

Zentrum für Entwicklungsforschung  
Center for Development Research  
Universität Bonn



ZEF Bonn

**Civil Society and Economic Reform  
in Morocco**

---

Dr. Dris Ben Ali, Professor of Sociology, Mohamed V University, Rabat-Iqdal

## Table of Contents

<b>INTRODUCTION .....</b>	<b>3</b>
<b>1. THE ROLE OF CIVIL SOCIETY IN PUBLIC LIFE AND THE KING.....</b>	<b>4</b>
<b>2. TYPES OF CIVIL SOCIETY .....</b>	<b>5</b>
2.1. Business Associations.....	6
2.1.1 <i>How They Evolved</i> .....	6
2.1.2 <i>The CGEM</i> .....	6
2.1.3 <i>Mechanisms of CGEM Influence</i> .....	7
2.2. Labour Unions .....	9
2.2.1 <i>Categories of Unions</i> .....	9
2.2.2 <i>The Powers of Unions</i> .....	10
2.3 Political Parties.....	12
2.3.1 <i>The Role of Parties and its Evolution</i> .....	13
2.3.2 <i>Categories of Parties and their Role in Law Making</i> .....	14
<b>CONCLUSION.....</b>	<b>16</b>

## **INTRODUCTION**

The concept of civilian society which has just invaded the political discourse in Morocco barely ten years ago is a sign of the evolution experienced by the country. Until a recent date, Moroccan society was dominated by the spirit of community which doesn't show a clear political belonging that is translated into institutions working from below. This situation has induced the state to take over the economic project and to lead the socialization process that insures the transition towards a modern society. By wanting to conform to its original vocation as guardian of community assets, the state became present everywhere, intervening into everything, and invading almost all social and political space. This invading presence of the social field by the state has led it to maintain the society in a relative autonomy, while remaining in control of the situation.

Yet, the faster rhythm of economic and social transformations has called into question the traditional equilibrium. The early eighties marked a decisive turning point in the economic, social and political life of Morocco. These years witnessed the fulfillment of important economic reforms aiming at liberating the economy in depth and opening it up on the global economy. Political changes were added. Indeed, the other question of current interest in today's Morocco, is political Liberalism. Because of this, the traditional strategy of equilibrium followed by the state, which consisted in the creation of relays, the recuperation of powers emerging at the base, the globalization at the top and the practice of state clientage, proved inadequate. State clientage has led, in a context of shortage of resources, to an overcharge of demands and a crisis of lawfulness of the state. Furthermore, the increasing exclusion of young people from economic and political life has constituted the grounds for a radical and violent dispute. On the other hand, a political game limited to the notables and docile elites has not been able to accommodate the presence of a middle class in full expansion. Finally, the opening up of the world market and the economic liberalization started by the government since more than two decades has given birth to new types of practice, where autonomy and responsibility are claimed as rights.

The sum of these evolutions has favored the advent of social forces which were kept on the margins. New actors have been emerging. All kinds of associations are born: e.g.

associations in defense of the Rights of Man, of women, of young people, of Berbers, of civil liberties, as well as associations that fight corruption or fight against aids or promote economic development issues. There are also newly founded political associations.

This recent rise in associative life is at the same time the result of the deep mutations of society that took place during the nineties and the expression of the exacerbation of the needs of the populations (following the degradation of life conditions<sup>1</sup>) that rendered the state incapable of facing this new challenge on its own. Hence, a new public space emerged, which structured itself around the promotion of citizenship with autonomous social actors behaving as political forces. Thus constituted, the associative world acts as proposition force but, equally, as a pressure and lobbying power. As to local NGOs for social development, they are perceived by political actors as “potential competitors.” Examples of partnership between elected politicians and NGOs in which both sides keep their autonomy and independence are very scarce. These local NGOs, although very useful at the local level, don't exact any effect on the law making process.

## **1. THE ROLE OF CIVIL SOCIETY IN PUBLIC LIFE AND THE KING**

In Morocco there have not been institutionalized practices of participation that promote and give value to the associative movement of employees and formally associate it to management or to decision making, neither on the macro nor on the meso and micro levels. Indeed, the 1976 Communal Charter doesn't determine the legal frame within which local collectivities could experiment and adopt institutionalized forms of participation.

Generally speaking, associational life is either sporadically involved in decision making or seen as competition that requires containment. The associations that are implicated in decision making or in the implementation of activities on the local (mico and meso) collective levels are developed by initiatives that remain relatively isolated and sporadic. All in all, associations of local development are essentially perceived by the elected elite as instruments of political competition. This induces the elected political elite to try to co-opt associations (by getting involved as leaders of such associations and by reducing these associations to appendixes of a political party or a political personality) or quite

---

<sup>1</sup> The number of poor people has increased during the nineties passing from 13% to 19%

openly to marginalize them. Cooperation between the elected elites and associations with a spirit of respect for reciprocal autonomy seems to be the exception.

The King of Morocco has different modes with which he interacts with society. One is the mode of “sovereignty decisions.” In cases of national security, issues related to religion or very critical economic or social moments, the King takes the lead. For example, the decision to embark on structural adjustment programs SAP was taken by the King personally and was perceived as a sovereign’s decision. To prepare society for those decisions, the King often uses powerful symbolic language to leave society and its collective actors with few options of manoeuvre. In the case of the SAP, the King had several times referred to the Moroccan economy as one on the verge of a heart attack.

The second mode by which the King relates to society is that of “strategic decisions.” In cases of economic reform, the King uses public appearances or speeches to Parliament to outline his preferences for specific policy directions, even for specific projects. This gives collective actors clues to the policy agenda to come and who is behind it.

The third mode of interaction with civil society is that of “arbitrage.” In cases of conflict of interest between groups, the King may intervene personally to arbitrate between divergent positions. This is often difficult to discern from the outside.

The fourth mode is that of “consensus.” In cases that require cohesion and agreement among various compromising parties, the King establishes consultation mechanisms to build consensus. The social dialogue forum is one such example. The central authority, thus, initiates the process and coordinates, leaving social partners with substantial room to build and negotiate their positions. The labor code is a good example. Though time consuming, this process gives a change for civil society activism to unfold in a consensus conducive mode.

## **2. Types of Civil Society**

Three components of civil society are active and have some effect on the public decision making process. These are the association of entrepreneurs, labour unions, and political parties.

## **2.1. Business Associations**

### **2.1.1 How They Evolved**

One of the fundamental facts of the 1990s in Morocco is the emergence of Moroccan entrepreneurs as autonomous interest groups in the public space. Important actors, they established themselves as central personalities to the economic activity only a few decades back. Living in the shadow of the state (Moroccanization) they were not able to become socially recognized to the degree that certain observers didn't hesitate to conclude that one of the reasons for maintaining Morocco in under-development is the absence of a spirit of enterprise.

Before the 1990s, entrepreneurs were synonymous to rent seekers. They had no social recognition and nothing to be proud of in the eyes of the population. In the 1990s, entrepreneurs emerged on the public sphere and started to acquire a new status as public actors. Liberalization and privatization processes are behind this transition. It is owing to the relative withdrawal of the state from economic life and to the liberalization measures of the 1980s that the collective "entrepreneur" has built himself as actor in an interdependent relation linked to the heart of the political system.

### **2.1.2 The CGEM**

The CGEM (General Confederation of Morocco's Enterprises) started a process of image lifting and capacity building which resulted in an interest group with an independent status from the state. The CGEM has been building its action and image as an interest group which is becoming autonomous vis-a-vis the state in the framework of liberalization. This evolution which was accepted by the 1995 reform (which led to the name change) was surely a big mutation in the history of the organization as it accepted the claim of an autonomous status, differentiated in relation to the authorities in the framework of negotiations and social agreements. With that move, the CGEM has been explicitly participating in the re-formulation of the political pact.

The summer of 1996 was a moment of crystallization of the enrollment process at the heart of the political field for the Moroccan employers and their confederation, the CGEM. By signing on August 1<sup>st</sup> the tripartite agreements, they were recognized as social actors. The signing of the "Gentleman's Agreement" in July 1996 between the

CGEM and the Minister of the Interior recorded the closure of six months of reports of tense power provoked by the so-called “Purification” campaign, carried out by the Ministry of the Interior against corruption and contrabands.

Discursively and institutionally, the confederation had established itself as a “political actor” by building its legitimacy and its representative-ness on its intermediation and negotiation competences. It displayed, for example, its capacity to help highlight the interest of Moroccan employers at the time of international agreements, in the signature of commercial contracts, and in negotiations with the new government on many occasions of economic reform. In the international domain, its representatives participate in the discussions with the European Union about the procedures of modernizing Moroccan enterprises. On the national level, they interfere in social negotiations. Finally, they have shown their disagreement with the Moroccan government during the purification campaign of 1996.

### ***2.1.3 Mechanisms of CGEM Influence***

The question that comes to mind naturally is: what are the latitudes and the means of action they have and how much space does the current political ruling elite allow them in order to influence political decisions?

To act in the name of the interests it represents, the organization doesn't make use of the classical parliamentary channels. It uses, in the way of interest groups and lobbies, a set of other intervention channels. The example of the dealings for the concession of water and electricity management in the city of Casablanca is a case in point: Demanding a right to read the terms of the contract binding the Moroccan government and “Lyonnaise des Eaux”, a contract which CGEM considers harmful to the interests of Moroccan entrepreneurship, the managers of CGEM intervened as “technical advisors”. They used this status to draw up, through the press, an indictment against the concession by mutual consent. Similarly in the case of the concession of water and electricity in the city of Rabat, CGEM raised concerns about opaque practices, collusions between business circles and politics, and corruption pure and simple.

Furthermore, the CGEM meets every year on the occasion of the discussion of the law of finances of the government which is discussed within Parliament. GEM meets to exchange views with parliament and to give its opinion on the budget project. At times of tension with the state, e.g. during the “purification campaign” we have seen the CGEM intervene during the discussion of the law of finances of the government before it was deposited in Parliament to be discussed and voted.

The CGEM was also noticed at the eve of the legislative elections of 2002. It sent ten questions to all the chairpersons of the parliamentary committees and after the elections it placed 60 law drafts. Of course, sometimes it only receives curtsey answers, but it happens that on serious problems it makes itself heard. The law on insurances was a case in point. Under pressure from the CGEM, the government had the law on insurance voted in, a law that makes insurance compulsory and general for everybody.

On privatization, the CGEM has denounced the system transfer by mutual agreement used in the LYDEC affair, the RADE and other public enterprises whose management was entrusted to the private sector. In this particular domain it continues to demand a law project concerning the concessions of delegated management in order to allow Moroccan operators to enter into the competition.

Concerning the work code, the CGEM has participated actively in its elaboration and in its discussion. It made a proposition regulating the right to strike. Nevertheless, in this domain, the CGEM continues to express its reservations concerning the guarantee<sup>2</sup> imposed on the intermediary work companies. It estimates that this amount closes the market and excludes the PME. The CGEM is for a reduction of this guarantee.

The CGEM participates in discussions with other regional partners of the Moroccan state. CGEM participates, for example, with the European Union. It receives the EU experts and works with them for the identification of projects. The CGEM has contributed to the elaboration of the transfer of public markets decree, prepared by six ministries and professionals of the CGEM. This decree has just seen day light after 15 years of discussion. The CGEM has also been involved in the Moroccan delegation at the time of

---

<sup>2</sup> Which is 1 million dirham to obtain the approbation

negotiation on the free trade agreement with the United States. This has allowed for de-blocking the problem of textiles and of medicines.

In a general way, the relations between CGEM and the Legislature are intense. Yet, they are more so with the government, given that more than 95% of law initiatives come from the government. Yet all these relations lack an adequate structural framework. That is why the CGEM proposes a group of permanent liaison which could organize these relations to insure their permanence and regularity.

## **2.2. Labour Unions**

Syndicalism in Morocco goes back to the era of the protectorate (1912-1956). The first unionist movements were sometimes only the extension of the French group of affiliated unions. However, from the beginning of 1950's, the Moroccan unions aligned themselves to the positions of the national movement and engaged in the fight for independence. Once this independence was attained, syndicalism appeared in broad day light, giving itself structures and an organization. The first union group appeared in 1956, the Moroccan Work Union (MWU). Since then and up to now, the unionist movement has been enriched by other organizations, more or less affiliated to political parties.

### **2.2.1 Categories of Unions**

All in all, the unionist groups of Morocco are divided in two categories:

1) A category related to the central authority. Strictly unionist and limited to professional concerns without trying to interfere in political life in general. This category is essentially about the Moroccan Work Union (MWU) which draws its strength from its historical experience since it has been the first and the most important unionist group of Morocco since the first years of independence. The MWU has been closely linked to the National Union of Popular Forces (NUPF) during the 1960s. It is an organization that has a great audience among wage-earners and also has important financial means. Today it is particularly active at the level of parliamentary institutions. It is represented by several Counselors in the Chamber of Counselors. It practices lobbying and gets to be heard by managers.

2) The other important category of unionist groups is that comprising those unions which were created by political parties. This refers to the GUMW (General Union of Moroccan Workers) linked to the Istiqlal Party and the WDC (Workers Democratic Confederation) linked to the Socialist Union of Popular Forces (SUPF). Since 2002, the WDC has detached itself from the (SUPF) and has created its own party. These groups have an important audience. They recruit, in great part, their followers from among government employees and wage-earners in the public sector of services. The fact that they are affiliated to political parties has led them to politicize their action and to give to their demands a dimension other than purely professional unionist demands.

It is important to add that these unions are present today at the heart of parliamentary life. They have an important representation in the second chamber, the Chamber of Counselors<sup>3</sup>, and they take part in major economic and social debates (budget, work code etc.).

### **2.2.2 The Powers of Unions**

Having said that, the question then is: What is their influence in Parliament? Can they contribute to the elaboration of laws?

Though powerful on the level of negotiation of labour relations, labour unions have a weak legislative power. These unions are very active and their power of negotiation is important at the level of the public sector as well as at the level of formal private sector firms. In particular, they play a very active role in the execution of the different collective conventions at work in specific sectors (e.g. banks, transport). They are equally present and oft powerful in the formulation of the corpus of work rules in the administration and public enterprises. For example, they were able to negotiate, in a significant way, the remunerations of public sector workers in spite of inflation and important budgetary constraints. They have also blocked for many years the adoption of a new work code, because of differences in views with the employers about the flexibility of work contracts. Yet, all in all, this unionist power contributes only weakly and specially in an indirect manner to the elaboration of laws. Its strength is mainly in its blockage powers; it has demonstrated that well in the work code.

---

<sup>3</sup> WDC = 12 counsellors; MWT = 8 counsellors; UGMT = 2 counsellors

This situation comes from the fact that these capacities of expertise and proposition are not sufficiently developed. Unlike the CGEM which carries out studies and investigations and which intervenes in the political debate, and even in electoral debates, through propositions of economic policy, the workers' unions often limit themselves to demand or to denounce. Besides, their domain of action is limited; the only domain where they are particularly obvious is the social.

This may be explained as follows:

- The absence of juridical counsel and economic policy. Certainly, the presence in their ranks of university professors and journalists allows them to fill some competence gaps, but it doesn't offer a permanent structure which would continuously supply them with advice and information.
- The information system is almost non-existent, there are no databases and practically no studies or investigations. In a general way, the unionists rely on the reports and studies of international organisms (e.g. BIT, CNUCED, PNUD, and sometimes the World Bank). But, the essential part of their information is taken from the specialized press (that they quote abundantly in their speeches and in their writings)

Consequently, their interventions don't go beyond the position of principles. Of course, sometimes they are capable of intervening in an appropriate manner in the debate when their followers or militants are concerned with the subject, e.g. in the case of debates on privatization and on customs reform. The strong presence of the unions in the public enterprises and in the customs and the ports had allowed them to have at their disposal much information.

They contributed to slow the rhythm of privatization by forcing the authorities to take into account the situation of the wage-earners of the public enterprises (they are equal) but also to keep an eye on the transparency of operations while auditing the enterprises that could be privatized.

On the other hand, concerning the agreement of association with the European Union, and another with the United States, their participation is very weak. Sometimes they limit themselves to criticizing the large scale opening adopted by the government without proposing alternatives. They also denounce globalization as being an un-equalitarian system which functions to the profit for the countries of the North without going any further. The lack of information and the deficit in expertise doesn't predispose them to go further.

In fact, the Moroccan unions haven't integrated in their functioning manner the mastery of information, the studies, the investigations, their information sources remain their followers or their militants or still the journalists linked to their organizations. Their way of working is largely delayed in relation to the demands of the moment. Their attachment to syndicalism of the fifties and sixties doesn't prepare them to hoist themselves to the level of decision making. Their managements are not yet ready to use modern tools and methods. They act in the logic of a primary force report without reference to modern methods.

From this fact, their prime worry is to put pressure on the government and the bosses to make them accept their demands. Their behaviour can thus take harsh stances, even violent ones. For example, three years ago, they organized a series of strikes that ended by the shutting off of enterprises which preferred to relocate abroad. The inability to understand the constraints imposed by international competition and the demands of competitiveness leads the syndicates to become more reactive than active.

### **2.3 Political Parties**

Morocco is a constitutional monarchy which recognizes and encourages the multiparty system. It is, in fact, a fundamental principle of its system. Article 3 of the 1996 constitution sanctifies the necessity of parties and forbids the formula of a one party system. The Moroccan political parties belong to three functional categories: the parties that are partners of the state (Istiqlal and Socialist Union of Progressive Forces USFP), the parties that are created by the administration on occasion of elections and the marginal parties (those which aren't often presented in parliament). On the ideological

plane, they can be divided into three categories: Those that originated during the national movement of liberation (Istiqlal party, USFP), those coming from the socialist Marxist left movement (PPS and the small leftist parties), those which proclaim liberalism, and religious parties.

### **2.3.1 The Role of Parties and its Evolution**

The role of these parties is not negligible. Their adhesion to the state reform project and their active contribution to its success have helped the latter to create an institutional consensual framework and to avoid certain political costs (The succession of Mohamed VI to the throne went on without problems). But this process only functioned because it remained focused around central power and managed by the Sovereign. It is the primacy of one over the multiple<sup>4</sup> that opened the way to Entente. Otherwise, the political class, in a general manner, and particularly the political parties came out deeply weakened by three decades of marginalization at the hand of the King.

Their being put away from power during this time has prevented them from implanting themselves more profoundly in local society (particularly rural) to insure its framing and help the emergence of political vocations. This evolution has negatively affected their participation in the running of political affairs and prevented them from assuming public responsibilities. This reality can be seen at two levels: on the national plane, the parties aren't able to imprint their orientation on public life. The significant example of this viewpoint, being the alternation government (1998-2002); on the local plane, the parties haven't succeeded in capturing the local competences and in promoting a healthy competition among regional elites.

Today the Moroccan political landscape is characterized by the atomization of parties and the dilution of their identity. Apart from the religious party (Party of Justice and Development) which has at its disposal a real social and political basis, the twenty or so parties which have just appeared on the occasion of the last elections (September 2002)

---

<sup>4</sup> I.P: Istiqlal Party  
SUPF: Socialist Union of Popular Forces  
PSP: Progress and Socialism Party  
SDP: Social Democratic Party

are mostly splitters of existing parties. Yet, the parties are not totally helpless. Their role, in parliament for example, is far from being negligible.

### **2.3.2 Categories of Parties and their Role in Law Making**

To answer this question we must categorize the political parties:

The parties that originated during the national movement and whose birth goes back a long way (for example the Istiqlal party which has been in existence for more than half a century, or the SUPF and Progress and Socialism Party PSP). All in all, these parties have old traditions and are equipped with organized instances allowing them to intervene in the political debate and in the parliamentary debate. Generally, they have permanent structures of the type; economic commission, social commission, institutional commission etc...

These parties are also fairly well informed about the economic and social reality. They generally get their information at the source (.e. statistics departments and the concerned ministries). Equally, they don't hesitate to have recourse to other external sources such as reports from international organisms (FMI and World Bank). The proximity of their managers to the information sources and to the centers of decision allows them to be well informed, on the economic and social reality of the country.

Concerning the opposition parties in this category, their long years of opposition have allowed them a long experience and prepared them to influence the deliberations on laws. Their contribution to certain decisions is far from being negligible. In the matter of privatization, customs reform, the labour law, and the EU agreement, their contribution was quite strong. They have, notably, formulated a number of principles, which have been retained in the elaboration of the law on privatization. These concerns were:

- The money acquired from privatization, they argued, must feed into a special investment account to finance the restructuring of the Moroccan enterprises, so to speak a restructuring fund. This is what gave birth to the Hassan II fund (to help the Moroccan Enterprise threatened by bankruptcy.)
- Concerning the customs reform, they supported it but proposed some amendments, notably reducing customs obligations on pharmaceutical products.

They proposed among others the creation of a joint account for the Ministry of Finances and the Ministry of Health to support certain medicines.

- Their participation in the adoption of the Work Code has taken the shape of an alignment with the positions of the Unions.
- Finally, in the partnership Agreement with the European Union, they were associated to the discussion only after the agreement was signed. From this fact, their attitude inside the parliament has taken two shapes. It consists to criticizing the method, without questioning the content.

The other type of parties, i.e. those of more recent origin, are linked to the administration (Independent's National Re-assembling and the Constitutional Union CU) and have competent and well placed managers. In general they are parties that get their information at the source. Their close position to the administration allows them to have at their disposal first hand information.

The third type of parties is parties that have a social rural base and proclaim themselves as the defenders of the population of the country side (i.e. the popular movement with three variants and the National Democratic Party NDP). The organization is flexible and membership includes a popular base and some managers. They are also parties of the two extremes: the extreme left and the Islamic parties. Particularly the first one is formed in great part by highly qualified persons having recourse to all kinds of information sources.

The Islamists represented by the Justice and Development Party JDP are a recent party, quite well represented in parliament and very active at the level of the assembly as well as of the commissions. Its existence in parliament barely exceeds two years. From this fact, these contributions are now limited to the discussion of the budget and the work code. It is a party of opposition in the minority and apparently isolated. Consequently, it has only limited effect on the elaboration of laws.

In a general way, the parliamentary debate is animated by the political parties. Their role consists, certainly, in the elaboration of laws but also in control of governmental policy. To get there they take two routes:

- The first one is to participate in debates in plenary assembly. Every Wednesday is dedicated to questions to the government. During this meeting, the deputies question the ministries on their activity and their decisions.
- The second one is the discussion at the commissions. The different law propositions are debated inside commissions. One of the most important being that of finances. Every year, on the occasion of the presentation of the government's budget law (in October), the commission meets during almost two months to examine the budget and amend it. It is proper to note that the finances commission usually has a good level. However, the amendments are often rejected in the name of article 51 In the name of the principle of equilibrium between receipts and expenses, every amendment coming from a parliamentary must take into account this principle. Otherwise the project is rejected.

## **CONCLUSION**

In the light of this report can we say that the civilian society and its representatives in parliament have the power to influence the elaboration of laws? In a country where the executive has two heads and where the King rules and governs, how can you participate in the elaboration of laws and contribute to the decision taking.

Apart from the fact that this situation creates a coherence problem at the top of the State pyramid, it strongly reduces the role of parliament and makes it (together with the government) a simple executor of the royal will. This is clearly seen in these two essential reforms: privatization and the signing of the partnership agreement with the European Union or still, recently, the Free Exchange Agreement with the United States. It is equally the case in the placing of economic and social organisms outside governmental authority (Mohamed V fund and Hassan II fund); It is the King who supervises and controls.

In these conditions, the civilian society in the wide sense (Associations, Unions, and Parties) can be more efficient by making its influence felt outside of parliament, either

through its economic weight and the expertise abilities it has (example of CGEM) or through its power of dissuasion (the case of unions in the work code)

Since the decision to apply the austerity and adjustment policy which brought about violent reactions, the authority has started listening to the civilian society. That explains why in Morocco the great reforms need more and more time to see daylight! In short, even if the king decides at the end, he has to take into consideration the reaction of civilian society in order to reduce the political cost of reforms.