bank Group as well as a loan of €100 million ($106 million) by the European Bank for Reconstruction and Development, the latter announced in December 2022.

Other integration projects include Morocco's quest to become a global automotive hub. In September 2021, automotive technology supplier Aptiv announced an investment totaling approximately $3 million for the construction of an automotive cable "mega factory" in Oujda. This will create 3,500 jobs in the region to begin with, and perhaps more later. If the undertaking proves successful and attracts further investment, Aptiv may yet be regarded as having played an instrumental role in realizing Morocco's ambition to become a center of automotive technology.

When prospects of attracting investment to the east have not seemed encouraging, the Moroccan government, working with international partners, has launched efforts to boost employment by sending inhabitants of the region elsewhere for training. For example, in October 2016, fifty young men from the east were dispatched to the Yazaki factory in Tangier, which specializes in automotive wiring. This was part of a project dubbed REVIS, which stands for "reducing economic vulnerability for greater stability through the development of industrial skills and inter-company partnership." REVIS was launched by the United Nations Industrial Development Organization, in collaboration with several Moroccan state institutions. These include the Office of Vocational Training and Labor Promotion; the Ministry of National Education and Professional Training; and the National Agency for the Promotion of Employment and Skills. The project promotes employment of women and youth in the context of local economic development by fostering partnerships between the public and private sectors and organizing business-to-business side events.

Attempts to break economic gridlock and reduce unemployment in the east have not occurred solely in a top-down manner. The adoption of a cooperative format, in line with the social and solidarity economy model, demonstrates as much. Cooperatives offer opportunities for stable and sustainable livelihoods to those workers, especially women, who are often excluded in top-down approaches, and provide local populations with a means of generating revenue. At the same time, cooperatives' institutional organization and social character lend themselves to the preservation of traditional community structures, thereby reducing the chance of social dislocation in the wake of economic advancement.

In Morocco's case, the cooperatives have also enabled locals to offset the negative socioeconomic effects of periodic border closures. Since 2015, the cooperative sector's activities have increased by 63.9 percent.[2] According to the latest figures of the Office of Cooperation Development, the institution responsible for cooperatives, the eastern region accounts for 5,517 cooperatives employing 79,602 people. Agricultural endeavors, including date palm and rosemary cultivation and honey production, account for 64 percent of the cooperative activity in the region.[3]

Given the high proportion of cooperatives working in the agricultural sector, regional authorities have sought to protect and promote local products such as dates, rosemary, olives, and honey. They have focused their efforts on increasing cooperatives' ability to sell their products by creating communication channels between them and domestic and even foreign markets. The culmination of such efforts is the Platform for

Promoting Local Products from the Eastern Region. This important initiative promotes regional know-how and the marketing and exporting of local products by creating a network of administrative operations, cold rooms, packaging units, and transport mechanisms. It is giving rise to a sort of conglomerate of cooperatives.

A TRIAD OF CHALLENGES

Progress notwithstanding, the process of integrating the eastern borderlands into the national economy faces certain challenges, and has even created one of its own. The three most pressing challenges are the tense political situation with Algeria and its manifestation in increased securitization of the border, the uneven industrialization drive, and the interconnected phenomena of climate change and desertification. These challenges are independent of one another and do not operate in concert. Moreover, they do not each have an equally adverse effect on efforts—whether on the part of the government or local cooperatives—to transform the region and integrate it into the national economy. However, together they hamper and may ultimately derail the endeavor to overhaul the eastern borderlands' socioeconomic status.

The tense political situation between Morocco and Algeria continues to have ramifications on the Moroccan government's ability to stimulate the east's economy, particularly when it comes to attracting the sort of major investment that Rabat seeks. Though the government attempts to bypass geopolitical tensions, the latter are still estimated to have negatively impacted Morocco's growth prospects, as laid out in an IMF report in 2018.[4] Conversely, if regional integration and cooperation in North Africa were strengthened, this would lower the costs of trade within the region, thereby boosting capital and labor exchange and making the region more attractive to direct investment from abroad. The sectors most affected by Morocco's continuing tension with Algeria are energy and tourism, both of which stand to benefit greatly from a harmonious regional environment.

The most tangible manifestation of the tense political situation is increased securitization of the border. This consists of measures that Morocco and Algeria have taken in response to friction between the two countries. Frequently, the measures have involved restricting cross-border trade or free passage. Oftentimes, these measures were temporary. However, in recent years, the increased securitization of the border seems to have acquired a longer-lasting or even permanent status. This is particularly the case since Algiers severed diplomatic ties with Rabat and halted operation of the Maghreb-Europe Gas Pipeline in August 2021. Earlier that year, Algeria had expelled Moroccan agricultural workers from the disputed border town of Al-Arja. And despite calling for dialogue with Algeria, Morocco announced in 2022 that it would establish a military zone on the border. Such measures affect borderland communities disproportionately.

The second challenge is that implementing consequential economic changes without evaluating their impact on the day-to-day lives of members of local communities can lead to disparities in development and cause social stratification and friction. Signs of this are already apparent. While greater connectivity is driving development and transforming the east, generally speaking, from a historical periphery into an economic hub, industrialization and attendant wealth are increasingly becoming concentrated in the core urban areas of Oujda and Nador. Both are cities with global aspirations, as nodes of connectivity between the local economy and global supply chains. Their economic ascendance has set off a wave of internal migration *within* the eastern region, whereby people are leaving rural areas for Oujda and Nador—thus creating multiple peripheries subordinated to concentrated pockets of power. This, in turn, has created new demands on Oujda and Nador, in terms of housing, employment, education, and health facilities. Similarly, the new connectivity routes are reshaping and even marginalizing towns, such as Bni Drar, that had stood at the center of economic exchanges when cross-border smuggling was still tolerated.

This is not a surprising process, and parallels what has happened in other countries that have undergone similar changes. Though connectivity and infrastructure accelerate the flow of people, merchandise, and capital between specific locations, they exclude those communities and places that are unable to keep up with the new dynamics. Spatially, such exclusion leads to fragmentation and peripheralization within the very region that, overall, is enjoying an economic boom. In Morocco's east, it remains to be seen whether Nador West Med will arrest and perhaps reverse the recent marginalization undergone by Bni Drar, owing to the latter's relative proximity to the planned port and free-trade zone.

The third challenge to Morocco's eastern borderlands is climate change. Desertification and water scarcity, which affect the southern portion of the eastern borderlands in particular, threaten the mobility and agricultural production of the inhabitants of Figuig, Ten Drara, and Bou Arfa, among other localities. According to data gathered by researchers at Mohammed I University of Oujda, the groundwater level of Al-Arja River, which flows through or near several localities in the area, has dropped 20–50 meters in the past decade. In Figuig, the aquifer reserves are predicted to drop by 38 percent between now and 2099. Such a change could devastate pastoralism and agriculture, an important part of the local economy.

To tackle the effects of climate change, the government has sought to enhance the conservation of water and improve irrigation methods. The Green Morocco Plan, launched in 2008, and its newer version, Generation Green 2020–2030, have provided a roadmap for the development of conservation-focused water management and more efficient agricultural practices geared toward long-term development. In October 2022, as part of this plan, an emergency program of irrigation was made available to 400 farmers, most of whom operated olive plantations in the eastern region. Similarly, where the cultivation of dates remains the main source of livelihood, which is very much the case in the southern parts of the eastern region, the Ministry of Agriculture put in place dams and water supply systems, enabling approximately 1,500 farmers in Figuig to access water regularly.

Cooperatives have also adapted to climate change. Several are concentrating their activities on growing olives, almonds, and rosemary, precisely for their profitability and sustainability. Cooperatives have also pooled their resources, creating partnerships that share equipment and tools, provide training, and establish joint ventures. International agencies are helping cooperatives to become levers of local development in the region. For example, a partnership between the U.S. Agency for International Development and an international nongovernmental organization, GiveDirectly, has provided cash infusions totaling $4 million to 1,093 cooperatives throughout Morocco, including many in the eastern region. The funds have enabled cooperatives suffering from drought, inflation, and recent economic shocks to purchase equipment and raw materials that will keep them afloat. Though one can question the sustainability of cash transfers, for the time being these initiatives support the cooperative model, which has already proven its value to the region.

CONCLUSION

While it is difficult to predict the future influence of the border on Morocco's economy, the Moroccan government's ongoing project to disenclave its eastern borderlands would appear to indicate that such influence will continue to diminish. Morocco's once-neglected east is already far more connected than before to the country's economic hubs as well as to global supply chains. Simultaneously, cooperative enterprises are flourishing. These two trends look set to continue, even if political tension persists between Morocco and Algeria, and even as climate change continues to take a toll on the local environment.

What is not clear is what sort of societal changes the economic projects targeting the east may generate. To avoid social dislocation, resentment, and ultimately a popular backlash, it is imperative for the economic initiatives to involve the people of the east in decisionmaking, preferably through elected representative bodies. To a certain extent, this is already the case with the cooperatives, over whose direction and business ventures members often have a significant say. But that it is less so with the government's top-down industrialization projects, whose size and impact are immense, yet whose fruits may be unevenly distributed, is a cause for concern. For the success of government-led efforts to industrialize the east, the region's north must not be favored over its more agricultural and climate-stricken south. Additionally, the government must ensure that the spinoffs and economic benefits reaped from these structural changes to the country's east are redirected to, and reinvested in, the region's local communities themselves.

ABOUT THE AUTHOR

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NOTES

1 David Seddon, "The Politics of ‹Adjustment› in Morocco," in *Structural Adjustment in Africa*, ed. Bonnie K. Campbell and John Loxley (Basingstoke: Macmillan, 1989), 234–265.

2 Amine Elqaiti, Samira Achamkik, and Mohammed Amine Hafiane, "La place du secteur coopérative dans le nouveau modèle de développement marocain : étude de cas des coopératives des jeunes promoteurs dans la région de l'Oriental" [The Place of the Cooperative Sector in the New Moroccan Development Model: A Case Study of Young Promoters' Cooperatives in the Eastern Region], *Dossiers de Recherches en Économie et Gestion* 10, no.1 (2022), 507.

3 Ibid.

4 Alexei P. Kireyev, *Economic Integration in the Maghreb: An Untapped Source of Growth* (Washington, D.C.: International Monetary Fund, 2018), 19–28.

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