GREEN RENTIER STATE:

A CASE STUDY OF THE RENEWABLE ENERGY SECTOR IN MOROCCO

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Abstract

The experience of Morocco calls into question the neoliberal orthodoxy that economic liberalization paves the way for democratization. Over the last 30 years, Morocco has met the requirements of the "Washington Consensus," while paradoxically strengthening its authoritarian control over its populace. King Mohammed VI and his inner circle, the Makhzen, remain the most powerful actors in the political and economic system despite the constitutional reforms and newly elected Islamist parliamentary plurality committed to anti-corruption in the wake of the Arab Spring. A case study of the renewable energy sector (RES), the monarchy's most recent major effort to integrate Morocco into the global economy, supports the rentier state theory argument that political reform could be hindered by non-oil rent-seeking behavior such as political rents from the Persian Gulf and the West. In particular, the renewable energy sector has attracted foreign aid from the European Union and the Bretton Woods institutions, eager to support green initiatives, and from Arab oil-states, due to the weakening of the Euro. Instead of boosting productivity in the RES, Morocco's top-down approach facilitates rent-seeking behavior among the elite precluding the future prospects for productivity. The findings support the conclusion that the Makhzen has co-opted the process of economic liberalization to replenish its patron-clientele network and enhance its international legitimacy. Therefore, economic liberalization might actually have a negative relationship with political reform unless the power of the Makhzen is first curtailed.

The experience of Morocco challenges the neoliberal orthodoxy that economic liberalization paves the way for political reform.[1] Over the last three decades, Morocco has fulfilled the requirements of the "Washington Consensus," while paradoxically strengthening its authoritarian grip over its population.[2] King Mohammed VI and his inner circle, the Makhzen, remain dominant players in the political and economic system despite the constitutional reforms and newly elected Islamist parliamentary plurality committed to anti-corruption in the wake of the so-called Arab Spring.[3] Therefore, this paper presents the following research question: Why has economic liberalization not resulted in political reform in Morocco?

The literature from the field of the political economy has yet to answer this research question conclusively. In particular, advocates of the post-Washington Consensus argue that the Washington Consensus simply did not go far enough.[4] Rentier state theorists, on the other hand, contend that Morocco will continue to delay political reform unless Morocco addresses the rampant rent-seeking behavior of its elites, a social problem that has been facilitated, in part, by the Bretton Woods system itself.[5] This debate particularly warrants revisiting in the context of King Mohammed VI's resistance to the February 20th Movement's calls for change.

Therefore, I hypothesize that, if rent-seeking behavior is not first addressed, the process of economic liberalization will not be conducive to political reform in Morocco. I conducted a case study of the renewable energy sector (RES) in order to examine the interplay of the state, markets, and social actors in one of the royal palace's most recent major initiatives to integrate Morocco into the global economy. The results of this case study appear to support the rentier state theory argument that political reform is hindered by rent-seeking behavior such as political and strategic rents from the West and the Gulf. Specifically, the RES has attracted foreign aid from the European Union and the Bretton Woods institutions, eager to support green initiatives, and from Arab oil-states, due to the weakening of the Euro. The findings support the conclusion that, instead of generating productivity, the RES has been utilized by the Makhzen to co-opt the process of economic liberalization in order to modernize its patron-clientele network and boost its international legitimacy. Therefore, economic liberalization might actually have a negative relationship with political reform if the power of the Makhzen is not first curtailed.

First, I will offer relevant historical background with regard to the political economy of contemporary Morocco, followed by an in-depth exploration of the theoretical debate including an analysis of the post-Washington Consensus and rentier state theory. I will then present the case study of the renewable energy sector. Finally, I will conclude with a discussion of the research findings, and the implications for the academic community and future policymakers.

Historical Background:

From 1983 to 1992 the political economy of contemporary Morocco underwent its most significant change since independence from France and Spain in 1956: the government committed itself to fulfilling the requirements of the Washington Consensus – a set of economic policy prescriptions, or structural adjustment programs (SAPs), proposed by the Washington, D.C.-based International Monetary Fund (IMF) and World Bank.[6] The seeds of this change were planted in an economic crisis that threatened the Makhzen's survival. In the early 1970s, the international price of phosphate tripled inducing the Moroccan monarchy to embark on ambitious 5-year plan that included a massive expansion of entitlement programs and public investment.[7] The economy enjoyed unprecedented economic growth – an annual rate of 7.5% in GDP – from 1973 to 1977, but such a trend hinged on the international price of phosphate remaining high.[8] In 1976, the budget deficits ballooned as the international price of phosphate finally crashed, although that was not the only factor – the military conflict in the Western

Sahara also contributed to the growing bill.[9] The government tried twice to implement a homegrown austerity program only to be met with bread riots in several major cities.[10] Fearing backlash from a public that blamed its economic hardships on a state-driven economy, the monarchy resisted fully committing to reforms. The royal palace saw its own survival as paramount. Morocco only threw its weight behind the Washington Consensus when bankruptcy threatened to run dry the resources of its patronage networks.

The Washington Consensus emerged in the 1970s and 1980s in response to debt crises that swept not only North Africa, but also many other regions of the developing world. Borrowing from the logic of neoliberalism and modernization theory, the Washington Consensus proposes that economic underperformance is a result of a government's heavy hand in the affairs of the economy. SAPs aim to remedy macroeconomic instability through economic liberalization, defined in this research paper as disengagement of the state from the economy and/or the integration of the domestic economy into the global marketplace.[11] The Washington Consensus also predicts that economic liberalization will encourage "the establishment and strengthening of pluralistic and even democratic structures and trends in more authoritarian and undemocratic societies."[12] Therein lays the assumption that economic liberalization will produce an independent middle class with the financial resources and motivation to challenge and hold accountable the state.[13]

As prescribed, Morocco disengaged itself from the economy and integrated itself into the international market. For example, Morocco reduced subsidies on basic commodities, froze government wages, reduced public investments, devalued the dirham, tightened credit, privatized public firms, and allowed interest rates to rise.[14] Morocco also signed the General Agreement on Tariffs and Trade (GATT), encouraged export-oriented industries, and courted foreign direct investment.[15] These changes not only reinvigorated the economy for a brief period of time, but they also gave birth to a middle class and civil society that would replace the country's bloated public sector and welfare services.[16]

Yet, political reform did not follow. As intimated above, political reform will be defined in this research paper as progress toward democratic competition and government accountability.[17] In fact, the Makhzen continued to be the most powerful player in the political and economic system.[18] For example, in 1980 the royal palace privately purchased a substantial stake in Morocco's largest conglomerate, *Omnium Nord-Africain* (ONA), and it has since extended its reach into nearly every major industry in the economy from minerals to agro-fisheries to tourism to banking.[19] Meanwhile, the Moroccan monarchy remains above the constitution, and political parties and civil society lack the power to challenge its preeminence.[20]

Ironically, rather than weakening its authoritarian grip, the Washington Consensus strengthened the Makhzen in several ways. First, the sale of public firms and the country's integration into the global market helped the royal palace modernize its patron-clientele network. The monarchy was able to create a new alliance with the burgeoning middle class of urban technocrats through appointments and subsidiaries.[21] Second, the disengagement of the state from the economy divorced the state from political responsibility for the health of the economy during a time when globalization exacerbated the society's socio-economic inequalities.[22] Therefore, the Moroccan monarchy viewed the rise of a middle class and civil society not as a threat, but as an opportunity to build a new base of support and further delay political reform.[23]

Theoretical Debate:

Despite the general consensus that economic liberalization did not result in political reform in Morocco, there is not yet a single, agreed upon explanation for this outcome. Two camps dominate the debate. Proponents of the post-Washington Consensus argue that the Washington Consensus did not go far enough in its push for economic liberalization. Conversely, supporters of rentier state theory contend that the rent-seeking behavior of the elite has allowed the regime to postpone democratic progress.[24] In order to establish the difference between these two theoretical perspectives, it is important to understand how each views the political economy.

The study of the political economy investigates the interplay among three variables: "economic growth patterns, state structures and policies, and social actors."[25] Economic growth patterns refers to not only trends in the total output of the economy, but also "the process of unbalanced sectorial growth," or structural transformation.[26] State structures and policies refer to the state's monopoly of power, its involvement in the market that sustains that monopoly, and the institutions that facilitate such involvement.[27] Social actors refer to groups that act together or against the state, influence its policies, and are impacted by the state's involvement in the market.[28] Both the post-Washington Consensus and rentier state theory comment on the interplay among the state, markets, and social actors. However, these theories can be distinguished by how they represent and understand the relationship among these three variables.

Like its predecessor, the post-Washington Consensus identifies state structures and policies as the independent variable. The Washington Consensus and post-Washington Consensus view the direction of economic growth and the strength of social actors as dependent upon state structures and policies. To restate the logic behind this theoretical perspective, SAPs aim to liberalize the economy, and political reform is expected to follow.[29]

However, today there is general agreement that the Washington Consensus is not a universal formula for success.[30] For example, China and the so-called Asian Tigers rose without embracing the bulk of the Washington Consensus.[31] In contrast, Southeast Asia bared enormous social costs and Russia's experiment with shock therapy created a system of crony capitalism after adopting SAPs in response to the Asian financial crisis of 1996.[32] Although SAPs have played out uniquely in different contexts, the results have been no more positive in Morocco or among its regional neighbors, "where both economic performance and political liberalization have been significantly weaker than elsewhere in the developing world."[33] The failure of the Washington Consensus has forced even the Bretton Woods institutions to amend their theoretical perspective.

In the wake of underwhelming results, a modified "consensus" – the so-called post-Washington Consensus – emerged.[34] According to Richards and Waterbury, "in the new consensus, all of the original elements remain, but additional reforms are advocated."[35] For example, advocates of the post-Washington Consensus, such as Dani Rodrik, contend that there are universal principles of economic policy worth following such as "(1) achieving macroeconomic stability, (2) integrating into the world economy, (3) providing investors with effective protection for property rights and contract enforcement, and (4) maintaining cohesion solidarity, and political stability."[36] Rodrick adds that an investment strategy must incorporate domestic entrepreneurs that may necessitate a helpful hand from the state to correct for imperfect markets in developing countries, and that states must create, regulate, stabilize, and legitimize markets through institution building.[37] Nevertheless, the post-Washington Consensus shares with its original incarnation a representation and understanding of the interplay of the state, markets, and social actors.

As a result, the Washington Consensus and post-Washington Consensus underplays the dynamics of markets and social groups that shape, and are shaped by, the state's policies and structures. For example, the post-Washington Consensus consciously omits the role of social groups such as Morocco's allies in the West and the Gulf along with the Bretton Woods institutions themselves. More importantly, it fails to account for the informal systems of politics and economics, such as the Makhzen and its patron-clientele networks, which often play a greater role than formal rules and institutions, and which leave an indelible influence on the state and markets in Morocco. As one critic of the Washington Consensus and post-Washington Consensus summarizes, "the intense dichotomy between the state and the private sector, and the understanding of transition as being the advance of the later at the expense of the former, is insufficient to explain both the needs, and the experiences, of the developing world."[38]

In contrast, rentier state theory views the relationship between the three variables – the state, markets, and social actors – as more complex. Before analyzing rentier state theory, the terms rent, rentier economy, and rentier state should first be understood. Rent can be described as "a reward for ownership of all natural resources," defined broadly enough to include at least five different types of fortuitous endowments: raw-material rents accrued from the sale of raw materials and/or natural resources; location rents accrued from ownership of valuable transportation routes, infrastructural facilities, or tourist destinations; strategic rents accrued from strategic geographic or political orientations; political rents accrued from foreign aid awarded for developmental or moral reasons; and migration rents accrued from foreign remittances.[39] In addition, a rentier economy exists if one or more of these forms of external rent constitute a dominant feature of the economy; in other words, a rentier economy need not rely on the productivity of domestic industry.[40] Finally, a rentier state is defined by four elements. In addition to having a rentier economy and relying on external rent, a rentier state is the primary recipient of rent, and a rentier state only allows a select few to be involved in the process of wealth creation while distributing the rewards to the many.[41]

With these definitions in mind, it is hardly surprising that rentier state theory has a unique understanding and representation of the relationship among the state, markets, and social actors. According to rentier state theorists, rentier economies create a unique rentier mentality that severs the link between work and reward since “reward—income or wealth—is not related to work and risk bearing, rather to change or situation.”[42] As a result, state structures and policies become, in a sense, dependent on the character of the market—the rentier economy—and influence of social actors—the select few involved in the process of wealth creation—that, in this case, reduce the incentives for the state to implement genuine economic reforms that would foster a productive domestic economy and address long-term economic development.

Along the same lines, a rentier economy reduces the incentives for the state to implement political reforms by upsetting the social contract between the state and citizens and by, to a certain extent, insulating the state from calls for change. For example, in a rentier state there is no need to extract revenue from the populace through mechanisms such as taxation due to the wealth accrued from external rents. This provides the rentier state a higher level of autonomy than the conventional state, but it also means that the rentier state may not develop the administrative capacity for extraction and may not integrate into society in a meaningful way.[43] Therefore, the only link left between the state and citizens is the distribution of economic benefits, as the citizens become clients. These economic benefits may include subsidized public goods and services, widespread government employment, and favorable treatment toward domestic businesses and merchants.[44] These conditions allow the rentier state to delay political reform, as it buys the loyalty of the populace.

In contrast to the post-Washington Consensus, rentier state theory presents a complex, nonlinear relationship among the variables of the state, markets, and social actors. Unlike the former, it takes into account the character of the markets and the influence of social actors. Consequently, failing to address the implications of rentier state theory could preclude a positive relationship between economic liberalization and political reform.

Of course, the post-Washington Consensus and rentier state theory are not the only camps in the debate. Less-cited explanations for the lack of political reform in Morocco include theoretical positions that focus on Morocco's Arab-Islamic identity and, alternately, its historical legacy of tribal politics. For example, some scholars contend that an Arab-Islamic identity predisposes states like Morocco to authoritarianism. As one scholar summarizes, "authoritarian survival shall be due to the exceptional resistance of an Arab-Islamic cultural mind, which in a structural version has lead to a neo-patrimonial way of how political rule is organized within Arab societies."[45] This perspective is essentialist and deterministic, and misperceives Morocco as static and homogenous. Further, it seems to be empirically disproven by the recent wave of social movements calling for democracy across the MENA region. In addition, some historians identify a tradition of tribal politics that precludes democratization.[46] Yet, this line of thinking can be subsumed by rentier state theory, which identifies rent-seeking behavior as a modern incarnation of the legacy of patron-clientele networks in Morocco.

Therefore, the unresolved rift between the post-Washington Consensus and rentier state theory dominate the debate and point to a gap in the literature. The Arab Spring has only made this debate more relevant. The 2011 Jasmine Revolution in Tunisia breathed new life into the principles behind the post-Washington Consensus, as the North African country with the strongest middle class revolted against its authoritarian dictator. Adding to this research paper's timeliness, the Bretton Woods institutions continue to implement policies that put the principles of the post-Washington Consensus into practice.

A Case Study of the Renewable Energy Sector:

Therefore, I present the following hypothesis: if the rent-seeking behavior of the elite is not first combatted, economic liberalization will not facilitate political reform in Morocco. A case study of the renewable energy sector provides an opportunity to further investigate the relationship between the state, markets, and social actors in Morocco. This case study was not randomly selected; rather, it was chosen because the RES is a relatively new and potentially significant part of the political economy in contemporary Morocco. Unlike more-established Moroccan industries, the RES has emerged out of the unique context of the post-Washington Consensus and the Arab Spring. In addition, the RES has never been explored through the framework of rentier state theory. Consequently, a case study of the renewable energy presents an opportunity to shed new light on the subject.

There is little doubt that Morocco is well positioned to become a global leader in producing and exporting renewable energy.[47] First, the country is endowed with unparalleled coastal wind resources and intensive solar radiation thanks the long stretches of coastline along the Mediterranean Sea and Atlantic Ocean along with the arid landscapes of the Sahara Desert that cover the southern half of the country. Morocco has some of the best renewable energy resources not only in the Middle East and North Africa but also the world.[48] Second, Morocco's close proximity to Europe gives the country an inherent advantage in exporting renewable energy. Its transmission line to Spain makes Morocco the only Arab state in the MENA region with a transcontinental connection to European power grids.[49] Third, although renewable energy would be advantageous for many of its neighbors for other reasons, the Moroccan government has the greatest amount of political will.[50] For example, Morocco almost entirely lacks fossil fuel reserves importing more than 95% of its energy, according to the most recent available data.[51] A potent combination of socio-economic pressures, such as population growth, economic growth, improved standards of living, rapid urbanization, and increased access to the national power grid, means that national energy demand is projected to quadruple by 2030.[52] In addition, the recent spike in global oil prices adds stress to a government that would rather avoid reforming energy subsidies further incentivizing Morocco to confront its petroleum dependency.[53]

Undoubtedly, this situation factored into the royal palace's decision to establish a National Energy Fund (FDE) in 2008, and launch a national policy on renewable energy in 2009.[54] The Moroccan government announced a five-part strategy: diversify its domestic energy supply for energy security; produce and sell accessible, available, and affordable energy to its population; utilize renewable energy sources and explore potential hydrocarbon and oil shale reserves; and promote "regional energy integration among the Euro-Mediterranean markets through enhanced cooperation and trade with Maghreb and EU-countries."[55] With regard to domestic energy supply, the official goal is to reach a mix of more than 40% renewable energy by 2020.[56] However, Morocco's ambitions for domestic energy supply pales in comparison to its design for renewable energy exports.

The Moroccan monarchy has framed the RES as not only an economic development initiative, but also as an export-oriented policy that would further liberalize its economy by integrating Morocco into a new global market. For example, according to the Moroccan government, the RES is projected to meet 15% of Western Europe's electricity demand by 2050.[57] It is also no mistake that "the Moroccan government designed a new energy strategy in 2009 mostly aligned with the EU's energy trinity of energy security, competitiveness and environmental sustainability."[58] The European Union (EU) would be the most receptacle export market since, for example, a 2009 directorate mandates that member states import renewable energy-generated electricity, particularly from EU-favored nations such as Morocco, to meet national targets by 2020.[59] In addition, North Africa has been a long-standing trading partner in the realm of energy, with Algeria and Libya traditionally supplying fossil fuel to Western Europe. [60] Finally, Morocco has joined a number of global and regional renewable energy institutions and programs including the International Renewable Energy Agency and the Solar Plan for the Mediterranean. It has also stated its interest in joining the MENA region Desertec project, and registered its renewable energy project under the Clean Energy Development Mechanism of the United Nations Framework Convention on Climate Change. [61]

Since the announcement of a national policy, Morocco has taken several tangible steps toward developing the RES. For example, Morocco's Solar Energy Agency (MASEN) unveiled a $9 billion solar project, the largest in the world, in the southern desert city of Ouarzazate in November 2009. The first solar power plant in the series of five is to be constructed by a consortium led and financed by a Saudi firm and two Spanish firms along with several multilateral lending institutions such as the World Bank, as of March 2013.[62] In addition, a wind power project, the largest in Africa, in the Atlantic port town of Tarfaya is to be constructed by a French public-private firm and one of the royal family's subsidiaries, as of December 2012.[63]

Results:

Despite the rhetoric surrounding Morocco's national policy, the RES does not appear as though it could ever become an engine of economic growth or renewable energy exports, at least not in the current fashion in which the RES is being developed today. It not only lacks viability without substantial Moroccan and international support, but also the RES is posed to become a new source of revenue for the Makhzen's patron-clientele networks.[64] In particular, the RES is dependent upon multilateral lending and foreign assistance from the EU and the Bretton Woods institutions, that would like to support green initiatives, and from the Gulf oil-states, that has a stake in its fellow Arab monarchy's stability. More importantly, the monarchy's top-down approach fosters rent-seeking behavior among the elite precluding the sector's prospects for productivity.

First, the RES has already paid dividends to Morocco's international reputation. For example, King Mohammed VI personally unveiled the aforementioned $9 billion solar project in a ceremony that drew high-level officials from the United States and a number of Western Europe countries, including U.S. Secretary of State Hillary Clinton.[65] In addition, official public documents from the European Union and Bretton Woods institutions praise Morocco's effort to tie together the complementary goals of climate change mitigation, energy security, economic development, and economic liberalization.[66]

Further, the RES has offered Morocco an opportunity to make political and economic inroads with the Gulf oil-states. The Gulf monarchies seek to not only to import renewable energy to quench the thirst of their own rapidly growing and urbanizing populations, but also to prevent instability in a fellow Arab monarchy that could inspire a so-called Gulf Spring.[67] For its part, Morocco seeks to strengthen its ties with the wealthy Gulf oil-states "as an important means of ameliorating the impact of Europe's weak economy."[68]

Unfortunately, the dependence of these projects on multilateral lending and foreign assistance threatens the viability of the RES. For example, Morocco seems overwhelmingly concerned with importing turnkey technology for concentrated solar power (CSP) plants "while being able to export the end product to European markets."[69] This comes at the cost of genuine long-term economic development that would improve local productivity and provide employment on a large, sustainable scale.[70] Even worse, this trend risks "the creation of a new generation of 'white elephants', whose very existence depends on the continued provision of fresh aid money."[71]

In addition to the sector's dependence on multilateral lending and foreign assistance, the lack of local buy-in further suggests Morocco is less concerned about creating viable markets than creating a new source of revenue for patron-clientelle networks and boosting international legitimacy. The Renewable Energy Law (LER) adopted by the government in January 2010 exemplifies the royal palace's top-down approach. The law establishes a framework for private firms to generate and sell renewable energy in both the domestic and global marketplace. The law stipulates that the Moroccan government will negotiate with potential investors on an ad hoc basis.[72] This top-down approach not only precludes stakeholders from the decision-making process and diminishes their feeling of ownership, but it also fosters rent-seeking behavior. As one scholar explains in his analysis of the legal framework, "the regulation-by-contract approach...is totally inadequate for at least two reasons: first, because it does not provide for the necessary degree of transparency and non-discrimination," that fosters fair competition and foreign direct investment; and second, "because it penalizes the large number of small firms and private households who do not dispose of the necessary insight and bargaining power to defend their interest vis-à-vis the powerful."[73]

Discussion:

This case study would appear to support the hypothesis that the rent-seeking behavior of the elite may account for the lack of political reform despite economic liberalization. As shown in my analysis above, many supporters of the post-Washington Consensus have backed Morocco's export-oriented renewable energy program as an initiative that could further integrate the country into the global economy. While this may turn out to be true, the RES simultaneously does not appear to be conducive to conditions that would encourage political reform. For example, the RES has attracted political and strategic rents – in the form of multilateral lending and foreign assistance – from the European Union and the Bretton Woods institutions as well as the Gulf oil-states. To reiterate, this dependency on foreign aid money suggests that the Moroccan monarchy is less concerned about creating viable markets than enhancing its international reputation and replenishing the resources for its patron-clientele network.

Instead of truly boosting productivity, the RES offers the Makhzen a new opportunity to coopt the process of economic liberalization and generate revenue for its patron-clientele network. The royal palace's top-down approach that requires case-by-case negotiations between the state and potential investors lacks transparency and non-discrimination. This not only hinders fair competition and investor confidence, but it also benefits the rent-seeking elite over independent firms.

Although it certainly cannot prove causation, this case study illuminates how the role of the state, markets, and social actors in Morocco may not be conducive to political reform. In this instance, rentier state theory best explains the complex relationship among these three variables. In particular, the Moroccan government is shaped by, and shapes, the Makhzen's control of the political economy of the renewable energy sector. In turn, the RES may create favorable conditions for rent-seeking behavior as a result of the country's wind and solar endowments and strategic proximity to Western Europe and the Persian Gulf.

Conclusion:

The case study of the renewable energy sector in Morocco strengthens the argument that rentier state theory accounts for the lack of political reform in Morocco despite economic liberalization. The RES has attracted significant political and strategic rents, and created conditions that may facilitate new rent-seeking behavior among the elites. Therefore, this case study provides yet another example of the Makhzen coopting the process of economic liberalization to not only reestablish its international legitimacy in the eyes of the West, but also to modernize its patron-clientele network in order to delay genuine political reforms.

The limitations of this case study should be understood, however. First, future research should explore other sectors in Morocco's economy, because an in-depth investigation of just one lacks generalizability. Second, future research should also assess the political and socioeconomic outcomes of the RES when and if projects are fully implemented, because this case study was limited to examining plans for the renewable energy sector in Morocco. Indeed, if projections prove true, Morocco could accrue substantial wealth from "green rent," potentially becoming the world's first "green rentier state." Yet, from this case study such an evaluation of the RES in Morocco would be premature.

Nonetheless, this case study adds a worthy contribution to the academic debate. Even identifying one instance in which rentier state theory may better explain why economic liberalization may not be conducive to political reform in Morocco supports scholars who question the universal applicability of the neoliberal orthodoxy, embodied by the post-Washington Consensus. In particular, this case study suggests for future scholars and policymakers alike that the relationship between economic liberalization and political reform in Morocco may actually be negative unless the power of the Makhzen is first curtailed. Finally, this case study contributes to policymakers and the academic community's understanding of the political economy in Morocco since the 2011 Arab Spring.

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[67] "Gulf States Approve $5 Billion Aid to Morocco, Jordan," *Reuters*, Thompson Reuters, 20 Dec. 2011, Web, 30 Mar. 2013.

[68] Uziyel, 4.

[69] Erdle, 29.

[70] Ibid. 44.

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