



Free Trade Agreements

Colonial Agreements Against The People

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Analysis of the free trade agreements between
the European Union and Morocco

**ROSA
LUXEMBURG
STIFTUNG**

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Analysis of the free trade agreements between the European Union and Morocco

ATTAC / CADTM Morocco
Against liberal globalization

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Foreword

by the Rosa Luxemburg Stiftung

Trade agreements between countries are often perceived as a positive form of international cooperation and an effort to establish links between people, i.e. a way to contain armed conflict. This might be true for trade agreements concluded between economic equals, but is not the case for agreements between a powerful economic bloc, like the European Union, and individual states with weak economies.

This book by Attac Maroc was originally published in 2015 in Arabic and French and is geared towards readers in Morocco who want to learn more about the devastating effects of trade agreements on the country. We have translated it into English, because the different texts provide insight for the interested in other parts of the world as well, and we hope that this contributes to a wider international exchange between activists and initiatives struggling for the democratic interests of people.

“Free markets lead to democratic systems” is a political assumption associated with free trade. Looking at the developments of the last decades it is safe to state that the freedom of economic powers (and ruling elites in the economically weak states) have certainly increased. But democratic systems have not emerged in the trade partner countries. Their human rights record, corruption rank, and the low levels of possibilities for political participation attest to this. The secret negotiations on the Transatlantic Trade and Investment Partnership (TTIP, between the EU and the USA) and the Comprehensive Economic and Trade Agreement (CETA, between the EU and Canada) constitute clear proof that democratic principles have to step aside when “the market” enters.

Peter Schäfer

Rosa Luxemburg Stiftung

Foreword

Amid a global economic crisis mainly hitting the countries of southern Europe, the EU is trying to impose a new generation of free trade agreements on its neighbors to the south and the east called Deep and Comprehensive Free Trade Agreements (DCFTAs). The aim is to enhance the openness of these countries to world markets and to further anchor them to Europe by harmonizing their regulations and legislation with European standards. Some DCFTAs have already been signed with Ukraine and Moldova, while others are under negotiation with Morocco and other southern Mediterranean countries on the list, such as Tunisia, Egypt and Jordan.

It is not insignificant that these negotiations are taking place at a time when the European Union and the United States have been negotiating, since July 2013, a free trade agreement called the Transatlantic Partnership for Investment and Trade (TTIP). This agreement caused a huge commotion among NGOs, associations, unions and researchers and an extensive debate in the press, both in Europe and in the United States. Indeed, this transatlantic partnership, which is the culmination of several years of lobbying by European and American industrial and financial groups, “is one of the most important free trade and investment liberalization agreements ever reached,”¹ and these negotiations are raising a great deal of concern.

On the one hand, the negotiations are surrounded by a near-total information blackout and what information does circulate about them is mainly the result of “leaks.”

Moreover, the very size of the negotiators, who represent half of global GDP and a third of world trade, will ensure this agreement, if signed, is de facto imposed on the rest of the planet. The scope of its impact is further ensured as TTIP fits into the framework of several hundred free trade agreements that have been signed or are under negotiation in the world. All are more or less supportive of each other, at least according to the terms of the nations the agreements favor.

Two main points emerge from this project.

The first is that “any regulation, even if democratically decided, can be considered an obstacle to commerce”.² So this represents a huge undertaking to dismantle all laws, standards and regulations, which could, on the economic, commercial, social, environmental and cultural levels, and under the pretext of economic or citizen protection, constitute an obstacle to the free development of companies and their freedom to store astronomical profits.

The second element concerns the establishment of a particularly threatening mechanism called “dispute resolution.” This mechanism would allow arbitrators deliberating independently of national courts to convict states at the request of transnational companies under the pretext that state standards represent barriers to foreign investment. The objective: to extend the possible scope of investments and “secure” investor freedom and profits.

¹ ATTAC France, Guide de navigation pour affronter le grand marché transatlantique, Paris, 2014. <https://france.attac.org/nos-publications/brochures/articles/guide-de-navigation-pour-affronter-le-grand-marche-transatlantique> [Please note that the title in this footnote does not match the title of the article at this link. The date is also different.]

² Ibid.

Such a mechanism would place companies above states and the protection of profit above citizen protection.

These two elements alone, which are accompanied by many other terms, obviously justify the mobilization on the part of citizens' organizations that try to decipher the key risks emanating from this project and that organize against its ratification. Hundreds of organizations have organized themselves at the European level within the collective STOP TTIP, and multiple analyses have called for mobilization. The media has also publicized the debate.

There is nothing like this as far as the free trade agreements between the EU and Morocco are concerned. The media publish only very limited and often biased information, which is distilled by the European Union (we will come back to this topic in Chapter 6). While the patrons and CGEM³ are paying close attention to the subject, only a few organizations and political figures are showing interest in it. Even when they do, it is often to simply claim a seat on the sidelines of the negotiations. ATTAC / CADTM Morocco, for its part, has repeatedly intervened in this issue, through press releases or during seminars, meetings and conferences in Morocco, as well as in different countries of the European Union and during the World Social Forum held in March 2013 in Tunis. However, the extent of mobilization in Morocco remains paltry compared to what such a project should normally trigger.

The impact of these agreements is nevertheless significant for the country and its citizens, who have neither heard of them nor been able to express their opinion about them. Yet, they daily experience the consequences of an opening that completely changed the rules of the economic and social game. This opening is jeopardizing the future of Morocco's agriculture and its industrial structure, and it strongly contributes to the structural crisis of employment and an unbearable unemployment rate. It aggravates imbalances in its external accounts and places the Moroccan economy in increased dependency, leaving it defenseless against completely unbalanced competition. Such agreements have modified the products that are now on sale in markets and supermarkets, they have promoted the privatization of our schools and health, and they have allowed unscrupulous multinationals – which have repeatedly been singled out by the Court of Auditors – to corner urban services under delegated management. Such agreements have also led to the dismantling of all codes (labor, investment, exchange controls, etc.) that used to constitute protections, even if imperfect, for both the national industrial and agricultural sectors and their workers. The outcomes of such changes had not been put forward publicly before the start of negotiations for a new agreement in March 2013. The so-called Deep and Comprehensive Free Trade Agreement (DCFTA), as the name suggests, is in line with a growing trend to increase free trade, liberalization and the integration of Morocco into the European domination device imposed on its neighbors to the south and to the east.

Following the notable absence of any balance sheet, the European Union initiated an impact study in 2012 with Ecorys, a research firm. Morocco, for its part, waited until the fourth round of negotiations to acknowledge a lack of visibility in the project and to order, in turn, an impact study! This shows the seriousness our leaders grant such negotiations, which are crucial for the country. Due to the impact study, the fifth round of negotiations were postponed from September 2014 to early 2016.

One may be somewhat skeptical about the quality of such studies. The Ecorys study announced \$1.3 billion in additional GDP per year for Morocco and a negligible impact

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³ Confédération Générale des Entreprises du Maroc (General Confederation of Moroccan Companies)

for Europe, which does not seem serious and was publicly criticized by the Economic, Social and Environmental Council at a meeting held in Brussels on the 4th of June, 2014.

The real value of the current negotiations are further put into question when considering that the European “regulatory acquis” risks being seriously heckled by the Transatlantic Treaty negotiations. What harmonization are we talking about: harmonization with the current standards and regulations in force or with those that would be established if

the transatlantic treaty was signed? Shouldn't we rather fear that automatic regulations adjustment mechanisms would be put in place that would allow a failover, eliminating negotiation of any new rules advanced by the European partner, which could itself be subject to pressure by American standards?

Unfortunately, we can only take the risk of making assumptions about the matter, for we have no elements that would allow us to see more clearly. Nevertheless, we may state without risk of error that the DCFTA negotiations between the EU and Morocco should not proceed as long as Morocco ignores whether the EU will definitely be aligned with the United States of America under a new agreement.

The misadventures of Moroccan tomato exporters, who were struck by the full force of European agricultural policy reform – imposed without prior negotiation or joint examination of how such reform would impact producers – should trigger thinking about this aspect of the issue.

This new generation of agreements, such as the first DCFTAs that have already been signed with Moldova and Ukraine, aim at an increasingly high level of liberalization and further integration of the countries neighboring the European Union, particularly at the legislative and regulatory levels, in order to “harmonize regulations with the EU acquis.” These “acquis” have plunged Europe into crisis for over five years without it being able – or inclined – to get out. The agreements are putting European economies and people, particularly of the global South, on their knees, dismantling the social acquis, won at the cost of great struggle by working people since the end of the Second World War. In short, they are not attractive to the people of southern Europe, but this does not seem to concern for a second either the Moroccan or the European negotiators.

It is true that if companies have control over these negotiations and defend their interests tooth and nail, the people themselves are kept away. Move along, there's nothing to see!

Precisely not. We believe that citizens should be informed, understand and have the right to scrutinize, to say what they want or do not want.

Thus, at a modest level, we would like to highlight some items in relation to this debate that would enable citizens to tackle this issue.

After giving an overview of the ideological underpinnings that we know of which support the free-trade frenzy at this stage of neoliberal globalization, we will attempt to draw in broad strokes a rapid assessment of the impact of free trade agreements signed to date by our country, to point to the denial of democracy around this issue, and to analyze a little more closely their impact on agricultural issues, on the services sector (based on the example of the health sector and the issue of intellectual property), on the country's debt, and on the movement of people and migration.

These are just a few basic elements in an issue that proves of interest not only to economic operators but also citizens, as the agreements will definitely have an impact on their daily lives. This issue is evaluated not only in terms of GDP points, but also in terms of social

conditions, the rights of workers and citizens, the safeguarding and protection of the environment, and, in the final analysis, the defense of our food, economic, and political sovereignty.

Free trade agreements and debt mechanisms are two instruments of domination that perpetuate the dependence and plundering of the country's wealth. This is done in close cooperation with international financial institutions (the International Monetary Fund, the World Bank and the World Trade Organization) which further enhance the liberal orientation of the policies implemented and which impose neo-liberal policies that safeguard corporate interests and debt repayment.

Throughout 2011, the people of the Maghreb and Mashreq countries took the floor and demanded that their will be heard. If there is one area where it should be heard, it is that of the negotiations that will fundamentally change the functioning of their countries, not only at the economic but also at the social, political and cultural levels.

Free Trade In The Context Of Liberal Globalization

Lucile Dumas⁴

Free trade agreements (FTAs) are being negotiated from east to west and north to south. The world seems gripped in a free trade frenzy. Let us judge: in January 2012, the World Trade Organization's (WTO) Committee on Regional Trade Agreements identified over 500 FTAs worldwide! Professors of economics Jacques Delpla and Jean-Marc Siroën and professor of alternative economies Guillaume Duval have highlighted the confusion produced by these agreements: "A real, almost illegible mess: this is what the map of economic relations at the international level looks like today."⁵

There are roughly three kinds of agreements in terms of size: small ones that bind two countries with low trade volumes (e.g. the Morocco-Turkey Free Trade Agreement); larger agreements between a country with low trade volumes and a country with high trade volumes (e.g. the Morocco Free Trade Agreement (MAFTA) with the United States); and vast international agreements (the proposed Trans-Atlantic Trade and Investment Partnership (TTIP)). The latter is being negotiated between two global giants, the U.S. and the European Union, each with significant bargaining power. Together they cover almost half of international trade. There is no doubt that if this agreement is eventually signed, its impact would greatly overflow both signatories and affect all international economic relations.

Other agreements are totally unbalanced, such as the agreements signed within the framework of the Euro-Mediterranean

⁴ ATTAC/CADTM Morocco member

⁵ <http://www.franceculture.fr/emission-du-grain-a-moudre-accords-de-libre-echange-la-mondialisation-en-pire-en-parteneriat-avec-al>

Partnership, which are being negotiated individually between the EU as a whole and each of the southern countries. The trade volume of each "partnering" southern country is disproportionately low and the bargaining power paltry when compared to the economic weight of the EU.⁶

Today, free trade is the leitmotif of international financial and trade institutions as well as that of decision makers and leaders, and it is repeatedly posed by the press as the key that will open the door of "globalization" to all countries. According to them, free trade is synonymous with growth, development, job creation, prosperity and happiness. But before analyzing how it is, indeed, a lever for the integration of countries into the mechanisms of neoliberal globalization, let us flash back to Britain in the 18th century⁷ to understand what the purported miracle recipe of free trade consists of and why it has been so popular for the past three decades.

Arguments

The starting idea is this: if we open commercial markets to free competition, international specialization will take place, spontaneously

⁶ It is through this practice of individual negotiations that Ecuador was cornered by the EU to sign a free trade agreement already joined by Colombia and Peru, with no room for negotiation. If Ecuador were to exit the trade agreement, the EU would no longer buy anything from Ecuador. This example illustrates where the imbalances between negotiators can lead.

⁷ Cf. Adam Smith (1723-1790) and David Ricardo (1772-1823)

allowing each country to focus on the activities in which it is most efficient and to import goods at a lower cost. This is David Ricardo's theory of comparative advantage, which should enable an optimum use of world resources, increasing returns to scale, and greater prosperity. In this model consumers have access to more goods at lower prices and firms enjoy enhanced conditions for productivity as governments neither impose tariffs nor provide subsidies). It should be noted that the Ricardian scheme concerns only the free movement of goods, while the factors of production (capital and labor) remain immobile.

In the context of globalization, modern liberalism is based on a threefold freedom: the free movement of capital, the freedom of investment, and the free movement of goods and services⁸. All manner of human activity is put into competition. These three freedoms are said to create wealth and to favor the global spread of innovation, thus generating economic growth; such growth is in turn purported to spur employment and to improve the living conditions of populations. The WTO⁹ operates on these premises and considers that free trade is the key input for all countries in "globalization," a keyword that is pronounced as if referring to paradise, the Garden of Eden! Let us, nonetheless, look at this more closely.

Three freedoms

The first freedom is the free movement of capital. This free movement has been established since the early 1980s. In theory, competition between worldwide "lenders" was meant to get the best price for capital and therefore lower investment costs. Yet, we have witnessed the

⁸ The mobility of produced goods is accompanied by a strong transnational mobility of the primary factors of production (capital and labor) in spite of the purported immobility of these factors in the Ricardian model.

⁹ The World Trade Organization succeeded the GATT in 1995. It broadens the context of world merchandise trade to include all kinds of services within the framework of GATS: the General Agreement on Trade in Services.

devastation that the free movement of capital¹⁰ has engendered in South East Asia, Indonesia and Mexico. In the absence of supervision and control, only well-informed speculators took advantage of the situation, while the world of the real economy, of production and producers, was harmed. Even the staunchest supporters of the casino economy have had to review their message. To curb this phenomenon, James Tobin, an American economist, proposed the introduction of a tax on financial transactions, an idea that was adopted and later altered by the ATTAC movement. The Tobin tax would consist of an international tax of 0.05% on speculative currency transactions (which are made at high speed, with the same money changing hands several times a week or even per day). Such a tax, therefore, does not penalize business operations or productive investment, which is more stable by nature.

The second freedom is the freedom of investors. From the global North to the South, countries seek – sometimes desperately – to attract direct foreign investment¹¹ (DFI). Thus, in Morocco, as in many countries, firms in the public sector were blithely privatized in order to be sold to foreign investors¹². These privatizations were celebrated as great victories, understandably, as indeed investment flows are mainly

¹⁰ In 1997 a wave of mistrust of capital owners started in local stock markets and reached the banking network, eventually becoming international and covering the entire Asian region and Latin America.

¹¹ Unlike portfolio investments, the simple speculative investments mentioned in the previous paragraph, DFI is supposed to allow the transfer of technology and to evolve comparative advantage and specialization. However, DFI is primarily a matter between the global North and South: in 2002, developed countries received almost 80% of the flows, the US being the first host country (UNCTAD)[If this is a citation, there should be more info here]. Regarding developing countries, DFI is attracted only by profitable destinations like China, i.e. emerging countries, to the detriment of countries that need it most. Economic efficiency has nothing to do with the collective interest and the satisfaction of people's needs!

¹² This was how BMCE (Bank), CTM (Transport), Samir and CPC (Petroleum), the CNIA (Insurance), CIOR (Cement), Maroc-Télécom, RTM, SOMACA (automobile), and the water and electricity distribution companies of major cities were privatized, to name but a few public enterprises that went to private hands.

concentrated in highly industrialized countries. Bringing an investor to Morocco is not easy. It is even more difficult to make him stay, because he will find more profitable investments for his capital elsewhere. To keep him on site, it is often necessary to concede many advantages, meaning that the net gain for the country will be uncertain. It is the awareness of the need to regulate these flows and to build a strong economy that led to the revolt against the Multilateral Agreement on Investment (MAI). Yet, despite MAI's initial failure, its main provisions were later reintroduced under WTO and bilateral or multilateral free trade agreements that go even further.

The third freedom is the freedom of trade. The failure of negotiations in Seattle, Cancun and Doha shows that despite the dominant discourse on free trade, which turns into almost monolithic thinking, vigilance is needed, especially for some southern states (India, South Africa, etc.) and that negotiations cannot be taken for granted.

A distinction should be drawn between commercial relationships that exist between comparable economies (between the US and the EU for example, which alone accounts for almost 40% of world trade¹³) and those that are established between dissimilar economies (between the EU and countries on the southern shore of the Mediterranean, for example, or between the USA and Morocco).

In the first case, negotiations are tough, because powers are comparable, and each state (spokespersons for their large companies) protects its agriculture, steel, wine, cheese or culture. This therefore leads to more bilateral or multilateral trade agreements than to real free trade agreements. Subsequently, each party tries to use or ride on, by means of pressure, the rules introduced by the WTO in opening borders and suppressing any regulation.

In the second case, the negotiators are in a totally imbalanced position: they do not have equal bargaining power (especially because

¹³ The EU and the US together represent 10% of the world's population and account for almost 40% of world trade and over 60% of global GDP. Source: The European Commission, The European Union and the United States: Global Partners, Global Responsibilities, [In French], s.d., http://eeas.europa.eu/us/docs/infopack_06_fr.pdf

of debt), and their goods are not comparable in quantity, diversity or production costs. Subsequently, the opening of customs barriers without a safety net can only reinforce the imbalances.

Moreover, proponents of free trade omit four basic elements: the free movement of persons, the issue of distribution, the social issue and the political issue.

The free movement of persons

 Unlike capital, goods, and merchandise, the free movement of people has not increased, and we are also witnessing the erection of barriers of all kinds, regulatory as well as physical, in order to closely control and limit the movement of people.

As stated by Claudio Katz, "Globalization has not reduced the barriers to mass immigration to the countries of the Centre. Governments in Europe and the United States are building walls to stem the inflow of foreigners and are investing to drive out illegal workers. The capital only favors a certain international workforce mobility, controlled and limited in order to weaken unions and drive down wages. But it prevents the massive immigration flows that destabilize the capitalist order."¹⁴

Capital may use, in the context of offshoring and offshore areas, cheap local labor in such labor's country of origin, it may transport the workers it needs, and it may even use an illegal workforce. All of these measures can ensure the best possible workforce at the best price. These measures also create a labor market in which workers are in competition with one another and are forced to accept deteriorating remuneration, status and

¹⁴ Claudio Katz, Under The Empire of Capital: Imperialism In The Twentieth Century [in French]. Quebec, Montreal: Editor, 2014.

working conditions. This adds up to a context like that already imposed by austerity policies in the name of the sacrifices that workers should make to help their countries get out of economic crisis.

This means that the migration issue is a puzzle piece that allows the world of finance to go back on all the acquis of workers, including those in the countries of the Center, which, for now at least, have the right to move. However, workers in the South do not have the right to position themselves freely in the labor market. What a shame if it is due to this control of the movement of workers that the movement of people is blocked, whatever the reason (tourism, family or friendly ties, cultural or scientific activities, etc.).

The issue of distribution

Even if we admit that free trade makes it possible to produce more wealth, nothing indicates that these riches also benefit all countries and all social strata. On the contrary, statistics show that there has been an increase in unemployment (and therefore in the number of people excluded from consumption) and inequality between the rich and the poor.¹⁵

While institutions like the WTO have been created to promote trade liberalization, no institution has been set up to make the market economy socially sustainable. Worse still, until the late 80s, the development of international competition limited the bases of competition to products and companies. Today, it is not only that all the social benefits of the economy built through the pressure of workers struggles is about to be dismantled (due to the opening of new markets) but also that the competition now targets the social and fiscal regulations of nations. Thus, countries that impose the greatest burden on their businesses, in the name of justice, environmental protection,

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¹⁵ These disparities are regional, too, because the GDP per capita increased from \$1100 in 1980 to \$1422 in 2002 in North Africa, while in Asia it went from \$5,800 to \$16,000 during the same period (see: Ecoflash, November 2002).

food security, and the dignity of workers, are in a weak¹⁶ position.

The social factor

Putting ever cheaper goods on the market is not always socially profitable. "A simple monetary assessment of what is lost here and won there does not allow a social assessment of trade policy. How much does the fact of maintaining the only company that could employ the inhabitants of a small town cost indeed? And how many are worth the environmental damage or the increasing psychological pressure on employees, favored by a frantic race for competitiveness? The standard theory is strangely silent on these social costs of free trade."¹⁷

Furthermore, free trade implies increased competition. Goods and capital move. Only labor remains fixed, and the search for lower costs relies on it: we are witnessing a considerable pressure on wages, working conditions, working time, and social benefits. The cost of trade liberalization will essentially be borne by the worker. In the name of competition, job insecurity and flexibility are becoming common, including in developed countries.

The question of sovereignty

When a country opens its markets widely to basic products, such as cereals, rice or wheat, oil or sugar, local producers, if they produce at higher costs, will need to leave their fields fallow, join the cohorts of the rural exodus, turn to other productions (they are encouraged to shift to export crops, but do they have the means and do these crops sell?) or sell their land to domestic or foreign investors. Yet, still more dangers are looming.

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¹⁶ Jacques Généreux, "Laisser faire ou laisser passer, il faut choisir." Alternatives économiques 201, 2002.

¹⁷ Ibid.

 What will small farmers who lived on subsistence farming eat if they are no longer able to produce their basic food and do not have the monetary resources to buy foods on the market, even at lower prices?

How much leeway will be granted to a state that has become dependent on imported goods in order to provide basic food for its people to oppose any diktat, whether economic, political or military? In addition to the social damage of free trade, the issue of food sovereignty is at the heart of the world balance of powers.¹⁸ It is obvious that behind this, sovereignty in general is at stake. How can countries oppose such interference in their internal affairs when the sanctity of the state depends on the satisfaction of its population's basic needs? Therefore, the whole question of decision centers is implicated.

In this context, what would the margin of decision be for a local councilor, MP, and Minister? Ultimately, the people's right to self-determination hangs in the balance. In proper English, this is called "imperialism."

From the dictatorship of markets to living well

Regulating or deregulating the exchange of goods and capital cannot be an end in itself. Joseph Stiglitz, Nobel Laureate in Economics and a former vice-president of the World Bank has offered a timely reminder that "trade liberalization was organized by the rich countries for the benefit of rich countries," or, put more fairly, by the rich of the rich countries to the rich in rich countries. In reality, all the agreements currently negotiated do not just regulate trade but intervene in all aspects of economic life.

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¹⁸ Besides, the industrialized countries have clearly understood the food independence issue, which is at the heart of The Common Agricultural Policy of the European Union.

Indeed, customs protection has virtually been lifted. Therefore, what we are discussing now has to do with intellectual property rights, access to public markets, favorable business environments (the right to tax exemptions, to re-export profits, to accelerate businesses creation procedures, to service industrial lots, to turnkey solutions, etc.), migration policy, labor law, and the environment. In short, it is a deconstruction of all the regulations that could curb the global expansion of multinationals and frame investor policy and practices.

When talking about the Transatlantic Treaty, John Hillary, said: ***"The TTIP is not a negotiation between two competing trading partners, but a blow to European and US companies by transnational companies seeking to remove the barriers that control and regulate their activities¹⁹."*** This is leading to a new global regulation, which passes over the people, leaving states with no other task than to translate it into national laws and punish those who would not agree. That was the mandate of the WTO, but its operating rules have made the process too slow in the eyes of the big bosses. Now, the so-called free trade treaties play this function.

Yannick Jadot, MEP, describes the process when speaking about the Transatlantic Treaty: ***"This new liberalization stage is primarily about the regulatory frameworks, that is to say the rules, norms, and rights that govern the economy and living together, and reflect very often societal choices that are determined democratically²⁰."***

The protectionism / free trade debate has become obsolete. There are fewer reasons in the twenty-first century than before to seek any autarky or deny the interest of trade. However, a number of preliminary questions should be asked: under what conditions can free trade agreements participate in the improvement of people's living conditions? How are the fruits of these exchanges distributed? Do they save natural resources? The proponents of liberal globalization bring a unique answer to all these questions: liberalize under a single law

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¹⁹ John Hillary, Le partenariat transatlantique de commerce et d'investissement: une charte dérégulatrice, une offensive contre l'emploi, la fin de la démocratie. Bruxelles: Rosa Luxemburg Stiftung, 2014.

²⁰ http://www.huffingtonpost.fr/yannick-jadot/visite-hollande-obama_b_4759593.html

applicable to the whole planet. However, in this area as in others, single-track thinking can only lead to dictatorship, that of markets and finance in this case. As far as we are concerned, we think it is time to say no to dictatorship and to provide modulated responses – based on historical and economic situations, climates and lifestyles, and modes of production – all of which have a common point: to satisfy people’s needs and aspirations through a reasoned and reasonable use of natural resources, respect for nature, and an improved quality of life for all. This could be what the Andean societies call the “good life” (Buen Vivir).

The Impacts of Free Trade Agreements Concluded By Morocco: The Accentuation Of Dependence And The Pillage of Resources

Omar Aziki²¹

An imposed liberal opening

Morocco's economic development has historically been hampered by its reliance on major industrialized countries and its submission to international economic institutions. Its debt, which was the main financing tool in the early sixties, exploded in the early eighties and has led to the imposition of a structural adjustment program and a process of generalized liberal opening. In 1987, Morocco joined the General Agreement on Tariffs and Trade (GATT) and the WTO in 1995²². It has signed, since 1996, free trade agreements with 56 countries: with the EU member countries within the Euro-Mediterranean Partnership (EUROMED); with Switzerland, Norway and Iceland in the framework of the European Free Trade Association (EFTA, 2000); with Turkey and the United States (in 2006); with 18 countries of the Arab League under the agreement of the Greater Arab Free Trade Area (GAFTA, 1998); with Tunisia, Egypt and Jordan, first separately and then together, within the framework of the Agadir

²¹ General Secretary of ATTAC / CADTM Morocco and syndicalist of the NFAS (National Federation of Agricultural Sector, UMT)

²² A law on foreign trade (still in force) was adopted in 1993 and resulted in the elimination of quantitative restrictions and a reduction of tariffs under the GATT obligations. It was followed, in 1996, by a set of customs reforms aimed at simplifying procedures and reducing duties and taxes according to the standards of the WTO.

Agreement (2007); and with the United Arab Emirates (2003). The country is also continuing this strategy of openness by developing its commercial relations with regional groupings in Africa: in 2008, Morocco signed a preferential trade agreement and investment project with the West African Economic and Monetary Union (WEAMU, which includes Burkina Faso, Benin, Guinea Bissau, Ivory Coast, Mali, Niger, Senegal and Togo). Moreover, Morocco is negotiating strategic partnership agreements, including the gradual establishment of free trade areas with the Economic Community of West African States (ECOWAS) and the Central African Economic and Monetary Community (CEMAC, which includes Cameroon, Central African Republic, Congo, Gabon, Equatorial Guinea and Chad).²³ Morocco has started negotiations for the Deep and Comprehensive Free Trade Agreement (DCFTA) with the EU; these negotiations have already seen a fourth round (April and June 2013; January and April 2014). The country has also conducted three rounds of negotiations (October 2011, March 2012 and June 2012) for a free trade agreement with Canada. It is also engaged in talks with Chile for a future free trade agreement.

The 2008 global crisis did not slow this policy of openness. Indeed, the rate of openness²⁴

²³ Ministry of Finance, Morocco-Africa Relations: the Ambition of a «New Frontier,» [in French]. September 2014. http://www.finances.gov.ma/Docs/2014/DEPF/Relations%20Maroc-Afrique_vd.pdf

²⁴ The openness rate is the sum of imports and exports divided by GDP.

of the Moroccan economy has gone from an average of 52% between 2000 and 2007 to over 63% for the period 2008-2013, a rate higher than in Egypt (39.5%), India (36.6%), Argentina (35.8%) and Turkey (43.6%),²⁵ with a much higher level of imports than exports.

The worsening trade deficit

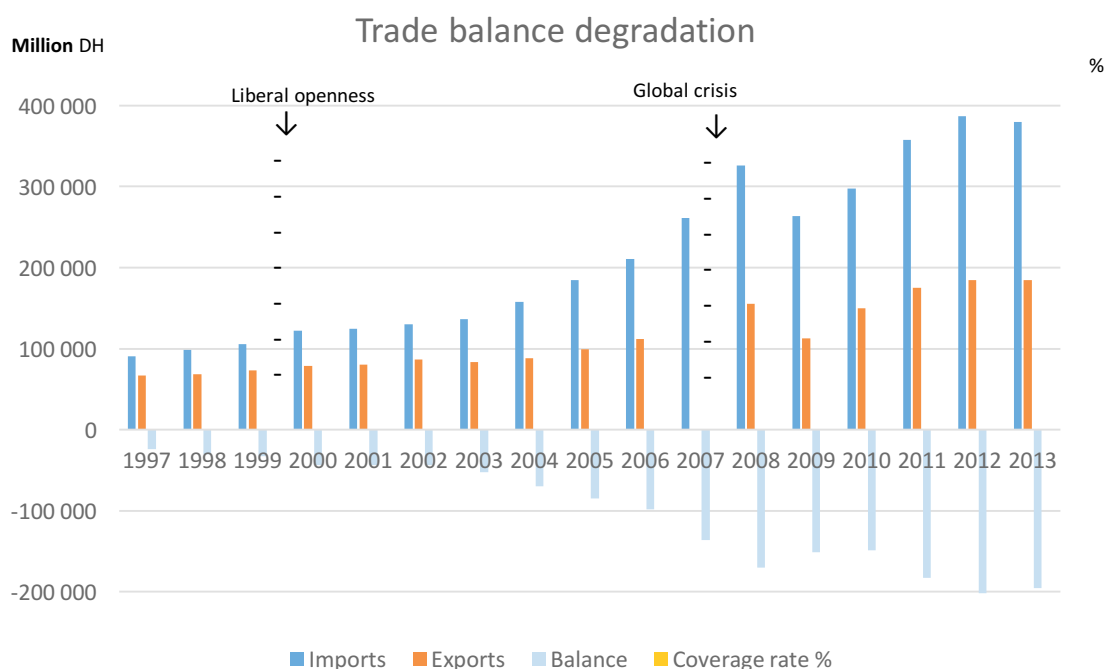
The average trade deficit for the three years before 2000 is -29 billion dirhams. This increased to -72 billion dirhams for the period 2000-2007 and went on to rise to -175 billion dirhams between 2008 and 2013. The balance of trade coverage rate during the same periods declined to 71%, 58% and 48%, respectively.

Table 1. Degradation of the trade deficit by period

	1997-1999	2000-2007	2008-2013
Trade deficit (Million Dirhams)	-28679	-71680	-174953
Coverage rate (%)	71	58.4	47.7
Deficit / GDP (%)	7.8	13.9	22.4

Source: Office des changes (Exchange Office)

Figure 1. The evolution of the trade balance



Source: Office des changes (Exchange Office)

²⁵ Economic Social and Environmental Council, «Cohérence des Politiques Sectorielles et Accords de Libre-Echange: Fondements stratégiques pour un développement soutenu et durable,» April 2014. <http://www.ces.ma/>

The trade deficit in the context of free trade agreements represents on average 35% of the overall trade deficit between 2008 and 2013.

The deficit with the European Union is by far the most significant, accounting for 28% of the total.

Table 2. The trade deficit realized in the context of free trade agreements (FTAs) (million dirhams)

	2008	2009	2010	2011	2012	2013
European Union	-46780	-50368	-44478	-44883	-52713	-55386
USA	-5478	-5594	-5829	-7583	-7355	-3630
Turkey	-3989	-2419	-1887	-3135	-3145	-4771
Agadir Agreement	-1875	-2334	-2496	-3032	-2165	-3045
FTA²⁶	-570	-103	688	-53	-38	-189
Balance FTA	-58692	-60818	-54002	-58686	-65416	-67021
Global trade balance	-170302	-150962	-148380	-182776	-202064	-195235
Balance FTA/Global	34.5	40.3	36.4	32.1	32.4	34.3

Source: Office des changes (Exchange Office)

The accentuation of dependency

Within the free trade agreements with the EU, imports are dominated by three product groups: 33% for semi-finished products (chemicals, plastics and cardboard), 25% for finished industrial equipment products (industrial cars, machines and other devices), and 22% for finished consumer products (passenger cars, fabrics and fiber thread). For exports, we find that finished consumer products (cars, clothing and hosiery) represent 31%, agricultural products and seafood (shellfish, fish and fresh tomatoes) 29%, and semi-finished products (phosphates) 20%.

The production process in our country is very dependent on imported industrial and technological inputs, which constitute almost half (46.7%) of its intermediate²⁷ consumption. The result is low value-added exports, especially for subcontracting activities. Re-exports under the form of temporary admission for inward active processing (ATPA

SP), without payment²⁸ or significant added value, constituted 17% of the total export value in 2013. Finished consumer goods (ready-to-wear clothing, passenger cars²⁹ and hosiery) represented 45% of total exports in 2013. Re-exports of ready-to-wear clothing, on their own, under temporary admission without payment, represent 45% of the total foreign sales of such products.

It should also be noted that Morocco has also become a net importer of basic foodstuffs (cereals, sugar, tea and milk). Morocco's food dependency is increasing and has become alarming.

²⁶ The 28-State European Union

²⁷ Imports cover 33.6% on average of domestic market input needs during the period 2006-2011, against 27.6% for the period 2000-2005. CESE (EESC)

²⁸ Temporary admission for active inward processing schemes allows companies that are established on national territory to import, free of duties and taxes, goods for re-export after processing, working, additional labor or repair. <http://www.douane.gov.ma/>

²⁹ For passenger cars, the French company Renault is the majority shareholder of the two main automobile assembly plants: the Société Marocaine de Constructions Automobiles (SOMACA) near Casablanca, and a factory in Melloussa in the Tangier Free Zone. The production share of the automotive industry in overall exports increased from 12% in 2011 to over 32% in 2012. The relocation to Morocco takes advantage of low wages, land availability and tax incentive plans offered to foreign companies in the free trade zones.

Deteriorating terms of trade

On the one hand, Morocco is forced by industrialized countries, in the framework of the international division of labor and unequal exchange, to export primary products (raw materials, seafood and agricultural products) and manufactured products with low added

value. On the other hand, it is also forced to import industrial products with high added value, such as advanced technology and food.

Alongside the energy bill, which is very heavy (more than a quarter of the total value of imports), the account balance of finished equipment products constitutes a quarter of the overall deficit, while that of semi-finished products represents nearly one fifth. For the food balance, the value of exports of the three main agricultural products – fresh tomatoes, citrus and vegetables – does not even cover the import of wheat, let alone other food imports.

Table 3. Agricultural balance

Average 2011-2013				
EXPORTS (million dirhams)				
Citrus	Fresh tomatoes	Vegetables	Strawberry and raspberry	Total
3387	3496	2564	1142	10589
IMPORTS (million dirhams)				
Wheat	Corn	Sugar	Tea	Total
10642	4778	4545	1481	21446
Coverage rate %				49.4

In addition to a decrease in the prices of the country's main exported products on the world market, Moroccan exports suffer from constant vulnerability due to the volatility of the two main invoicing currencies, the euro and the dollar.

free trade agreements represented 35% of the country's exports to the EU in 2013. However, 50% of EU exports to Morocco are part of the free trade agreement with this region.

Restrictions on Moroccan exports

Exporters in industrial countries benefit from free trade agreements to open the borders and invade the local Moroccan market with subsidized products while enjoying already poorly defined sanitary and environmental standards. They manage, at the same time, to maintain non-tariff barriers to protect their domestic markets. Thus, the free trade agreements weaken local production by dumping products without improving the accessibility of Moroccan products to foreign markets. Moroccan exports in the context of

The agricultural exception in free trade agreements

The entry of Moroccan agricultural exports to European markets has always been subject to restrictive provisions. The first partnership agreement that Morocco signed with the EU in 1969 gave some customs allowances. The second, in 1976, instituted a system of non-tariff protection measures (quotas, calendars, reference prices, etc.). The EU managed to push through the principles of this exceptional scheme during the WTO negotiations in 1994. The exception for agricultural products was enshrined in the new partnership agreement in 1996, which entered into force in March

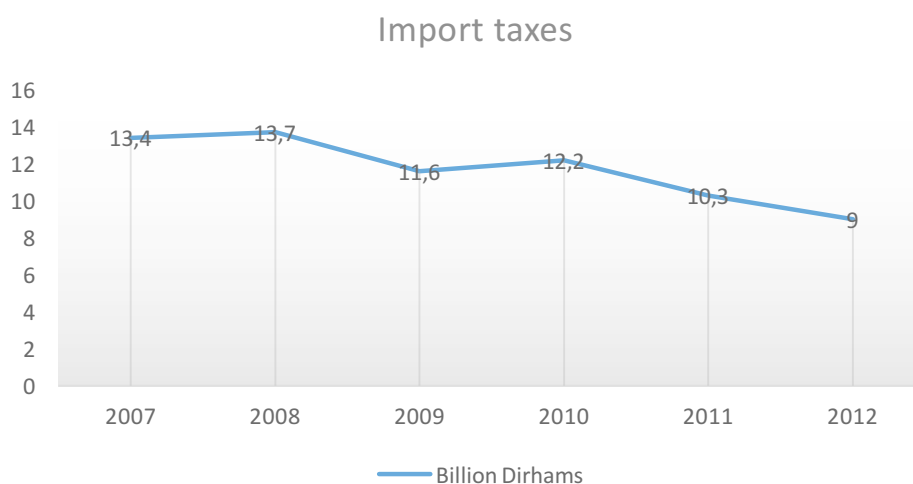
2000 and was aimed at establishing a free trade area between Morocco and the EU. The agricultural agreement of 2003 continues to restrict the conditions of access for agricultural exports to European markets by non-tariff barriers. With the new agricultural agreement of 2012, Morocco has pledged to open its borders to European exports without customs duties gradually, over a ten-year period. These include foods such as wheat, dairy products, eggs, meats and all processed foods (biscuits, chocolate and confectioneries). While the quotas of primary Moroccan agricultural exports were increased slightly (tomato, tangerine, strawberry, cucumber, zucchini and garlic), this was done within the restrictive framework of an "additional quota" during the export calendar (October to May for tomatoes),

a minimum entry price, and restrictive sanitary and quality standards. In April 2014, the European Union adopted new customs rules to limit the access of Moroccan fruits and vegetables to the European market.

The loss of customs revenues

Free trade agreements accelerate the pace of tariff dismantling and thus reduce duties and taxes on imports. Taxes collected under these agreements represented 12% of total tax revenues in 2004, 8% in 2011 and just 4% following the Finance Law of 2014.

Figure 1. Evolution of customs revenues



Source: Customs administration

Foreign direct investment flows (FDI)

The total FDI net flows between 2005 and 2012 were around 130 billion dirham,³¹ comprised of a preponderance of European

³⁰ Aziki Omar, "Le dilemme du modèle agro-exportateur marocain," May 2014. <http://cadtm.org/Le-dilemme-du-modele-agro>

³¹ Ministry of Finance. Assessment of privatization. <http://www.finances.gov.ma/Docs/2013/depp/Bilan%20de%20la%20Privatisation.doc>

flows (investments from EU countries account for over 69% during the period 2007-2011). Over the same period, privatization operations totaled 35.4 billion dirhams, which represent more than a quarter of total FDI net flows. The privatization of enterprises and public services and cessions within the framework of sectoral strategies contribute to the influx of investments rather than portfolios and subcontracting. In the 2007-2011 period, the real estate sector ranked first in privatization (23.6%), followed by telecommunications (17.3%) and tourism (15.8%).³²

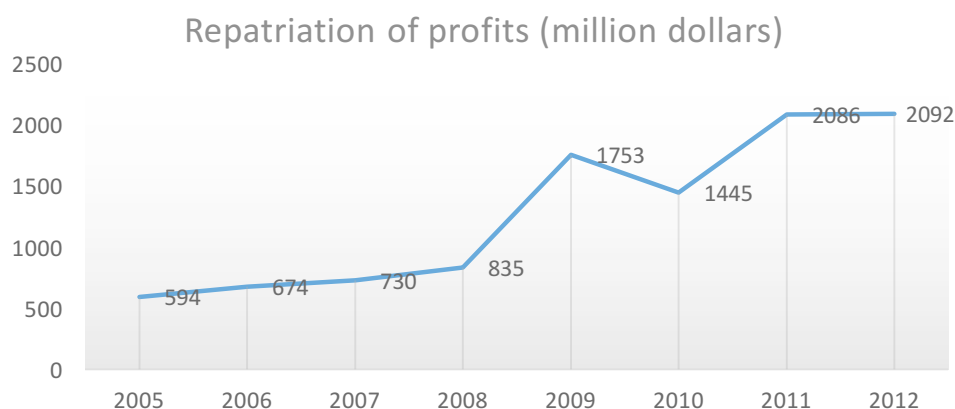
³² Karim El Haouzi, "Panorama des IDE au Maroc 2007-2011," December 2012. http://www.oc.gov.ma/portal/sites/default/files/2_EI%20Haouzi%20v2.pdf

In 2012, the deficit that had been accumulating since 2001 with the European Union, which represents the first partner of Morocco at all levels, reached 185 billion dirhams. It thus absorbed the totality of all the investments and aids granted by the EU to Morocco in the same period, while the EU's weight in Moroccan exports fell to 56.8% in 2012 (against 75.7% in 2000).³³

The repatriation of profits on foreign direct investments

However, there has been an increase in the repatriation of profits on foreign direct investments.³⁴

Figure 2. Evolution of the repatriation of profits on FDIs made in Morocco



Source: World Bank

Sectoral strategies for the benefit of large, private capital

Sectoral strategies³⁵ have been launched to develop exports and promote the competitiveness of Moroccan exports that are undermined by free trade agreements. Their goals are to actually guarantee the conditions for profitable investments, especially in the export sectors for both multinationals and local capital in general in terms of infrastructure,

³³ <http://www.ces.ma/>

³⁴ According to the World Bank, these benefits include income payments on direct investments, which consist of income on shares (dividends, profits of subsidiaries and reinvested benefits), as well as income on intercompany debt (interest).

³⁵ There are 14 sectoral strategies related to foreign trade, affecting all sectors of economic activity.

real estate, tax relief, public services and public enterprises cessions, the creation of free zones, and the provision of cheap labor. In fact, these strategies could not alleviate the structural deficits: they did raise exports, but they also further increased imports through heightened demand for equipment products submitted abroad.³⁶

The jobs created in the new sectors of activity offset only partially those lost in more traditional sectors (construction, leather and textiles, for example) and are to some extent medium-qualification.

While the industrialization strategy (Emergence Plan) aims at the eventual creation of 220,000 jobs by 2015, this sector (industry, including crafts) experienced an average decline of 25,000 jobs between 2009 and 2012. This actually reflects the weakness of the accompaniment process for SMEs, which constitute the major part of the

³⁶ For final consumption, satisfaction by imports rose from 10% to 18% in a decade, after peaking at 22% in 2008. CESE.

national productive system, in spite of all the effort focused on welcoming FDI and export production.³⁷

The aforementioned sectoral strategies have not contributed to the economic growth of the country that has gone from a growth rate of 5.6% in 2008 to 2.7% in 2012. On the contrary, they have increased the country's debt. The financing granted by international donors under the Green Morocco Plan (for the agricultural sector), for example, exceeded 15 billion dirhams.³⁸

The protection of industrial property

Morocco is faced with the complexity and heterogeneity of the rules of origin specific to the various free trade agreements, which derive from a multitude of legal systems, making them complicated and costly to manage. Morocco is working to standardize its regulations with international laws for the profit of multinational corporations and to guarantee the rights of investors.³⁹ For drugs, for example, the free trade agreement with the USA introduced the exclusivity clause that gives patent property rights to pharmaceutical monopolies. The EU wants to insert the same provisions, in the Deep and Comprehensive Free Trade Agreement (DCFTA), which would threaten the poor's access to generic medicines by extending patent protection from 20 years to 30 years. The DCFTA translates, in fact, European claims in the area of competition, industrial property, and the legal protection of investors into legal agreements. DCFTA also aims to homogenize Moroccan regulations

³⁷ CESE

³⁸ Statement by the Minister of Agriculture and Marine Fisheries at the 4th coordination round table with international donors in November 2013 in Rabat.

³⁹ In Morocco, industrial and commercial property is governed by Law 17/97, in force since 18 December 2004. This law is in line with WTO agreements. More recently, the law N° 17/97 was supplemented and amended to be consistent with global reforms in the field of the industrial property and free trade agreements signed by Morocco. The Moroccan Office of Industrial and Commercial Property (OMPIC). http://www.ompic.org.ma/ompic_fr_99.shtml

according to European standards in all areas, further liberalize the services sector, and facilitate access to public procurement. Negotiations are undertaken in secret and without any democratic consultation.

The masses bear the burden of pillage

Free trade agreements contribute to the pillage of our wealth. The trade deficit reached 24% of the GDP and 10% of the current account. The public debt reached 78% of the GDP or 679 billion dirhams. It generates annual costs (a debt service) of 106 billion dirhams, which is almost 10 times the health budget and 2.5 times that of education. The masses then pay the bill. The illiteracy rate still exceeds 30%. The number of doctors is 5.4 doctors per 10,000 people, while it is 12 in Tunisia, 13 in Algeria and 34 in European countries. The GDP per capita in Morocco amounts to MAD 2,100 per month (25,200 dirhams per year) while the cost of needs for a decent life is estimated at more than MAD 5,000. The unemployment rate is 9.2%.

It is clear then how free trade agreements and the debt mechanism are two instruments of domination that perpetuate dependence and the pillage of the wealth of our country. This happens in close collaboration with world economic institutions (IMF, WB and WTO) that further enhance the liberal orientation of the implemented policies imposed on us, to ensure the interests of multinationals and the repayment of debt.

The DCFTA: A Neo-colonialist Agreement

Brahim Oubaha⁴⁰

The Moroccan government continues to implement the diktats of international financial and trade institutions and to pursue policies that serve the interests of multinationals and big local business. The following arguments are put forward to legitimize neoliberal⁴¹ economic policies:

- Foreign trade liberalization will lead to a surge in exports, which will in turn raise economic growth rates.
- Exports will drain the hard currency necessary for the country's macroeconomic balance.
- The opening will modernize the local economy through increased competitiveness and greater demand for local products.
- The stable macroeconomic framework together with trade liberalization and the free movement of capital will allow the local economy to receive foreign direct investment. This capital will be the basis of launching an open economy.
- A greater integration of the Moroccan economy into the world market will enable it to take advantage of the benefits of globalization.

According to this discourse, the expected economic growth will, of course, solve the problems of unemployment and eradicate poverty, etc. Yet, in reality, these objectives are never achieved.

A social decline and a weakening of the Moroccan economy accompany the implementation of

⁴⁰ ATTAC / CADTM Maroc member

⁴¹ See <http://www.oecd.org/dataoecd/58/40/48218077.pdf> and <http://www.femise.org/?s=maroc&submit>

the neo-liberal program. The social cost of such "reforms" is outrageous and their consequences are extremely painful. The popular discontent and social mobilizations since the eighties are the expression of such policies.

These choices have failed: the commercial balance deficit is dramatic, the public deficit is permanent, exchanges are unequal, outstanding public debt is soaring, economic growth remains low, and the deficit in social sectors does not ensure that citizens have access to their rights and services. The global crisis has further deepened the failure of this model based on indebtedness, export production, opening markets for goods and capital. Yet, policymakers continue to promote these policies because they preserve their interests and the interests of the "great powers." These findings raise the question of alternatives. ATTAC Morocco wants to contribute modestly here by presenting some analysis and alternative elements.

A new generation of colonial agreements

Upon the implementation of the free trade agreement with the EU in 2000, European decision centers have continued to define new generations of agreements enabling them to obtain additional gains. Thus, in 2002, the European Neighborhood Policy (ENP) was launched in order to create "a zone of prosperity and stability" to the east and the south of EU

borders. The ENP was introduced from 2003 through bilateral, sectoral action programs and funding mechanisms. We are witnessing a redefinition of relations between the EU and these countries. The EU seeks to earn points on these territories as part of the current competition with other imperialist centers. Ultimately, this new policy will strengthen the EU's political, economic, cultural and security-based domination of its neighbors.

Set up a favorable economic background to the EU's vital interests

In the case of Morocco, the ENP was signed in 2005. This new framework of political and institutional relations covers the following elements: political dialogue, economic and social reforms, trade and regulation, justice and security, transport, energy, telecommunications, dialogue between cultures, etc. This new framework of "cooperation" broadens the field of intervention to new areas that were not included in the 1996 agreement. The ENP also reduces flexibility, which is already negligible, of Moroccan policy makers.

The neighborhood policy is overseen by political dialogue enacted by an annual program and concluded with an annual activity report. Following this framework, Morocco finds itself dependent on European policy covering a host of issues: macroeconomic indicators, the liberalization of trade and services, the opening up public markets to international competition, the reform of texts on competition and firms, the management and supervision of public finances, the liberalization of capital markets, the improvement of the business climate, and the reform of education, justice and administration. All these areas are under the supervision and monitorship of the EU, which pursues two objectives here:

- Put pressure on Morocco to accelerate the neoliberal reforms;
- Preserve the historical interests of the EU in Morocco.

The ENP opens the way for new negotiations aiming to strengthen this Morocco-EU "association."

The agreement that was adopted by both parties in 2008 will be reinforced through the "advanced status" granted to Morocco by the EU. In fact, under this name, even newer measures are being adopted to strengthen the dependence of Morocco on the 27-country European bloc. In 2010, a new cycle started with the implementation of the National Indicative Program 2013-2017, within the framework of advanced status and the ENP.

Advanced status: A mechanism for the control of political and economic decision-making

The advanced status adopted by the EU-Morocco Association Council is not a government project. It has not been the subject of discussion in Parliament or the Council of Government. This leads us to ask ourselves the question of who instigates this process, which shows how Morocco's executive power is dependent on European decisions and interests. The European Commission in Brussels promised the government the possibility of opening the markets of EU countries to Moroccan production, but this remains a promise without commitment. On the contrary, Morocco has engaged itself in programs with a variety of control and funding instruments in the following areas:

At the political level: Morocco must align with European positions through a so-called political and strategic dialogue. The Moroccan position on the issues of Libya, Syria and Mali illustrated this eloquently.

At the security level: Morocco is at the service of Europe's interests in terms of security.

At the institutional level: Morocco adheres to a set of agencies, centers and European

programs. The goal is to put the legal and economic organization of Morocco at the service of the EU.

At the civil level: the dissemination of the culture of human rights and democracy are highlighted. This is actually to help the emergence of a local elite that adheres to European policies.⁴²

These four components jeopardize the true interests of the country and undermine the sovereignty of Morocco, a situation that will deepen with the new “Deep and Comprehensive Free Trade Agreement” (DCFTA) that is currently being negotiated.

 Following the Arab Spring, European leaders announced the strengthening of their technical and financial assistance, while preserving any liberal orientations included in previous plans.⁴³

The DCFTA Negotiations: the EU consolidates its political and economic acquis

Romano Prodi announced the start of the DCFTA negotiations during his visit to Morocco in March 2013. Here again, these negotiations were undertaken without being discussed by either the government or by the Moroccan parliament. This FTA was modeled following the agreements signed with Ukraine, Georgia and Moldova. The EU aspires to extend this type of FTA with Tunisia.

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⁴² http://awsassets.panda.org/downloads/factsheet_maroc_enp_fr_low_res.pdf

⁴³ See the Joint Communication of 25 May 2011 by the High Representative of the Union for Foreign Affairs and the European Commission entitled «Une stratégie nouvelle à l’égard d’un voisinage en mutation» [A new strategy for a changing neighbourhood]. http://www.eeas.europa.eu/enp/pdf/pdf/com_11_303_fr.pdf

The agreement is a “natural” extension of advanced status and the ENP while focusing on a stronger commitment from Morocco to continue on the path. The novelty is that this agreement is “comprehensive” because it includes new areas. It is “deep” because it covers sovereign sectors, namely political and legal aspects. The main axes of this new agreement cover the harmonization of the Moroccan legal arsenal with that of the EU; service sector liberalization for the benefit of European monopolies; new legislation with regard to investment protection, legal certainty and improving the business climate; the opening of the local market; and access to public procurement.

The harmonization of the Moroccan legal arsenal with that of the EU

This process is guided by the following rule: “Go as far as possible to ensure further consistency between EU legislation and that of neighboring countries.”⁴⁴ Brussels promised Morocco the possibility of seeing its products enter the European market to access its 500 million consumers, which would result in reducing the trade deficit.

This new agreement will terminate any ambition for national sovereignty. Moroccan institutions will be transformed de facto into recording rooms. We will face a paradoxical situation as the European Parliament, assumed to legislate the entire EU territory under its jurisdiction, turns into a legislator for other territories with diametrically different economic and social conditions. This shift kills national sovereignty,

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⁴⁴ The Mediterranean Policy of the European Union after the Arab Spring: the Case of Morocco and Tunisia (information report) [in French] (24 October 2013), 6. <http://www.senat.fr/rap/r13-100/r13-1000.html>

In total, 10,000 local standards have already been harmonized. Since 2005, 30 twinning agreements were signed by Moroccan institutions. Several sectors are concerned: public finance, trade, energy, research, intellectual property, road safety, civil aviation, fishing, employment and training. The agreements entail that 45 lawyers should be trained after a six-year cycle that began in 2010.

and any notion of citizen participation in the development of legislation (through its MPs) becomes a completely empty slogan.

Advanced status had already paved the way for this harmonization; the DCFTA aims to deepen and complete it. On this point, negotiations are already at an advanced point, and Morocco shall submit a framework proposal for the adaptation during 2015. Some harmonization experiments are already underway, namely in relation to the approval of industrial products.

The EU is working methodically to impose a new colonialism in a watered-down way. The DCFTA is the instrument allowing it to penetrate the local market. The harmonization of criteria, laws and standards is the way to achieve this colonization. The Moroccan economy will play the role of a complement to the European economy in the context of global competition. For its part, a fraction of the local bourgeoisie will face zero difficulty in protecting its interests at the expense of all the remaining Moroccans who aspire for freedom and development. This fraction has thus swapped national sovereignty and shelved any vision for building a national economy in exchange for a little more open access to European markets.

Citizen movements and activists within the EU also put forward democratic claims and seek to build a democratic and social alternative to free themselves from the dictatorship of European institutions that are mainly responsible for the current crisis in Europe. For those who are outside the Union like us, we have a double battle to fight: to free ourselves from the tutelage of the European Union and to establish genuine institutions representing the popular will.

Service sector liberalization for the benefit of European monopolies

This is about the generalization of the privatization and the delegation of social services management, as is the case with

the experiences of Lydec and Veolia for water services, electricity and sanitation as well as new sectors such as health or education. To meet the European requirements, the state has implemented several projects: the status of medicine, university reform, the Public Private Partnership Law (PPP), etc.

New legislation for investment protection, legal certainty and diverse mechanisms for improving the business climate

Europe insists on deepening regulatory convergence with European reference texts in the fields of competition, intellectual and industrial property rights, and the legal and judicial protection of investors. The EU claims that regulatory harmonization will allow a massive influx of foreign direct investment in Morocco. According to the EU, the adaptation of Moroccan texts is also an opportunity to modernize the Moroccan economy and achieve strong growth. These reforms are, in reality, mechanisms to facilitate the transfer of profits made in Morocco to the parent companies of the North. This legislative framework will give more flexibility to the economic interests of EU countries with regard to changing competition in the world market.

The opening of the local market

This concerns dismantling all legal and institutional barriers in order to open new areas of the Moroccan market to European financial capital and to enable it to extend its control including control over the banking and the insurance sector and financial markets in general. This will deepen financial dependence on the European market,

which could thus attract local savings and benefits from wealth transfers. The result would be the exact opposite of the statements of the Moroccan government concerning the prudent financial policy that would allow it to withstand the global financial crisis.

Free access to public procurement

The liberalization of public procurement is a central topic for the IFIs and the WTO. Since the structural adjustment plans, these institutions have been increasing pressure on Morocco to open these markets fully. Current tenders are generally in line with international tenders and the European Union insists today on getting the best slice of the cake.

The stakes are enormous. This is about putting the hands, upstream, on a market that represents 15% of Morocco's GDP. The striking power of European companies has already undermined Moroccan competition in our markets. By directing the law regulating these markets in its favor, the EU accounts for a significant part of the local economy. This will only worsen the situation of dependence and wealth transfers to the North.

The state claims that this process is irreversible and that no alternative is possible. The DCFTA will allow greater integration of the Moroccan economy into European markets, which would improve Morocco's international position. These FTAs are described as "levers

for promoting world economy,"⁴⁴ but beyond these slogans, the opening has permanently installed our country in the vicious cycle of debt and adjustment. The economy is sinking into recession, and Moroccans have become mere consumers of imported goods and no longer have the right to produce and live in dignity on their land. The case of Mexico clearly illustrates the failure of this model that causes so much popular resistance.

What consequences will this agreement have?

"The new market evangelists" work tirelessly to hide the negative effects of such agreements. Proponents of FTAs are promising us prosperity and social stability. To legitimize the ongoing negotiations, the European Parliament commissioned an impact study of the future agreement. The consulting firm ECORYS⁴⁵ was commissioned to carry it out. Not surprisingly, this politically-oriented study concluded by citing a positive impact of the DCFTA on the Moroccan economy as well as on that of the European Union.

This study is superficial and the methodology on which it rests is questionable. It says nothing about the negative balance of the free trade agreements underway and merely foresees a positive impact of the DCFTA. This study joins the dozens of studies made before the conclusion of the former FTAs, which promised great benefits to the local economy.⁴⁷ The following table presents the main leading indicators by the European study:

Evolution in Morocco	In the short run	In the long run
GDP	+1,3	+1,6
Minimum wage SMIG	+1,4	+1,5
High salaries	+1,6	+1,9
Imports	+8	+8,4
Exports	+15,3	+15,3

Source: Ecorys consulting report

⁴⁵ Amal expo, Marrakech, May 2014

⁴⁶ <http://www.scribd.com/doc/191299739/Resume-analytique-du-rapport-final-Maroc-fr>

⁴⁷ See, for example, the study published on the following website: <http://www.femise.org>

Thus, the study claims that the DCFTA will allow GDP growth in the short term by 1.6 points. Without entering into the debate on the validity of this assumption, we estimate that this figure by no means compensates for the 10% growth points lost during the past decade because of the FTA. Regarding wage growth, the figure put forward only includes people who keep or find a job, without taking into consideration inflation and the rising cost of living.

The same applies to the development of foreign trade. The figures presented would not allow Morocco to overcome the current trade deficit, whose coverage rate does not even reach 50%. The figures also do not reflect the likely negative development of the balance of payments and opportunities for Morocco's wealth transfers abroad.

According to the same study, a future FTA will alter "in depth the local economic structure." Some sectors will benefit from access to European markets, which will draw their growth upward, while other sectors will lose speed and suffer the blows of their "lack of competitiveness."

The study in question avoids dealing with the social consequences of this "restructuring of the Moroccan economy." This omission attempts to override a contradiction between the political conclusions of the study and its social consequences. The study promises "sustained job creation, improving the level of education in response to the growing demand for labor force, and better labor legislation through the expansion of social protection and institutionalizing social dialogue." Yet, the study recommends flexible labor legislation, which will therefore worsen the exploitation of workers. In sum, the study multiplies indicators and promises in order to better conceal or omit the social consequences of the future DCFTA. In this report, the EU offers the Moroccan state a study to justify the exploitation of its people.

The justifications provided by the study are trivial. The figures do not stand up to the harsh reality created by free trade. On the ground, local industry is weakened and its share in GDP has been reduced. It represents only 26% of the added value of the country against 30% before signing the FTA. Moreover, the industrial sector has experienced a striking destruction of jobs. This pushes the press and liberal analysts

to reorient Morocco's industrial ambitions towards the tertiary sector, the services sector where the working conditions and income are witnessing constant deterioration.

The European Economic and Social Committee also issued an advisory opinion on the subject.⁴⁸ It concluded that the EU-Morocco partnership has had negative consequences for Morocco. The committee welcomed the EU's initiative to "create a zone of peace and prosperity in the Mediterranean through a balanced and progressive liberalization of trade" in response to the Arab Spring. It offers general measures, without dwelling on the reasons for the failure of free trade in force since 2000 and proposes to deepen the integration of the Moroccan economy into that of the EU as a solution that would enable the country to achieve fair and sustainable development. Fiasco or not, there are no other alternatives, according to this organization. Yet, it still recommends taking into account social and environmental elements in this partnership.

It is thus clear from a critical analysis of these two studies and the statements of both parties that the FTA cannot bring the development promised to Morocco. On the EU side, however, it has allowed an increase in exports to Morocco as well as increased profit transfers by multinationals, from Morocco to their European headquarters.

 The EU economies, especially those of France and Spain, have turned Morocco into a processing base for their products in order to export them with better added value.

The situation of industry reflects this situation.

The case of industry

Between 1990 and 2002, 586,000 jobs were destroyed in industry and 650,000 jobs were created with very degraded statutes

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⁴⁸ European Economic and Social Committee, "Trade relations between the EU and Morocco," May 2013. <http://www.eesc.europa.eu/?i=portal.fr.rex-opinions.28781>

because of widespread precariousness and subcontracting. Between 2009 and 2011, employment in industry fell by 24,000 jobs / year, following the creation of 21,000 jobs and the destruction of 45,000 / year. In 2012 alone, 28,000 jobs were lost in industry.

We can see in the following table the evolution

Evolution of industrial employment in Morocco 1999-2012

	1999	2000	2007	2009	2010	2011	2012
Share of industrial sector employees in employment. Total %	13.7	12.9	12.7	12.3	12.2	11.8	11.5
Annual evolution of the number of employees in industry. In %				-3	-0.5	-2.5	-2.3
Share of redundancies in industry in the total registered unemployed. In %			37	14	31.7	29.5	27
Evolution of employees in industrial SMEs			-3	0	-2	-5	

Sources: High Commissioner for the Plan and the Ministry of Industry

The Moroccan state, which lives in denial, is overtaken by its figures. Media campaigns around the “new global businesses of Morocco,” which promised 220,000 additional jobs by 2015, remained mere announcements. The Industrial Emergence Strategy is a failure. It was replaced by the Industrial Acceleration Plan as of 2014. Despite this setback, a new campaign has been launched around the “merits of the DCFTA and the opening of the Moroccan economy.” However, this model displays its limits.

The urgency to take action

This FTA model wants to transform Moroccan society into a mere consumer market of European products and its economy into a mere exporter of raw materials. In this division of roles, Morocco is a subcontracting, low-cost workshop serving competition between multinationals. Subcontracting companies feed on public finances through exemptions and other tax benefits without the ambition to lay foundations for a sustainable and profitable Moroccan industry serving the Moroccan economy.

of employment due to free trade choices. The figures show a decline in the number of jobs in the industrial sector – jobs which were already precarious. While the impact of the FTA begins to be felt, the number of layoffs increases because of bankruptcies in the industry. This contradicts, once again, the dominant discourse, which proclaims that free trade will create jobs.

The EU has every interest in promoting new agreements that are colonial agreements. These FTAs do not benefit the people of Morocco who pay the price heavily. The state itself is no longer able to hide the consequences of free trade. FTAs are a mirage sold by the state, which can no longer change this due to a lack of political will and a fear of losing a lean European market share and “aids” that accompanied alignment with the EU. Morocco is currently trying to save time by performing its own impact assessment of the DCFTA and by displaying a willingness to involve “the Moroccan partners” (that is to say, only the employers) in its negotiations. Nonetheless, the guidelines remain unchanged, and the signing of the DCFTA remains the ultimate goal.

We are facing an economy that produces mass unemployment, structural poverty, and devastating insecurity, with the blessing of political and economic absolutism. ATTAC thinks it is urgent to launch an awareness-raising campaign in view of the dangers posed by these FTAs and, even more, those posed by the DCFTA. We must mobilize to end these choices that destroy any hope in order to be able to have a say in our future and to free ourselves from dependence on imperialism.

FTA Negotiations, Democracy Shelved

Salaheddine Lemaizi⁴⁹

“The more the circle of negotiators is reduced, the theme discussed is technified and the media are discarded, the more progress will be made.” This statement made by Mohamed Rachid Sbihi, academic and member of the Association of Moroccan Economists,⁵⁰ summarizes the modus operandi of the Moroccan government in negotiating free trade agreements (FTAs).

What is Morocco negotiating?

What is Morocco negotiating under the DCFTA? Who is negotiating on behalf of Moroccans? What is the timetable for negotiations? Nobody can provide precise answers to these questions. The mandate of the Moroccan negotiators and the projects on which they work remain secret. Four Moroccan economic journalists confirmed this to us. To paraphrase, “We do not have any information about the content of the negotiations”, they say. Yet, the DCFTA is expected to shake up the rules for our health, food, the environment, employees’ rights, personal data, public services, trade, services, agriculture, in short, everything functioning in our society.

“Concerning the issues related to FTAs, the majority of my sources are foreign or are

⁴⁹ ATTAC Morocco member

⁵⁰ See Mohamed Rachid Sbihi, “GATT to WTO: A report on the round table of 24 February 1994,” [in French], GATT Maroc: enjeux et implications. Revue de l’Association des économistes marocains (Moroccan Economists Association Journal), Special edition, 1994).

bosses. At the level of administration, one must deal with anonymous sources,” says Khalid Tritki, an independent economic journalist. The same story is confirmed by his colleague Imad Adil, an economic journalist with the daily Al Itihad Al Ichtiraki, who claims that, “Without access to information on the government side, I head to the sources of civil society and the economic players (the Exporters’ Association). These contacts provide me with information about some of the content of the negotiations.” He adds: “On the DCFTA, we must have at least three ministers who can provide us with answers, those of Foreign Affairs, Commerce and Agriculture. These three ministers are inaccessible on this subject. Yet, they are still there to talk about less sensitive subjects.”

Mohamed Zainabi, an editor at The Observer of Morocco, does not mince his words: “The situation is opaque. There is a glaring lack of information on the subject. We are running after information that some officials leak in dribs and drabs, often in a language close to waffling. They announce that the agreement will be ‘favorable’ for Morocco, without going into detail. Concerning the fisheries agreement between the EU and Morocco, the situation is the same.”

“Work” the press

The European Commission and the European Parliament, in collaboration with the Moroccan Ministry of Communication and the Moroccan ambassador to the EU organize tours for delegations of journalists in Brussels in order to face the numerous complaints made by Moroccan media. This is an opportunity to

“work” the press, as they say in the jargon of communicators. “During one of the seminars organized in October 2013, the state of affairs of the negotiations and the pending issues were presented to us but without going into detail about the content of the agreement,” says Adil.

Mustapha Azougagh, a journalist with the weekly *Al An*, also attended such a tour and holds a bitter memory of it: “I discovered the state of mind of Green MEPs (Members of the European Parliament) who defend Morocco while our parliamentarians who were present did not want us to attend the meetings of the Commission. This is a scandal.” He added: “While the EU invites journalists, Moroccan officials are unable to invite journalists if only to brief them.... Yet, I have the right to know what Morocco is negotiating.”

The commission against the right to know

The proceedings of the DCFTA negotiations show that a blackout is imposed by the European Commission on this fundamental right of citizens to information. Only a few terse press releases on the Commission and Parliament’s websites, as well as on that of the EU Delegation in Rabat, announce the holding of negotiations. Euro-MPs are concerned about the vagueness of the content of those negotiations. Gilles Pargneaux, deputy of the Socialists and Democrats (S & D), has asked twice, via written questions to the Trade Commissioner of the EU, about “the DCFTA and access to medicines in Morocco” and the content of “the negotiations between Morocco and the EU.”⁵¹ On the Moroccan side, Moroccan parliamentarians do not ask questions. Given the concerns of some MEPs and Moroccan NGOs, the EU Delegation in Rabat eventually published a question-and-

⁵¹ On both issues, see “ALECA and Access to Medicines in Morocco” [In French], 15 April 2014. <http://www.europarl.europa.eu/sides/getDoc.do?type=WQ&reference=E-2014-003213&format=XML&language=FR>

answer document about the DCFTA. However, these responses remain in the realm of generalities and do not offer anything concrete about the issue.

Yet,

far from the angelic image that the European Union is trying to build with the Moroccan media, the Commission is conducting a war against access to information, as reflected in the negotiations of the new generation of trade agreements

with the United States, Canada, Japan, etc. The few invitations issued to journalists from the South do not exactly make the EU a model in terms of access to information. Moreover, the press releases of the EU Delegation in Rabat about the negotiations do not offer any new information to the Moroccan public. In fact, these statements never fail to insert a few sentences about budget lines allocated by the EU to Morocco, even when such budgetary items do not fit at all within the framework of the DCFTA negotiations.

A political blackout in Morocco

This opacity is reminiscent of that which prevailed during the negotiation of the FTA with the USA. “Following the official visit of the King of Morocco to the United States in April 2002, he and President Bush had agreed to initiate negotiations for the establishment of a free trade zone between the two countries. By the summer, the Moroccan monarch appointed his Secretary of State for Foreign Affairs as coordinator and ‘single source’ for FTA⁵² development,” writes Najib Akesbi, an economist. He adds: “Finally, after a little over thirteen months and seven rounds of negotiations – negotiations that were conducted from beginning to end in an atmosphere of opacity, at least from the

⁵² Akesbi Najib, *Accord de libre-échange Maroc-États-Unis: un volet agricole lourd de conséquences*, *Revue Région et développement*, n. 23, 2006. See: http://region-developpement.univ-tln.fr/fr/pdf/R23/R23_Akesbi.pdf

Moroccan side – the free trade agreement between Morocco and the United States was concluded on 2 March 2004 in Washington.”

This situation is not new. In 1994, the researcher Abdelkarim Belguendouz already complained about the opacity of negotiations between Morocco and the EU: “Can we thus just know what the Moroccan position with regard to the agricultural component and fishing is?”

Lobbies on the front lines

If the citizens are not consulted, the enterprises themselves are stakeholders in these negotiations. The General Confederation of Moroccan Enterprises (CGEM) defends its interests, in the past during the FTA with the US and today with the EU. In the case of the DCFTA, all that was required in order for the Delegate Minister for Foreign Trade to rush in February to “reassure the bosses⁵³” about the content of the negotiations was light pressure from the CGEM. These bosses obtained an impact study, which had to be implemented with their involvement before the negotiations could continue. These companies and their interest groups have privileged access to the Moroccan negotiators. Large European companies are also omnipresent in these rounds of negotiations. Nothing is more dangerous for democracy than the alliance of the capitalists from both sides of the Mediterranean.

To this Moroccan context, add an international trend that reduces access to information when negotiating trade agreements. Secrecy has for years become the rule in trade agreements under negotiation by the European Commission.⁵⁴ Without WikiLeaks,

⁵³ ALECA, Le Maroc prépare enfin les négociations!, Edition N° 4290, 6 April 2014. <http://www.leconomiste.com/article/954696-aleca-le-maroc-prepare-enfin-les-negociations>

⁵⁴ Read Martin Pigeon, “Silence, on négocie pour vous,” Le Monde diplomatique, June 2014, <http://www.monde-diplomatique.fr/2014/06/PIGEON/50491>. The title of the present article is inspired by the Le Monde diplomatique text.

the contents of ACTA,⁵⁵ the transatlantic free trade agreement (TTIP⁵⁶) and the Trans-Pacific Partnership (TPP⁵⁷) would have never been revealed to the public. These revelations have shown the extent of the dangers of such agreements on access to healthcare, culture and public services. In the North as well as in the South, the issue of democracy is at the heart of the struggle against free trade agreements.

⁵⁵ The Anti-Counterfeiting Trade Agreement is an agreement secretly negotiated from 2007 to 2010 by a «club» of 39 countries, including Morocco. Negotiated rather than democratically debated, ACTA has bypassed parliaments and international organizations to impose a repressive logic dictated by entertainment industries and pharmaceutical labs. See <http://www.laquadrature.net/fr/ACTA> and for Morocco see <http://attacmaroc.org/?page=4&postId=390> (In Arabic)

⁵⁶ A trade agreement being negotiated between the EU and the United States providing for the creation, in 2015, of a free trade zone, often called the Great Transatlantic Market (TTIP). See the international campaign of ATTAC Europe: <http://www.attac.org/fr/node/15700>

⁵⁷ A multilateral free trade agreement, currently negotiated in secret by twelve nations of the Pacific.

The Agricultural Issue In The Free Trade And Partnership Agreements Signed By Morocco

Najib Akesbi⁵⁸

Interviewed by Lucile Daumas (LD)

LD: Agribusiness, land grabbing, ownership concentration and the persistence of hunger in the world are some of the global challenges concerning agricultural issues. Can you tell us something about the situation in Morocco with regard to these global challenges?

NA: The situation in Morocco is far from being reassuring, despite appearances that may suggest a certain “Moroccan exception.” In fact, it should be pointed out that the “Green Morocco Plan” (PMV), which is the current agricultural strategy of the country, is fundamentally underpinned by an “agribusiness” logic. It takes a clear stand in favor of the “big farm” model and mobilizes all the means of the state and international assistance to promote it, which effectively amounts to gratifying large farmers through an impressive subsidy scheme, bonuses, credits, tax privileges and other aids intended to reinforce their land and productive base.

Regarding the land base specifically, we know that the problem in Morocco is twofold: on the one hand, the agricultural area in the country is relatively limited (some 9.2 million hectares) and offers few meaningful opportunities for expansion. On the other hand, due to the absence of genuine agrarian reform, land structures remain, to date, handicapped by archaic land status, an excessive fragmentation of holdings (an average 6-7 plots per farm

of 0.9 ha each), the lack of land titles by a vast majority of farmers, and a crippling succession regime.... In short, the result of all this is that there is not a real “land market” in Morocco, and this severely limits ambitions of land grabbing and land concentration by large farmers. This is why the PMV sought to circumvent this problem by organizing “aggregation”: by “aggregating” tens or even hundreds of small farmers around him, a large farmer can acquire, without purchase, a far more significant land base than the one he owns. With billions in subsidies, the Moroccan government is now promoting this Moroccan “suitable” form of land grabbing... Moreover, the Moroccan government does not wish to stay out of the international land grabbing process since, despite the inherent limitations of agricultural land in Morocco, the country is trying to allocate a few thousand hectares in the south for the benefit of the Gulf operators, without being certain that this will ultimately be possible given overt political and social problems.

Finally, even if the PMV is intended to be ultra-productionist (in defiance of the basic rules of natural resource protection), it completely skates over the need for national food security. The PMV is clearly focused on production for export, as it does not care about food shortages in basic products that accumulate from year to year and already make Morocco a major net importer of cereals, oilseeds and sugar in the Mediterranean region... These are strategic commodities that give a dramatic dimension to the country’s food dependency.

⁵⁸ Economist and professor at the Institut Agronomique et Vétérinaire Hassan II, Rabat

They are dramatic, because if we cannot speak of famine in Morocco today, we unfortunately know that when food insecurity settles in a country, all scenarios become possible.

LD: On October 1, 2012, the new agricultural agreement, negotiated for six years by Morocco and the European Union, was entered into force. What are its main provisions?

NA: We remain in the asymmetrical and “leonine” logic that characterized all previous agreements. It should be known that in terms of trade in industrial products (largely to the EU’s advantage), Morocco has been in a free trade zone with the European Union since March 2012, thus widely opening all the doors of its market to exporters. The agricultural agreement signed the same year specifically maintains “exclusionist regimes” against Moroccan’s main agricultural exports (tomatoes, citrus fruits, zucchini...). The “exclusionist regime” in question is actually a formidable tariff and especially non-tariff protection arsenal that considerably limits any development of Moroccan exports for EU markets: quotas, calendars, entry prices, quality standards, in addition to the recent “flat-rate import value,” whose purpose is nothing less than to limit Moroccan exports of certain products (starting with tomatoes) according to strict terms fixed by the concerned European producers’ lobbies.

This is the essence: it is a protectionist system, which is maintained and even perfected with the new agreement. Everything else is just verbiage, while this major mechanism continues to make a fool’s bargain of our partnership with the EU. How credible is the rhetoric of “advanced status” (“everything but the institutions” dangles us...), while Morocco still has so much trouble bringing some additional tons of tomatoes into European markets?

LD: Who will be the main beneficiaries?

NA: Good question! It is often forgotten, being somewhat trapped in a “nationalist” logic, that official Moroccan and European interests are the real winners in this case, which mobilize the state and its resources for long

negotiations that may take years. Certainly, at the macroeconomic level, production and employment in certain sectors and regions can benefit from this, as the country’s foreign exchange reserves can be somewhat improved (provided that the product of the concerned exports is fully repatriated...), but in terms of concrete benefits, hard cash, it’s mostly a handful of large farmers who monopolize a very large share of the Moroccan exports in question. In fact, it is primarily for the benefit of [these farmers] that Moroccan diplomacy and its negotiators “roll,” because they are the ones who reap the biggest “gains” achieved, although across the country, European concessions remain disappointing.

LD: *And the main losers?*

NA: -----
 The losers are initially all those who Morocco has to sacrifice “in exchange” for what the winners get,... because we should not forget the maxim “nothing comes for free.”

In agriculture, the losers are the small producers of food crops left behind because of a policy favoring only export crops, called “competitive and of high added value”; in industry, they are the thousands of SMEs often subject to unfair competition from European giants for which Morocco has almost returned to its pre-independence “open-door” status. They are the small coastal fishermen killed by the Fisheries Agreement that allows the return of the Spanish Armada in Moroccan waters, with known consequences for the state of fishery resources; they are the hundreds of thousands of farm workers who are pushed to continue to work in medieval conditions under the pretext that they must remain “competitive”... This list is not exhaustive. Far from it.

LD: The free trade agreement between the United States of America and Morocco that entered into force in 2006 includes an agricultural component. What was its impact? And what could be the implications of the transatlantic treaty between the US and the EU for Morocco, once signed?

NA: The free trade agreement with the United States, about which we have said enough at this time, is an agreement that is essentially determined by political considerations that would satisfy American shenanigans in the MENA region, nothing more. In fact, we already knew perfectly well that Morocco was not only absolutely unequipped to derive the promised benefits but also would lose a lot, because we still, and always will, need to employ a “nothing comes for free” logic. While the “benefits” granted to Morocco would remain largely virtual, those that our country granted to the US would quickly prove to be very concrete and rather devastating. Indeed, today, that is to say more than eight years after the entry into force of the agreement, the results are evident. Between 2006 and 2013, the Americans were able to increase their exports to Morocco from 9.5 to 28.7 billion dirhams, while on our part we were struggling to increase our exports to the US from 2.2 to 7.6 billion dirhams. Therefore, our trade deficit vis-à-vis this very particular “partner” during the same period has tripled, climbing from 7 to 21 billion dirhams ... Is there a need for further comment?!

LD: Agriculture is not only a matter of peasants; it concerns the entire population, since the quantity and quality of what we will put on our plates depends on it. From this point of view, what is the impact of this agricultural agreement? And how is this reflected in terms of food sovereignty?

NA: Indeed, the problem is not only quantitative but also “qualitative.” For it should be known that we import from the United States and that this sometimes impacts even our health. For example, to stay with agriculture, it should be known that since the agreement, we are inundated with American corn, which, as everyone knows, is the main raw material for poultry and therefore for the production of white meat (the so-called “meat of the poor”...). However, this corn, as we know all too well, is totally “GMO,” and Moroccans are consuming “genetically modified organisms” in abundance today, through white meat. Nobody informed them about this, much less asked for their opinion... Food insecurity in the country is thus not only posed in terms

of availability and accessibility, but also in terms of quality and its impact on the health of consumers. All this seriously endangers the food sovereignty of the country. In short, the situation is so negative, it prompts the question of how this was made possible. In fact, this has been possible, because the state that decides on the matter is an autocratic state that serves well-established interests and does not bother to learn about the opinions of those who can enlighten it usefully. Let’s say that to satisfy the geopolitical delusions of the infamous George Bush, the Moroccan government has engaged the country in a disastrous deal for which we have not yet finished paying the highest price.

LD: The “Green Morocco Plan” summarizes the main lines of Moroccan agricultural policy today. Since it was adopted in 2008, while negotiations for the EU / Morocco agricultural agreement were underway, can it be considered a simple adaptation of Moroccan agricultural policy to the requirements and implications of this agreement, or does it indicate a wider vision for the long-term future of agriculture in Morocco?

NA: The Green Morocco Plan is primarily a continuation of agricultural policies pursued in Morocco since the sixties of the 20th Century. From the “roadblocks policy” to the free trade agreements through agricultural structural adjustment programs in the 80s, the major trends remain the same: favoring large farmers at the expense of the small and middle peasantry and export crops at the expense of food crops. Driven by the food security of the country, productionist operating systems are favored at the expense of family farming and the preservation of natural resources. Few privileged yet limited areas (irrigated areas) are favored to the detriment of most of the countryside and the vast majority of rural people who are condemned to marginalization and persistent underdevelopment. From this perspective, the Green Morocco Plan is a caricatured continuation of permanent choices that have been those of the state for decades, with known results... From the “trade agreements” since the first “association agreement” with the “European Economic Community” of 1969 to the latest “free trade” agreement, the agreements have always been concluded as instruments at the service of

the agricultural policy in force, specifically to provide opportunities and ensure open markets for exports whose development also used to be organized.

The final agricultural agreement remains in line with this logic, which is to support Pillar I of the Green Morocco Plan in particular: so-called “competitive and high value-added” agriculture... The problem, as I have already stressed, is that the agreement remains highly protectionist, specifically regarding the strong “competitive and high value-added” products that Morocco is currently developing and is therefore able to export in large quantities to European markets. One can even say that, with regard to the PMV’s ambitions in the field, the last agricultural agreement with the European Union seems to hinder rather than help promote them. The paradox we risk witnessing over the next few years is that without sufficient outlets in European markets, (which remain the nearest and most profitable) the domestic market will be flooded with overproduction in terms of its absorption capacity, followed by falling prices and falling farm incomes... This has already started to happen this year with citrus, whose production (following the extension of surfaces in recent years) has risen to over 2 million tons, while foreign markets have hardly expanded accordingly. The paradox appears especially cruel given that while we will have to sell off our oranges and our tomatoes, we will always be driven to import more wheat, oil or sugar, probably at a high price... All put down to aberration!

A Tomato Story...

Omar Aziki

In December 2013, the European Union adopted the new CAP (Common Agricultural Policy) for the period 2014-2020. In April 2014, the EU Council unilaterally issued, without negotiation, consecutive implementing measures for this reform, which were applicable to third countries including Morocco as of 1 October 2014.

These measures include the amendment of the entry price provisions for fruit and vegetables from third countries.⁵⁹ This replaced the specific clearance mechanism based on the actual value of the goods by a standard import value (SIV), which was determined through the average prices of imported and marketed products in 49 representative markets in the European Union as well as on the total quantities imported. This change results in more input taxes that limit the volume of imports. This drives up the prices of Moroccan agricultural products that are then much less "competitive" in the European market, which is already in a downtrend due to the global economic crisis.

On October 1, 2012, the agricultural and fishery products liberalization agreement between the EU and Morocco entered into force. This agreement confirms the restrictive regulations that the EU imposes on products imported from Morocco by strengthening non-tariff protection measures: a system of quotas, export schedules and entry prices.

Under this agreement, Morocco has a total annual quota (export quota) of 240,000 tons of tomatoes, allocated between October and May with a conventional entry price (46,1 euros / 100 kg) and an exemption from customs duties. The quantities exported outside that quota benefit from a reduction of 60% of customs duties or a right to pay

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⁵⁹ http://ec.europa.eu/agriculture/cap-post-2013/implementation/pdf/1451/c-2014-1451_fr.pdf

5.7% instead of the 14.4% recorded in the Common Customs Tariff, according to WTO entry prices, which vary during the year. For example, prices varied from 62.6 euro / 100 kg of tomatoes in October to 112.6 euros / 100 kg in April.⁶⁰ Despite this restrictive system, Moroccan exporters were able to export nearly 390,000 tons of tomatoes to EU markets alone during the 2012-2013 campaign, which is to say with 150,000 tons added to the of 240,000 ton-quota fixed by the agreement. This supplement is subject to the new customs clearance provisions (PFD) adopted through pressure from major European producers.

Large Moroccan exporters will hardly be affected by the EU customs restrictions, which will affect primarily those who have small export quotas. Thus, medium and small tomato growers will be squeezed out of the circuit of export. They are already few in number, because land⁶¹, equipment, and inputs⁶² costs are very high, not to mention the need for land and water. This little number will decrease again because of new customs rules imposed by the EU.

The big tomato exporters will have the means to diversify their products and markets in countries outside the EU (Russia, Canada, Scandinavian countries, the Gulf and Africa). They also receive

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⁶⁰ For the regulatory framework applicable to the EU during the 2013-2014 campaign, see <http://web2.eacce.org.ma/>

⁶¹ The investment amount for the installation of a hectare is estimated at a minimum of 300,000 dirhams for a wooden greenhouse and 400,000 dirhams for a metallic one. The price of land is not included.

⁶² The direct annual costs are estimated at a minimum of 400,000 dirhams per hectare for round tomatoes and between 500,000 and 600,000 dirhams per hectare for small tomatoes (cherry and cocktail). These are exclusively intended for export and require a previously defined marketing program that only large groups of exporters can contract.

aid that small producers do not benefit from: 4 billion dirhams in tax exemptions and 2.800 billion in subsidies in 2013.

The major exporting producers, on the other hand, accepted this unilateral EU decision to try to wrest more concessions from the Moroccan government. They claim the generalization of fixed-term contracts (FTC) by considering that agricultural activities would be entirely seasonal.⁶³ They refuse to align the minimum agricultural wage (Smag) with the Smig.⁶⁴ Only 12% of farm workers are reported to the National Social Security Fund (NSSF). In their current mobilization against the European measures, major producers wave the specter of job loss while cynically announcing senseless figures.⁶⁵ This is a pretext to justify their attack against trade unionists (massive layoffs), likewise anticipating unionist claims in a way that puts them on the defensive; rights cannot be claimed while jobs are not even guaranteed!

The EU's unilateral act put the Moroccan government in an embarrassing position, as the fourth round of negotiations over the Deep and Comprehensive Free Trade Agreement (DCFTA) between Morocco and the EU had just ended in Brussels on 11 April 2014. The Moroccan

⁶³ A draft decree (No. 14.02.15) has already been prepared by the Minister of Employment. It identifies areas of activity and the exceptional cases in which FTCs may be concluded. www.sgg.gov.ma/

⁶⁴ An agreement was reached in April 2011 (in the context of the February 20 Movement) between the unions, government and employers to align the minimum agricultural wage (Smag) with that of the other sectors (Smig), but there has been no follow-up to date. The Smig is 2333 dirhams per month compared to 1.648 dirhams for the Smag. On the eve of 1 May, 2014, the Moroccan government decided to increase the Smig and Smag by 10% spanning two years (5% in July 2014 and 5% in July 2015).

⁶⁵ «The new system to come into force on 1 October 2014 will generate a shortfall in exports of about 130,000 tons and the loss of 30,000 permanent jobs – an estimate that professionals consider minimal.» L'Économiste No. 4269, 6 May 2014. This would mean that the tomato greenhouse sector (5,500 hectares) would lose a year and that all the workers it employs (30,000) would be unemployed. This is absurd!

administration diplomatically reminded the EU officials that the act was contrary to the Association Agreement between Morocco and the EU, namely its Article 20,⁶⁶ and the rules of the WTO. European officials have sought to reassure the Moroccan government by claiming that the new provisions included have a technical rather than a commercial character and that Morocco's concerns would be taken into account.

This gives a foretaste of the meaning of "regulatory harmonization with EU *acquis*," which is one of the pivots of the DCFTA negotiations and a means by which the new regulations of the Transatlantic Free Trade Agreement could be imposed. The EU imposes, and Morocco executes.

⁶⁶ Article 20 of the Association Agreement requires the party wishing to make a change in its regulations on agricultural policy to inform the Association Committee in advance.

Free Trade And Citizen Health: Death To Toxic Agreements

Othman Mellouk⁶⁷

Since the mid-90s, I have been committed to the fight against AIDS within the Moroccan Association for the Fight Against AIDS (ALCS).⁶⁸ As of early 2000, I started working on the issue of access to treatment within the International Treatment Preparedness Coalition for MENA (ITPC-MENA).⁶⁹ This coalition has been campaigning for access to HIV-AIDS treatment for people of the South. This fight is also required for other diseases, including all chronic diseases (Hepatitis B, C, cancer, etc.) whose treatments are still very expensive. This fight led me to work on the relationship between intellectual property and access to treatment. Our first battle was against the Free Trade Agreement (FTA) with the USA in 2002.

Abuse of intellectual property rights

People often ask about the relationship between access to medicines and trade agreements. It took time for some people to understand

⁶⁷ Physician, coordinator of the International Treatment Preparedness Coalition (ITPC) for MENA, and member of the Moroccan Association for the Fight Against AIDS (ALCS). This is a summary of his speech at the opening conference of the 10th spring university of ATTAC Morocco, held in May 2014.

⁶⁸ See <http://alcs.ma/>

⁶⁹ See <http://www.itpcmena.org/>

that FTAs have a direct impact on the health of citizens. Indeed, the degree of protection of intellectual property (IP) in one country has an impact on the price and availability of medicines, on technology development, technology transfer and production by the local pharmaceutical industry (reverse engineering).

In an international context marked by the abuse of the principle of intellectual property, interest in these issues is highly topical. The basic principle of IP is to obtain an exclusive right to exploit an invention against a disclosure. If you invent something, you need to make it public and you do not have the right to keep it to yourself indefinitely. The principle of science is also built on transmission, even during the period of protection, in order to allow science to develop. To obtain an exclusive right (patent protection) also requires that the invention obey strict patentability criteria: it must prove novelty (one cannot patent something old), inventiveness (incidental findings or minor modifications on existing ones cannot be patented), and the invention must be industrially replicable (one cannot patent living beings, plants etc.).

Today, however, we are in a situation in which intellectual property rights are being abused. Take a concrete example: aspirin was invented as an anti-inflammatory. After a few years, laboratories realized that this molecule could cure other diseases. This cannot be considered an invention; it was a discovery. Except for in American law, one can patent this discovery just because the dosage or solid liquid formula was changed. This is an abuse of IP, and

it explains the crisis in the pharmaceutical industry. After a boom in the 70s, which was marked by numerous inventions, innovation in pharmacy experienced a sharp decline.

 Abuse of the patent system has become a way for multinationals to continue making huge profits without innovating.

Therefore, yes to the principle of IP, no to abuse.

The tour de force of multinationals

Before the creation of the World Trade Organization (WTO) in 1995, countries decided their IP protection level according to their level of development. The industrialized countries waited until they achieved a high level of development to strengthen their legislation gradually. This level of growth was achieved by copying innovations made elsewhere. For their part, the majority of the developing countries did not grant patents on pharmaceuticals.

IP protection systems underwent a radical change in the late twentieth century. The WTO is the largest free trade agreement in the world. It is within this multilateral structure that intellectual property became part of a trade agreement. For specialists of IP, this issue has nothing to do with trade and should be treated not in this arena or in the context of trade agreements but rather within the World Intellectual Property Organization (WIPO).

The existence of negotiations on intellectual property at the WTO is the result of lobbying by the pharmaceutical industry (Pfizer, in particular), the entertainment industry (such as Disney) and new technologies (IBM). Because of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) negotiated within the WTO, and subsequent agreements, member countries are now obliged to grant patents on pharmaceuticals. The signed agreement provides for the establishment of minimum standards of protection to be respected by all member countries and the amendment of national legislation to make it

consistent with international commitments made by the WTO.

The TRIPS provides for the obligation of patent protection for products and drug manufacturing processes. The terms of protection last 20 years. Under this agreement, manufacturing and marketing a generic version of a patented molecule is impossible during the period of protection, and the patent holder has a monopoly on the production and marketing of his product. Consequently, there has been a delay in the marketing of generic drugs and their entry into competition with the original product.

Once multinationals took top patent protection through the WTO, they began to ask for more. They have resorted to such agreements as TRIPS + (going beyond the protection required by TRIPS), which further extend the terms of protection. Since then, the Northern countries shared in the work of TRIPS by signing a number of free trade agreements. The FTAs are negotiated by the US, the EU, Australia and Japan on one side and countries of the South on the other.

Techniques of shame

The provisions in FTAs on intellectual property knowingly extend the drug market monopoly by multinationals and delay the marketing of generic drugs that are often cheaper. Intellectual property is also considered, according to these agreements, as an investment. Thus, any action taken by the Ministry of Health to override a patent (e.g. the issuance of a compulsory license) which is authorized by Moroccan law and international agreements (TRIPS) can be considered an "expropriation" and thus face sanctions. These agreements include techniques called TRIPS + that aim to extend the terms of the patent. Five of the most used methods include:

1.Extension of the patentability domain: These are patents on new uses of old molecules. Example: a new use of aspirin is registered as a new patent.

2.Extension of the terms of protection: These are possible

compensation deadlines for any delays in the examination of the patent or the issuance of the authorization for marketing by the health authorities in a given country. This measure aims to accelerate patent examination and thus to pass abusive and illegitimate patents.

3.Registration of “confidential data” exclusivity: The patent holders refuse to deliver the confidential data necessary for the issuance of marketing authorization (registration) for generic drugs. Access to data reduces generic drug production costs while minimizing clinical re-trials, and blocking such access is contrary to medical ethics. This last clause is dangerous, because it delays access to generic brands for the benefit of brand name drugs. This clause figures in the free trade agreement between Morocco and the USA, signed in 2004 and entered into force on 1 January 2006. The new drug legislation incorporates this protection.

4.Banning parallel imports: This is about preventing a country from importing drugs originators from a neighboring country where the patent holder has put them on the market at a lower price. This anti-competitive abusive practice is prohibited, in principle, in several laws.

5.Border measures: This technique imposes border controls on the transport of raw materials needed to manufacture a generic or the generic itself, imported from India for example. This measure is intended to create confusion between generic and counterfeit drugs. Nobody wants to have fake drugs, but such arrangements greatly complicate access to generic drugs. The heavy fines envisaged for all the parties involved in this supposed “traffic” discourage the buying groups and international transport companies. Transporting for generic drugs importers or manufacturers is a de facto risky business.

6.Limitations imposed upon government-use licenses or compulsory licenses: This amounts to pharmaceutical companies treating the use of a drug that is patented by a state as an expropriation of their investment. The company has the right to sue the country in question, even if that country is using this medicine under a compulsory license provided for by the TRIPS agreement of the WTO. Here again, Morocco’s

FTA with the USA allows for this possibility, with serious consequences for the health of citizens.

Taking into account all the provisions of the USA-Morocco Free Trade Agreement of the TRIPS+ type, patent protection can last up to 27-37 years, which is huge! The application of the Most-Favored-Nation clause,⁷⁰ provided for by the WTO, allows all countries to enjoy the same advantages granted by Morocco to the USA.

Ten years after signing the FTA between Morocco and the USA, no one wants to carry out an impact study on access to medicines in Morocco – especially not on the Moroccan negotiating side. Yet, this agreement was subject to criticism from official national reports such as the Parliament’s finance committee on drug prices or more recently the report of the Economic, Social and Environmental Council (ESEC) on the state of health in Morocco. One can refer to free trade agreements signed by other countries with the United States to realize the impact these FTAs had on access to medicines. Signing such agreements has come at a financial cost for countries of the South. In Colombia, health product expenditures increased by 919 million dollars after signing an FTA with the USA. The same trend was noticed in Peru where the bill of drugs increased by 200 million dollars, including 110 million dollars borne by households. Jordan, for its part, suffered the effects of the FTA with the USA on two levels. First, the state drug bill increased by 17% in five years. Second, the number of generic drugs on the market stagnated because of the privacy protection clause. In fact, 76% of the medicines now in the public domain are original and are not used in generic form.

The two paradoxes of the state

These agreements do not only affect the health of citizens, they also hamper access to

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⁷⁰ Under WTO agreements, countries cannot, in principle, discriminate between their trading partners. If you give one country a special favor (by lowering, for example, the customs duties levied on any of its products), you must do the same for all other WTO members. Source: www.wto.org

knowledge. The law on Moroccan Intellectual Property was amended one year after the signing of the FTA between Morocco and the USA in 2005.⁷¹ Thus, Morocco has completely changed its intellectual property regime, without undertaking any national debate. This text, described as “modern,” is actually totally at odds with the country’s level of development. From our point of view, within the ITPC Coalition, the Indian or Brazilian laws on this subject are far more advanced than American or European texts, because their priority is to protect citizens while ensuring the legitimate rights of inventors. It is for this reason that the Morocco-US FTA can be considered a form of imperialism (interfering through a bilateral agreement in the legal system of a country by bypassing those elected) which benefits not only the USA but also other developed countries.

These FTAs highlight two paradoxes that Morocco is experiencing. The first is at the international level: the Kingdom was head of the African Group at the Doha Conference of the WTO in 2001. Morocco was the voice of the continent in defending access to treatment and resisting the pressures of US and other industrialized countries, advocates of a strict approach to IP. It is disappointing that the same countries practice the opposite of what they advocated some years ago. The second is situated internally: while generics are promoted (the Ministry of Health advocates the use of generics) on the one hand, new barriers to their availability are created on the other.

Stop the DCFTA negotiations!

Given these facts, is it necessary to campaign for a full and comprehensive Free Trade Agreement (an alternative DCFTA) with the European Union which includes ensuring access to treatment for Moroccan citizens – in short, a “clean” agreement with no TRIPS+? Or is it necessary to push the Moroccan government to resist so that the DCFTA project is abandoned? In my view, seeking to negotiate a “good” deal would be a waste of time and the second option seems preferable.

⁷¹ The law on intellectual property was voted on in 2005: http://www.ompic.org.ma/ressource_pdf_loi1797.pdf

Such a “perfect” agreement does not and will never exist, because we must not forget that the EU’s main motivation is to defend its industry. The Europeans are “exporters” of innovation while we are “consumers.” They will do everything to protect the interests of the pharmaceutical industry and maintain its huge profits, which is incompatible with the interests of public health. We can draw on the case of South Africa or Thailand, who resisted pressures during the FTA negotiations with the USA. We can take the example of the mobilizations that took place in India against FTAs. However, in Morocco everything will depend on the level of mobilization.

Even if the content of the DCFTA and the details of the negotiations remain secret, it would be enough to read the previous agreements of the EU or those currently under negotiation, especially with Thailand and India, whose texts have been leaked on the Internet, to get an idea of their contents. In addition, the EU, knowing that Morocco is much more docile than India on the subject, may be more demanding in its negotiations with our country.

By negotiating a DCFTA with the European Union, Morocco is about to make the same mistakes as in negotiations over the Morocco-USA FTA. The EU will not give us more gifts than the ones given by the USA. It is the struggle of the iron pot against the clay pot. As a Colombian negotiator noted on the negotiations of the free trade agreement between his country and the US, it is the rich country that comes with its draft and the underdeveloped country enters the negotiations without preparation or an impact study. These agreements are anti-democratic, because the negotiations are conducted in absolute secrecy.

Moreover, the report of the Economic, Social and Environmental Council (ESEC) confirms that the FTAs signed by Morocco were not beneficial. Morocco is not the only country in this position. Other countries in South America that have signed FTAs with developed countries have also not benefited from such agreements. That is why we must require stopping the DCFTA negotiations, because this agreement is unbalanced and undemocratic.

The case of Hepatitis C treatment, the Sofosbuvir: 600,000 Moroccan patients deprived of this drug

625,000 Moroccans with Hepatitis C will not have access to Sofosbuvir. This is one of the first existing oral treatments against this disease in the form of pills, which makes it possible to cure the infection completely within 12 weeks. The American laboratory Gilead has granted a voluntary license to provide this treatment at lower costs to 91 low- and middle-income countries. Yet, it ruled out Morocco and 50 other low- and medium-income countries from this operation. It is estimated that Morocco's exclusion of this license will cost the government at least \$790 million if it wishes to treat its infected population with this new treatment. Far from promoting access to medicines, the voluntary license initiative of Gilead represents a major threat to accessing Hepatitis C treatment.

In Morocco, the Ministry of Health⁷² supports only 2000 patients. Given the prices charged by Gilead, one could imagine that Sofosbuvir is very complex to produce. Now, according to various experts, the production of Sofosbuvir, for 12 weeks of treatment, costs only \$100. It should be noted that Gilead

has had difficulty obtaining a patent in many countries, as Sofosbuvir is a drug with questionable innovation with regard to its molecule. This is indeed a minor modification of an old drug that, under many national laws as well as those of the WTO, does not qualify as an invention. Thus, several patent cancellation requests are currently under consideration in various countries such as India and Thailand. In Egypt, the patent office has already denied the patent on Sofosbuvir twice due to lack of novelty and inventiveness. We must fight so that Morocco will not grant a patent for this drug.

⁷² ITPC-MENA, the ALCS and the CCMS denounce the GILEAD license, which will deprive 625,000 people infected with HCV in Morocco of treatment: <http://www.itpcmena.org/?73-millions-de-personnes-touchees>

The Morocco-EU Free Trade Agreement: Financial Imbalance and Indebtedness

Mimoun Rahmani⁷³

A few years ago, Morocco signed several free trade agreements, namely with the most economically powerful countries, like the USA and the European Union. These are unbalanced agreements that have worsened the situation of the Moroccan economy, hit hard by the global economic crisis, marked mainly by macroeconomic indicators set to red: structural trade deficit, chronic budget deficit, foreign currency reserves in constant decline and increasingly higher debt levels.

The situation is particularly worrisome insofar as Morocco is still turning ever more towards foreign countries to finance a number of projects. Such projects are often unnecessary and imposed like the high-speed train linking Tangier to Casablanca, which benefit only large creditor companies, especially those that have signed free trade or “cooperation” agreements allowing the implementation of jointly agreed policies and programs. This is the case with countries of the European Union.

A historical background of Morocco-EU economic and trade relations

Morocco’s leading trade agreement with the European Union (EU) was signed in 1969 following negotiations that had been underway since 1963. The strictly commercial domain of

this agreement was expanded with a second agreement concluded in 1976 and ended in 1978 that incorporates economic and financial “help.”

Following the Barcelona Conference in 1995, the two parties concluded a year later the so-called “Association Agreement,” which set the deadline of gradual tariff reductions for industrial goods for 1 March 2012. The Association Agreement provides for the gradual establishment of a free trade zone, strengthens the opening of the Moroccan market, and further expands the fields of “partnership” in various sectors of the economy: industrial cooperation, promotion and protection of investments, agriculture and fisheries, transport, energy, environment, education and training, scientific, technical and technological cooperation, etc.

In 2008, Morocco was granted “advanced status” with the EU as part of a program to “support Morocco in the process of regulatory convergence,” which defines priorities, especially in relation to industrial, sanitary and plant standards and in the sectors of fisheries, maritime transport, water resources management and employment and social protection. Some actions have already been undertaken in pilot areas such as financial services (insurance) and public procurement. So-called “advanced status” and the programs it contains hold as a main objective “the deep integration of the Moroccan economy into that of the EU”!

This EU commitment to bring the Moroccan economy to its knees did not stop there. In 2012, it launched the process of “negotiations” to ratify a so-called Deep and Comprehensive

⁷³ ATTAC/CADTM Morocco member

Free Trade Agreement (DCFTA). The year 2012 was also marked by the signing of the Morocco-EU agricultural agreement on the accelerated liberalization of trade in processed agricultural and fishery products, for which negotiations had been launched in 2006.

What funding for what policies?

In July 2010, Morocco and the EU signed the National Indicative Program (NIP) 2011-2013. This is a funding program that amounts to 580.5 million euros with an increase of 18% when compared to the 2007-2010 NIP. It concerns policies like the management of forest protection, the reform of financial management and public administration.

The European Commission has also granted Morocco 80 million euros under the SPRING⁷⁴ program, which (to some extent) supports southern Mediterranean countries in the process of democratic reforms. We know well what “process of democratic reforms” means to the EU. This is simply the forced march to liberalization in all sectors of economic activity and the opening of markets to European products. This requires a certain “political stability” and thus a pro-EU liberal government able to implement the recommendations of European institutions! It was in this respect that in 2011, Morocco also received the status of “partner for democracy” from the Parliamentary Assembly of the Council of Europe. This was while the Moroccan monarchy imposed upon the people a “new” constitution dictated from above without real popular debate, validated by a highly contested referendum. At the same time, it repressed any potential opposition within the February 20 Movement: critical journalists, progressive social movements, etc.

⁷⁴ SPRING (Support for Partnership, Reform and Inclusive Growth) is an assistance program for partnership, reforms and inclusive growth. It aims to provide increased support to the southern Mediterranean countries engaged in the process of democratic reforms.

National Indicative Program (NIP)

The NIP is a programming document for aid from the European Commission. It evokes the evolution of bilateral relations, the situation in the country, and the pace at which agreements are implemented. In addition, it analyzes in detail the objectives of each priority.

For the period 2007-2013, the Country Strategy Paper (CSP) identified five priority areas: development of social policies, economic modernization, institutional support, good governance and environmental protection.

Concerning social development, the impact has been minimal, and social inequalities and inequalities between regions have continued to widen. The reduction of socioeconomic inequalities and gender equality and the education of girls are to be developed and improved. In addition, the increasingly important rise in the number of unemployed, particularly young graduates, clearly shows that these European policies have not had the expected results.

Concerning the other points related to the modernization of economy, environmental protection, good governance and institutional support, the most important point, which could have a considerable impact, is certainly, as confirmed by the EU, “the convergence of Moroccan legislation with the EU acquis”! In fact, the majority of Moroccan laws have been modeled on the European legal and institutional system (particularly the French), and especially in terms of legislation on public procurement, delegated management, the public-private partnership, etc. The actual goal of convergence is of course the simplification of legislation to enable European companies to access the Moroccan market easily. Other measures, such as active debt management, have allowed EU companies to monopolize the most strategic areas of the kingdom, such as SAMIR (the oil refinery), the delegated management of the distribution of water and electricity in most major cities, the management of liquid and solid waste, and part of the management of urban transport, including brand new trams, Maroc-Telecom, etc.

Beyond that,

it is feared that this “harmonization of legislation with the EU *acquis*” results in the automatic harmonization of regulations as soon as those of the EU are changed, without raising any discussion or seeking any decision from the Moroccan⁷⁵ party.

This question is even more worrisome in the current negotiations of the Transatlantic Free Trade Agreement between the EU and the United States. Once signed, it would change the conditions of the EU / Morocco agreement from top to bottom. If the concerns are great at the level of European social movements, there is reason to pay close attention to this issue on this side of the Mediterranean, because the impacts of such harmonization are likely to be downright disastrous.

Concerning human rights, better not to talk about them. The creation of different institutions like the National Human Rights Council (NHRC) does prevent daily repression. Arrests and the imprisonment of militants and journalists are a case in point. The freedom of expression, assembly and that of the press, as well as citizen dignity, are flouted permanently. The texts signed by the two parties, however, speak about “the promotion and protection of human rights and fundamental freedoms” or even “the freedom of expression including in the field of the audiovisual, the freedom of association and assembly.”⁷⁶ Yet, this would not be the first time that this issue is revisited “for the record,” without any reaction from European partners with regard to the human rights violations on the ground.

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⁷⁵ This has been the case every time the EU expanded its membership, going from 15 members in 1995 to 27 today, without renegotiating the terms of the agreement. This has also been the case more recently with the impact of the CAP reform, which modified the terms of the Agricultural Agreement without it being renegotiated. See the chapter on agriculture by Najib Akebsi in this volume.

⁷⁶ See the 2013-2017 Action Plan.

EU-Morocco Action Plan 2013- 2017

The new EU-Morocco Action Plan 2013-2017, signed in December 2013, aims in turn to reinforce “the integration of the Moroccan economic and social structures into those of the EU”! In other words, the plan reinforces the pure and simple dependence of the Moroccan economy on that of the EU, which is at the heart of the Deep and Comprehensive Free Trade Agreement (DCFTA) currently being negotiated. The King of Morocco has also well expressed it in his speech from the throne, delivered on July 30, 2014: “Morocco attaches paramount importance to the success of the current negotiations to reach a global and deep free trade agreement that would serve as a framework for greater rapprochement between Morocco and Europe and better integration of the Moroccan economy into the European internal market.”

The realization of the objectives of this plan, as was the case with previous plans, will entail, among other things, the weapon of debt and the financial instruments that are the “Neighborhood Investment Facility” and the “Euro-Mediterranean Facility for Investment and Partnership (EMFIP)” as well as loans from the European Investment Bank (EIB).

In strictly economic terms, the Action Plan refers to the “pursuit of structural reforms of the economy and finance.” The reform of the compensation fund, energy price subsidies scheme, and certain food products figures among the envisaged measures with the aim to “reduce the fiscal burden and ensure the sustainability of public finances.” That clearly means the implementation of austerity policies aimed at reducing public spending at the expense of the citizens who are paying the bill. Add to that the reform of the pension system that will weigh heavily on the income of government employees and wager their current and future social situation.

FTAs and trade deficit accentuation

Although Morocco is trying to diversify its trade relations by turning to Africa, America and Asia, the European Union remains the privileged partner. Trade with the EU represents over 50% of total external trade. Morocco's first commercial partners are France and Spain, with 32% and 26% respectively of trade with the euro zone in 2011.

As for Moroccan exports to the EU, they amounted to 111.8 billion dirhams in 2013 against over 190.7 billion dirhams of European imports.

In the context of EU-Morocco free trade agreements, Moroccan exports reached 30 billion dirhams, while imports exceeded

75 billion dirhams. Thus, Morocco's trade balances with the EU produce a very high deficit, reaching 45 billion dirhams in 2011 and 51.4 billion dirhams in 2012, which corresponds to 25% of the overall deficit.

Moreover, FDIs coming from Europe have declined significantly because of the crisis in the EU since 2008 and the fact that most profitable public enterprises have already been privatized, and, therefore, there is virtually nothing to sell to foreign investors. They now account for only 57% of the FDI received.

In general, the FTAs with the EU, the USA, Turkey and the Agadir Agreement increased Morocco's trade deficit in 2012, which exceeded 200 billion dirhams, or 24% of the Moroccan GDP. A sizable 32% of this deficit, or 63.9 billion dirhams, came from trade relations under FTAs. In 2013, this deficit declined slightly to nearly 197 billion dirhams. It has thus been multiplied by 4.5 in 10 years!

Structural trade deficit (2007-2013)

Year	2007	2008	2009	2010	2011	2012	2013
Imports (Billion \$)	261,2	326,0	263,9	297,9	357,8	386,1	379,2
Exports (Billion \$)	125,5	155,7	113,0	149,5	175,0	184,6	182,8
Balance (Billion \$)	-135,7	-170,3	-150,9	-184,4	-182,8	-201,4	-196,4
Coverage (%)	48,0	47,8	42,8	50,2	48,9	47,8	48,2
% GDP	22,0	24,7	20,6	19,4	22,8	24,5	23,8

This structural trade deficit adds to a chronic budget deficit, which just further worsens Morocco's indebtedness. Both deficits have depleted foreign exchange reserves, which are now at their lowest level and cover more

than 4 months and 18 days of imports, while the coverage ratio was 11.5 months in 2005 (see Table below). Given this very critical financial situation, the Moroccan government is increasing its presence in external debt markets.

Continuous decrease in exchange reserves

Year	05	06	07	08	09	10	11	12	13
Exchange reserves (billion dirhams)	166	191	208	197	193	193	169	145	150
Coverage Months / Imports	11	9	8	6	6	6	4	4	4

Increasing public debt

Moroccan public debt reached a total of 678.8 billion dirhams in late 2013, representing 77.8% of the GDP.⁷⁷ According to official estimates, it will reach 79% of the GDP by the end of 2014 and 81% of the GDP in 2015. The share of external public debt is around \$28.8 billion or 26.9% of the GDP. This is its highest level since the debt crisis of the 1980s. The domestic public debt amounts to 444.1 billion dirhams.

Thus, Morocco is one of the most indebted countries in the Arab region after the United Arab Emirates (141% of the GDP), Lebanon (137% of the GDP), Egypt (90% of the GDP) and Qatar (82% of the GDP).

France is the first bilateral creditor of Morocco with 17.8% of the total external debt. The EIB is also one of Morocco's main creditors (12.2% of external debt).

**Debt is a really immense wealth transfer
 mechanism from the South to the North,**

benefitting foreign capitalists and Western (particularly European) states and their multinationals. In 2013, Morocco paid 163.2 billion dirhams⁷⁸ in debt service charges to its creditors abroad or the equivalent of 38.5% of the state general budget, 12.6 times the health budget, 3.5 times the education budget and 83.3% of tax revenues.

Furthermore, Morocco paid 157.9 billion dirhams between 1983 and 2013 to its creditors abroad (which represents more than 10 times the original debt) and has yet to pay nearly \$29 billion of debt from that period.

Morocco has been pursuing, since 1996, so-called "active debt management," which aims to reduce external public debt. The main

⁷⁷ The Gross Domestic Product (GDP) in 2013 in Morocco reached 872, 791 billion dirhams.

⁷⁸ This amount represents a record that hasn't been reached since the late 1980s. It increased by 47.4 billion dirhams or 40.9% compared to 2012.

mechanism of this policy is the conversion of debts into public and private investments, especially with European countries (France, Italy, Spain, etc.).

The conversion of debt into public investment translates into an agreement between the creditor country and Morocco, which consists of cancelling a part of the Moroccan debt under the condition that the canceled amount will be allocated to finance public projects jointly agreed upon with the creditor country. As for the conversion of debt into private investment, an investor (individual or corporate) buys the debt abroad in hard currency and Morocco refunds the investor in local currency, with a discount. The money received is used to purchase shares of an existing company or to create a completely new one.

The conversion of debt into investments has enabled European companies to monopolize the most strategic sectors: water, electricity, sanitation, urban transport, etc.

This shows, therefore, that the free trade agreements between Morocco and the EU have failed to reduce deficits and clean up the Moroccan economy. On the contrary, they have worsened the situation. The implementation of the DCFTA will widen deficits and result in a strengthening of structural adjustment and austerity policies. These policies will not be limited only to macroeconomic aspects or export sectors but will also affect all economic activities and beyond, i.e. both the economic and social situation of citizens.

The movement of persons: a one-way exchange

Lucile Daumas⁷⁹

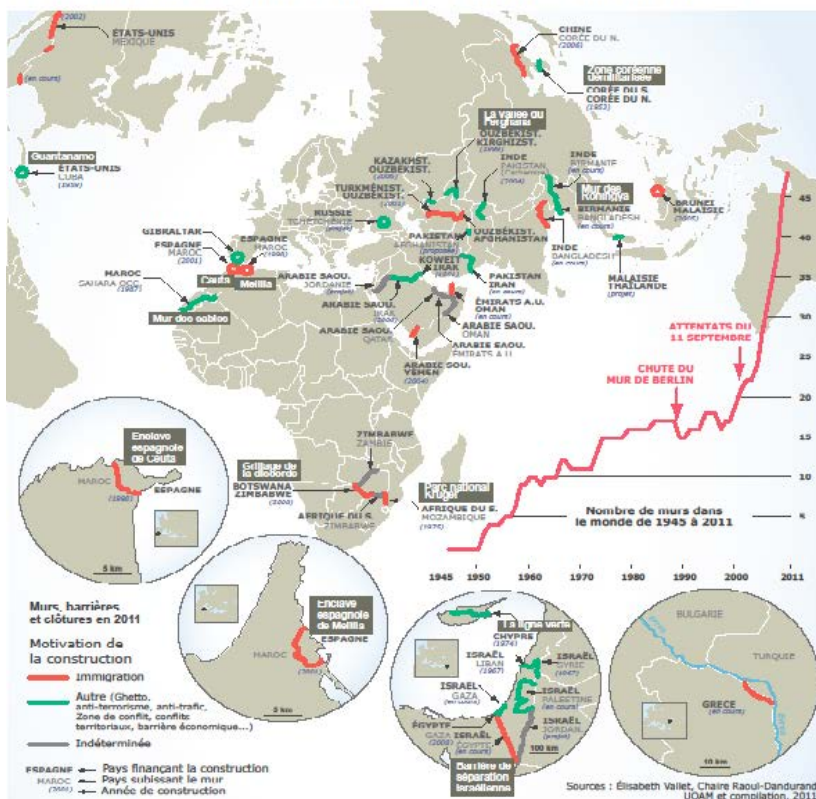
June 18, 2014. "The assault was launched early on Wednesday by about 400 illegal immigrants who attempted to cross the triple-fenced and seven-meter high barrier which surrounds the city. None of them managed to enter the Spanish territory," said the Melilla prefecture in a statement, adding that about 150 migrants "were left hanging on the fence or descended to the space between the barriers."⁸⁰

The border between Morocco and Ceuta and Melilla, Spanish enclaves in Moroccan territory, was beset in 1995 with a double-fenced separation. It was tripled thereafter, heightened up 6 to 7 meters, and equipped with night vision cameras, radar and barbed wire fitted with razor-sharp blades. It was a real anti-migrant war machine that

was built. Despite all this, during massive assaults, a minority of migrants sometimes manages to cross it while others must turn back, often very severely wounded, and frequently, the Spanish or Moroccan police crosses the border to bring back the clandestine migrants.⁸¹

Symbolically, 1995 is an important date. This is the year of the launch, in Barcelona, of the Euro-Mediterranean partnership, intended to make the Mediterranean a "zone of shared peace and prosperity" and a zone of "dialogue between people and cultures." Is there, then, anything better than barriers to encourage exchange and dialogue?

Toujours plus de murs dans un « monde sans frontières »



© Migreurop (2012) *Atlas des migrants en Europe. Géographie critique des politiques migratoires européennes*, Paris, Armand Colin, 144 p. Carte réalisée par Nicolas Lambert.

⁷⁹ ATTAC/CADTM Morocco member

⁸⁰ See «Des immigrants restent accrochés au grillage», 18 Juin 2014, <http://www.20min.ch/ro/news/monde/story/25836226>. This kind of information has, for almost 20 years, been recurrent actuality, and repeated attempts to force fences at irregular intervals are accompanied each time by deaths, injuries, arrests and deportations.

⁸¹ We can see this practice in action in the following video: <http://vimeo.com/109010316>

Since then, from free trade treaties in good neighborly policy to the advanced partnership, this border closure policy has not wavered. The map above shows how, while free trade agreements are increasing in the world, the locking devices undermining the mobility of persons are multiplying. A new wall of separation is under construction on the eastern border of Morocco, between Morocco and Algeria.

In June 2014, the European Union allocated 10 additional million euros to help Spain strengthen the shielding device of the Ceuta and Melilla borders, while in April 2013, the “Closeye” system, part of the Frontex Agency,⁸² was launched to ensure aerial surveillance of the Strait of Gibraltar through advanced technologies ranging from drones to smart satellites.

Thus, while the free movement of goods and commodities is being negotiated, and Morocco is being covered with off-shore zones, lawless enclaves on the Moroccan territory allowing European investors to use local labor intensively and re-export production and profits, the border between Morocco and the EU is more locked than ever for all Africans, including Moroccans.

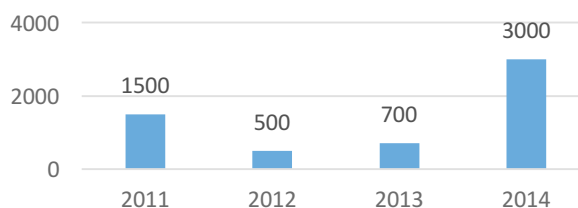
Claire Rodier rightly wonders whether these provisions are not in service of a political objective (concerning the security issue and the myth of a migration threat) and an economic objective (they are very expensive for countries that put them in place but very lucrative for armament industries and security multinationals) rather than an actual seal of the borders with regard to the passing whims of a thin segment of the African population.

 “It is as if, instead of delivering the promised security, each new control system was put in place in order to reveal the flaws and shortcomings of its predecessor, while aiming to justify the forthcoming [system].”⁸³

⁸² European agency for the operational, cooperative management of the external borders of Union member states.

⁸³ Claire Rodier, *Xénophobie business: à quoi servent les contrôles migratoires*, Paris, La découverte (Cahiers libres), October 2012.

The number of migrants who have died or gone missing in the Mediterranean (per year)



Source: UNHCR / IOM, mid-September 2014

Anyway, these multiple barriers, whose lethal effect can be inferred from the graph above, were deliberately designed to injure and kill. They warp the vocabulary used by the European Union to qualify its relations with Morocco: a “privileged partner” in the context of “neighborhood policy,” holding “advanced status” conferring all the advantages of the EU, “except the institutions.”

Advanced Status, with regard to what?

Under the “Barcelona Process,” common and privileged partners came to count among the Mediterranean partners of the EU. Examples include the state of Israel, which enjoys privileged status, or the Tunisia of Ben Ali, which also benefited from this label.

Will the partners be put into competition? Or should we rather consider this status a symbolic reward for the faithful services rendered by Morocco in terms of opening its territory to European investors and serving as a European border guard? Was the advanced status a response to Morocco’s bid to join the European Union, more than twenty years

after Hassan II issued the bid in 1987? The improbable perspective behind the bid has not aroused the same passionate debate as the one triggered by the Turkish membership request. In all cases, this “advanced” status displays a willingness for greater integration and better exchange between the two entities. At least this is the image presented to the public.

Exchange without circulation: closing borders

Exchange is more important, no doubt, because the whole project that is based on the finalization of a free trade zone between the two entities has become reality since the end of 2012 (with the exception of the agricultural component, which is subject to a separate⁸⁴ agreement). Yet, this free trade, described today in a new round of negotiations as “deep and comprehensive,” applies only to goods and capital. In terms of people, borders grow more and more exclusionary every day. New regulations continue to pile up, forming an opaque corpus that always favors the locking and increased militarization of borders for the people of the South⁸⁵ (while in the other direction, free movement is considered necessarily beneficial). This corpus also favors ever more numerous expulsions and an ever-greater involvement of developing countries in closing their borders, to the detriment of their own nationals.

Frontex, an agency that was created in 2004 to coordinate the control of the external borders of the European Union, is the main tool of

⁸⁴ See, in this regard, the contributions of Najib Akesbi and Omar Aziki in the present work.

⁸⁵ GISTI lists, for the period between June 2013 and May 2014, no fewer than 13 texts and regulations passed by the European Parliament regarding the migration issue. At the same time, 52 texts (laws, decrees, directives) were published in the French Official Journal. See <http://www.gisti.org/spip.php?rubrique33>

this policy and has considerable⁸⁶ budgets. Despite this, its annual report states that illegal crossings of all EU borders went from 72,500 to 107,000 between 2012 and 2013, which corresponds to an increase of 48%.⁸⁷ This increase is, not surprisingly, due to the mass exodus of Syrians fleeing war and bombs.

In terms of the western part of the Mediterranean, the report states that the figures remained stable during the year 2013, with 6,800 detected illegal crossings. Two-thirds of these crossings were made from the borders of Ceuta and Melilla,⁸⁸ in spite of multiplying the implemented programs. These include EUROSUR, launched in 2013, to collect all the data on the borders of the EU; GMES (Global Monitoring for Environment and Security), a European satellite tool monitoring the movement of persons; LIMES (Land and Sea Monitoring for Environment and Security); and the CLOSEYE system mentioned above. The sophistication of surveillance does not reduce the crossing attempts and, given the increasing number of deaths,⁸⁹ it does not serve to rescue boats in distress.

Exchange without circulation: expulsions

Blocking free movement to Europe is always on the agenda and the expulsion of migrants to their countries of origin or transit countries remain one of the tools of the closure of Europe to its neighbors, however “advanced” they are.

Morocco is notorious for its expulsions of sub-

⁸⁶ Its budget amounted to 93.95 million euros for the year 2013. See http://frontex.europa.eu/assets/About_Frontex/Governance_documents/Budget/Budget_2013.pdf

⁸⁷ Frontex, Frontex Annual Risk Analysis 2014. Warsaw, May 2014.

⁸⁸ Ibid., p.7

⁸⁹ As many as 25,000 deaths were recorded in 20 years, 4,000 in the last 5 years and 2,000 in 2011 alone. On this subject, see the macabre census by Gabriele del Grande on his blog Fortress Europe: <http://fortresseurope.blogspot.it>

Saharan migrants to Algeria or Mauritania, but also its “advanced” status vis-à-vis Europe and its border guard role give no privilege to nationals with regard to this issue. On the contrary, its proximity makes expulsions easier and more frequent.

Thus, more than 12,000 Moroccans were declared persona non grata in Europe in 2013, over 3,900 of which were forcibly evicted. Spain for its part has built two reception centers for minors in Nador and Beni Mellal to enable it to circumvent its own laws that prohibit any expulsion of minors who have no host structure in their home country.

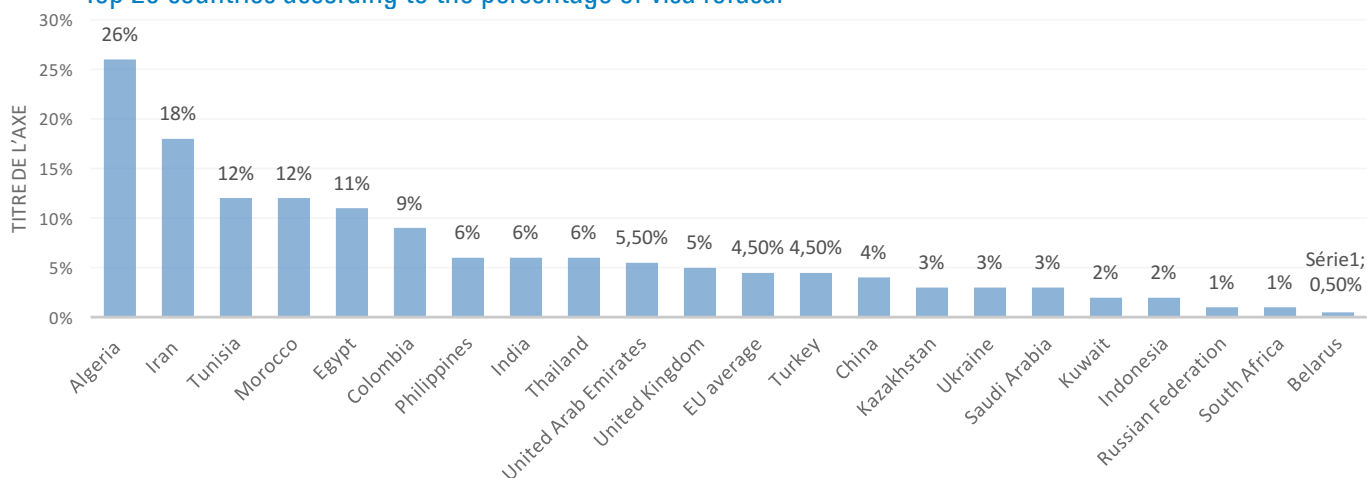
Moreover, EU pressure on Morocco continues. The latter recently signed a general readmission agreement that would involve all European countries and all repulsed migrants, Moroccans or not, when they are supposed to have entered Europe from Morocco. This “partnership for mobility” [sic] was signed in June 2013, which clearly links visa facilitation to certain categories of Moroccan nationals within the conclusion of the readmission

agreement, while “providing provisions relating to third countries.”⁹⁰ Visa facilitation remains one of the axes of the current negotiations on the Deep and Comprehensive Free Trade Agreement and follows a WTO logic tying the mobility of people to trade agreements. Yet, informed sources report that Morocco still appears to be waiting for details on the nature and extent of the proposed relaxations.

Exchanges without circulation: visas

Morocco’s good will towards Europe’s southern border control is nowhere near worth preferential treatment for Moroccans. The 2014 annual report of Frontex shows that the European Union continues to massively reject visa requests from Maghreb countries. Algeria holds the world record with 27% of visa refusals; Morocco comes in 4th place with just over 10%.

Top 20 countries according to the percentage of visa refusal



Source: Overview of Schengen Visa Statistics 2009–2012, European Commission Directorate-General Home Affairs, 2013. In: Frontex, Annual risk analysis 2014, Frontex, Varsovie, May 2014.

These figures should however be relativized: visa fees (60 euros for a transit or short-stay

⁹⁰ Joint Declaration Establishing a Mobility Partnership between the Kingdom of Morocco and the European Union and its Member States, EU, Brussels, 2013. http://ec.europa.eu/dgs/homeaffairs/what-is-new/news/news/2013/docs/20130607_declaration_conjointe-maroc_eu_version_3_6_13_fr.pdf

visa and 99 euros for a long-stay visa) are very expensive and not reimbursable in case of refusal. The appointment for submission of the application should be made several weeks in advance, and the list of the required documents is indefinitely long. Moreover, many people do not even file their applications for fear of wasting their time and money.

Advanced status is therefore “everything but the institutions” but also “everything except the freedom of circulation.” Morocco is a privileged partner, but Moroccans remain *persona non grata*, and visa suspension is not on the agenda. At most, “the EU could consider, case by case, and taking into account the overall relationship with the country concerned, gradually implementing contingency measures leading to the liberalization of the visa regime for the country in question (...) provided that the legal instruments (...) and political (dialogue on the policy and action plans to follow) are implemented efficiently.”⁹¹ We appreciate the nuances of the formulation!

However, an eventual need for labor migration cannot be overlooked. The EU knows that in a few years, the falling birth rate will increase its external labor needs. It does not know how long it can contain the discontent of employees regarding wage freezes and the ever-increasing precariousness of the statutes. In this context, it is likely that it will resort to mass labor migration. According to the best interests of Europe, of course, “the purpose of migration and mobility is to contribute to the vitality and competitiveness of the Union. Ensuring the existence of an adaptable workforce with the required skills that is able to cope successfully with the ever-changing demography and economy is a strategic priority for Europe.”⁹²

So when the EU and Morocco affirm “the importance of developing the human dimension of the EU-Morocco partnership, strengthening cultural, educational, and scientific exchanges, involving new players and encouraging spaces for dialogue between civil societies,”⁹³ these are in fact highly supervised exchanges limited by the conceded “dialogue forums” and visas

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 91 «Approche globale de la question des migrations et de la mobilité» (A Global Approach to Migration and Mobility). Communication from the Commission at the European Parliament to the Council, European Economic and Social Committee and the Committee of Regions, SEC (2011) 1353 final, eur-lex.europa.eu/LexUriServ.do?uri=COM:2011:0743:FIN:FR:PDF

92 Ibid.

93 Joint Statement, European Union-Morocco Summit, Granada, 7 March 2010. http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/fr/er/113200.pdf

granted in dribs and drabs. There is clearly no rapprochement between people.

The new Moroccan policy on migration: a humanitarian advance or a smokescreen?

It is in this context that Morocco announced last September its decision to adopt a migration policy, based on a report by the National Human Rights Council, entitled “Foreigners and human rights in Morocco: for a radically new asylum and immigration policy.”⁹⁴ Noting that Morocco is now not only a country of emigration and transit, but also “a land of asylum and permanent settlement for migrants,” the report recognizes the atrocities previously exercised against immigrants, which are regularly denounced by national and international associations and NGOs (arrests and racial profiling, deportations and mass expulsions, violence, the lack of recognition of refugee law, the non-issuance of residence permits, etc.).

“Without contesting the principle of the right of Moroccan authorities to control the entry and residence of foreigners and their duty to fight human trafficking, the CNDH believes that the government cannot, in the performance of those tasks, evade the constitutional provisions on human rights and the rights of foreigners, international commitments made following the ratification of all the instruments of the protection of human rights...”

The main points of the text concern the establishment of a national asylum system (though without reference to the Geneva Convention, signed by Morocco) and the establishment of a special regularization

.....
 94 National Human Rights Council, *Etrangers et droits de l’homme au Maroc : pour une politique d’asile et d’immigration radicalement nouvelle*, Rabat: CNDH, September 2013.

program for certain categories of irregular migrants, according to various criteria (duration of stay in Morocco, family life, integration into Moroccan society, bilateral agreements, etc.). Finally, some measures relate to legal immigrants (right of association, the right to vote in municipal elections, etc.). UN international organizations, partner countries and donors are called upon to put their hands in their pockets to help Morocco implement this policy.

The report, approved by the King seemed to show a real willingness to find a solution to the new configuration of Morocco as a host country for asylum seekers and immigration. For the first time, the issue of undocumented immigrants was tackled and regularization was promised. However, the “exceptional” nature of this measure, the multiplicity of criteria for obtaining the residence permit (and therefore the difficulty of collecting the required documents), and the past experience of such operations in some European countries should have been enough to make critics think twice. This is what migrant and support organization activists did not understand, allowing themselves to be co-opted (particularly within the board of appeals set up by the CNDH), thus legitimizing a process over which they had no control. News came quickly to confirm the doubts.

Regarding the right to asylum, one of the first measures of the new Moroccan policy, taken as of January 2014, was a series of expulsions of Syrian nationals to Turkey and Algeria, including a frightful ping-pong game with Syrian families between Morocco and Algeria over a supposedly closed⁹⁵ border.

Additionally, UNHCR – which after facing many difficulties had, more or less, gotten Morocco to recognize the refugee cards it had been issuing – found itself again in an embarrassing situation related to Morocco’s opening of an office for asylum seekers that remained

.....
⁹⁵ Among the many articles published in the press about this, see: www.afrik.com/refugies-syriens-refoules-le-maroc-convoque-lambassadeur-d-Algeria, Wednesday, 19 January 29 2014. www.solidmar.blogspot.it/2014/03violations-ddh-refugees-syriens.html, 29 March 2014. www.bladi.net/forum/threads/enfants-refugies-syriens-danger-mort-frontiere-algero-marocaine-maghia.380637/

virtually inactive. The situation was so alarming that the UNHCR interim representative in Rabat declared, in an interview given to the online newspaper Yabiladi on June 20, 2014, on the occasion of World Refugee Day:

“No more refugee cards are issued today. The ad hoc Moroccan commission does not meet anymore for new cases of asylum seekers who have been applying since September.... As we do not want, by issuing a refugee card that Morocco does not recognize, to create problems for refugees who have been recognized by the state, we will notify asylum seekers only about our negative decisions. Thus, they can organize themselves on this basis or appeal this decision. The others remain pending... This waiting time is very serious, because there are very vulnerable cases that require a decision from Morocco before they can receive international relocation. I am thinking of some LGBT⁹⁶ cases, but also women who have experienced violence during their migration route and unaccompanied children who may be resettled in third countries. In short, the situation of asylum seekers today is worse than before. This worries us a lot. We would not want Morocco to believe that the work is over while migrants continue and will continue to seek asylum in Morocco.”⁹⁷

This discourse says something about the deteriorating relations between the UNHCR and the Moroccan authorities and the gravity of the situation for asylum seekers on Moroccan soil.

What about the undocumented migrants? According to migrants and associations that help them in their efforts, bringing together all the requested documents represents a veritable obstacle course, as undeclared people rarely have a certificate of rent, an electricity bill or, much less, a bank account statement. On 7 February 2015, one month before the end of the operation, the CNDH announced the results: 16,180 applications of the 27,130 received were granted a favorable opinion, which represents 59% of the applications. What would happen to the others? The answer was already provided:

.....
⁹⁶ Lesbians, gays, bisexuals and transgender people

⁹⁷ <http://yabiladi.com/articles/details/27024/maroc-estime-situation-demandeurs-d-asile.htm>

“Two hours after the end of that press conference, the Moroccan authorities conducted a wide search operation in the Gourougou camp near the occupied city of Melilla, an operation that resulted in the arrest of some 1,200 persons who, after having their fingerprints, photos and civil status and nationality documented, were conducted to different cities: Errachidia Goulmima, El Jadida, Safi, Youssoufia, Agadir, Kelâat, Sraghna, Chichaoua, Essaouira and Tiznit, among the places

that GADEM has identified as of Wednesday, February 11, 2015.”⁹⁸

As had to be expected, after the regularizations came the arrests and deportations. Hastily, inconvenient and non-habilitated detention centers were opened where arrested migrants were piled and held under arrest in extremely precarious conditions. GADEM has mapped these detention centers, scattered throughout the country :



After an attempt by the Moroccan government to improve its image on the humanitarian level with the UN, it soon returned to business, and once again, the security-based and repressive approach took over.

All these operations were accompanied by a multiplication of racist and xenophobic events, powered by both police behavior (not less than 6 migrants died in Tangier during raids and deportations, in the previous year) and the situation of lawlessness in which sub-Saharan migrants found themselves, which promoted overcrowding, little traffic and the establishment of mafias. Such events could be a pretext for massive new repulsions.

⁹⁸ GADEM, “The brutal end of the regularization process” [in French]. GADEM press release. 12 February 2015. <http://www.gadem-asso.org/Fin-brutale-de-l-operation>

⁹⁹ According to GADEM, http://www.gadem-asso.org/IMG/pdf/20150219_NoteCCSM_GADEM_detention_migrants-VF.pdf

Thus, we can clearly see how, with regard to migration, the effects of European migration policies together with the pressure the EU exerts on its neighbors and partner countries to assume the role of border guards are significant for countries like Morocco, although the number of migrants remains relatively moderate to date. What do 25,000 applications for regularization represent?: mere dust compared to some 2.6 million Moroccans living abroad.¹⁰⁰ Moreover, after the highly publicized effect the announcement made about the new Moroccan migration policy gave birth to a mouse, the return to policy by the stick did not take long.

¹⁰⁰ Ibid. and Ibrahima Kone, “Morocco, 9th Emigration Country in the World after the United Kingdom, Germany and Italy” [in French], www.yabiladi.com/articles/details/3745, 24 November 2010.

Conclusion

Throughout the preceding chapters, we wanted to offer some elements that would aid an understanding of the challenges and the dangers of free trade agreements, focusing on those linking Morocco to the European Union and those that are still under negotiation.

We could not address all the issues raised by these agreements, which far from being simple trade agreements encompass all economic activities, affect laws and affect very distant arenas of commerce.¹⁰¹ Indeed, any regulation can be considered, from the point of view of FTAs, to be a trade barrier. These agreements are actually levers for imposing all the reforms that allow the opening of “partner” countries to the appetites of international finance and trade. They aim to dismantle all regulations that restrict the free movement of capital and goods and the profits of large multinationals, while restricting mobility to the maximum, thereby weakening Southerners on the labor market.

It is not surprising then that we always cooperate further in this opening without ever seriously assessing the impact of previous agreements. It is not surprising that everything happens in closed sessions from which not only the people are excluded but also their representatives (or those who are supposed to be), as well as the media, while the spotlight is shone on lobbies, business organizations and banking. Neither is it surprising that the talks are accompanied by financial offers, in the form of grants or loans, which lure the negotiators by way of tempting offers in the short run but that will serve at the same time to set up mechanisms that pillage Southern countries’ resources and exploit their labor. These will also serve as a means of pressure

¹⁰¹ These include sanitary and phytosanitary standards, intellectual property, sustainable development and the settlement of disputes between investors and the state. These are a few of the topics that were on the agenda during the third round of negotiations of the DCFTA (information that would have remained unavailable if there had not been a «leak»).

to overcome any reluctance that may arise. Lenders and donors will recover that money a hundredfold.

That is why the first battle is that of democracy,

transparency, and public debate. The press, parliamentarians, and more broadly the people have the right to know the terms of the negotiations, the original draft, the mandate of the negotiators, and the points on which discussions stumble and their trends. Companies and bankers are increasingly substituting the people and states to make decisions on their behalf. Yet, the people and states are entitled to demand explanations from the negotiators and to demand a referendum on a subject that concerns them closely. The public will have to be able to form and express itself.

The second battle is that of sovereignty.

Indeed, we must reject the agreements that were completely written by experts from the European Union who negotiate without preparation and without prior impact assessment. The approach underlying these negotiations is a totally colonialist approach. These agreements are completely unbalanced both in form and in substance. They are by no means reciprocal agreements.

On the one hand, the size of the partners is totally asymmetric, as well as their weight in the economic field. One should read the

texts of the Euro-Moroccan partnership, see how the European Union is looking at its partner, how it studies its demographic, social, political, and economic characteristics and arrives at a miracle solution to help it out of its delay: entry into international competition. There is no reciprocity in this regard. Morocco does not study the situation of the European Union; how its citizens were immersed in an artificial crisis created by the financial fever and ordered to reimburse, through austerity measures that never reach the rich, what is borrowed in their name to save the banks; how growth has been halted and unemployment is increasing. Morocco has nothing to say to its older European brother; there is no advice it can give to help it get out of its crisis. It is only called upon to harmonize its laws and regulations with the "European acquis"!

In doing so, if these agreements continue to be signed, Morocco will totally mortgage its sovereignty.

There is a battle in terms of legislation and regulation,

since Morocco will have to, along with its gradual evolution, continue to harmonize its laws and regulations with those of Europe – which, we should remember, is certainly going to experience the same thing with the United States if the transatlantic treaty is signed.

There is a battle in terms of industry,

since the direction taken by the Moroccan economyisthatoffreezones,thesubcontracting of European industries which will re-export both production and profits, leaving in Morocco only the costs of the equipment of free zones, transport infrastructure and the selling off of its workforce. In the new agreements, this approach will only be reinforced, because it has already been at work since the signing of the first Euro-Mediterranean partnership agreements.

There is a battle in terms of agriculture as agro-export orientation strengthens

all the efforts of large agribusiness farms to produce for foreign markets while Morocco continues to import increasingly massive amounts of food for its population. Food dependence puts us at the mercy of price fluctuations in international markets, both for what we consume and what we export. We suffer from these markets without being able to influence them.

There is a battle in terms of health,

since the protections granted to patents on drugs will lead to outbidding and delayed access to generic medicines.

Our daily lives will depend on the outcomes of FTAs

Indeed, the FTA-based development model will only increase the imbalances of the country on the economic and monetary levels, between social classes and between regions. The commodification and dismantling of public services will be strengthened, thereby excluding the poorest from access to basic health, education and transport services, reinforcing inequality.

The models of production and consumption increasingly depart from the real needs of the population and its traditions. GMOs have been surreptitiously introduced, at least through poultry food, and are now part of our daily

diet. What impact will they have on the health of Moroccans?

What about the massacre that is committed in the name of the Euro-Mediterranean Partnership on our borders with Europe and in the Mediterranean Sea? Do we have to remain silent and be complicit in these crimes?

We could have multiplied the subjects, addressed climate and environmental issue, talked about social and health standards, discussed the opening of public procurement to foreign companies, etc. A lot of work has yet to be done in dissecting in detail the impact of past and future free trade agreements on our daily lives and those of our children.

Ringing the alarm bells

This would have taken us a lot of time and energy, and we wanted, through the work presented here, to firstly ring the alarm bells. The issue of free trade concerns us all. It is important to break our silence, to take and conquer all the spaces where we, all Moroccans together, can make our voices heard in order to demand a stop to the negotiations and to backtrack on many clauses of previous agreements that endanger the economy, jeopardize our population's access to its basic rights, and endanger the lives of people seeking home, asylum or other protection in Morocco.

We will spare no effort to explain, sensitize citizens, call on the authorities, and work with all the organizations, personalities and researchers who can help mobilize citizens to address the challenges posed.

In Latin America, popular forces have set back the US project of the Free Trade Area of the Americas. In Europe, mobilization is increasing against the transatlantic treaty. We, Moroccans and people of the southern shore of the Mediterranean, must defeat the colonial agreements that Europe wants to impose with the complicity of our governments and the few exporting sectors that will benefit from them.



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