

STRATEGIC REPORT 2015

MOROCCO IN THE WORLD

Major transitions

Summary

PREFACE

The world's evolution is driven by events such as conflicts, changes in political regimes, financial crises as well as by structural factors such as demography, cultural traits, technologies and scientific discoveries.

What is of interest to the Royal Institute for Strategic Studies (*Institut Royal des Etudes Stratégiques (IRES)*) **is the world in the making**, this particular time when everything may either continue in the same way or undergo a deep renewal.

This ever-changing and complex global landscape is deciphered through a particular lens. The aim of IRES' approach is to highlight any new elements which may constitute a **threat** to be avoided, an **opportunity** to be seized or a **break** to be anticipated for Morocco.

The notion of break is neutral in this context, as it may generate as many opportunities as threats, and its outcome is thus unknown.

Strategic analysis of the world's evolution makes it possible to **envision the future Morocco**, embodied by the goals set out by His Majesty King Mohammed VI. The journey towards these goals is punctuated by as many challenges as new opportunities, which must be anticipated in order to secure the country's overall development trajectory.

The task of **anticipation** is thus crucial to raise awareness, alert and propose courses of action in an increasingly **uncertain** world.

The approach adopted in this report is based on the notion that, on the one hand, domestic and foreign policies constitute a coherent and articulated whole and, on the other hand, that Morocco is at the heart of the world, subject to its evolution but also in constant interaction with it.

This is the Morocco, with its **position in and interactions with the world**, guided by High Royal Guidelines, that is described in IRES's **strategic report**.

GLOBAL CONTEXT

The current global context is characterized by an accelerating pace of geopolitical, economic, social and environmental changes. Some are the result of natural evolution; others constitute a break with the global order that prevailed in the 20th Century :

1. Challenges to the global governance system and initial stages of reflection on how to reform the current system in order to make it more inclusive and compliant with the new geopolitical reality:

- ✓ Establishment of the G20, initial reforms to international financial institutions...
- ✓ New logic to reshaping spheres of influence: energy alliances, migratory dynamics...

2. The gradual decentering of the global center of gravity, with an increasing role played by emerging countries, such as the BRICs, in global economic affairs, associated with fiercer competition between nations : accelerated pace of technological innovation, changes in the structure of employment, need for highly skilled labour...

3. The emergence of a zero-polar world, which brings new momentum to spaces of belonging from which are formed regional blocks that regulate the economic sphere (single markets) as well as the security sphere (military alliances), but not without competing tensions.

4. A digital revolution in its incipient stages but which has already profoundly transformed our ways of life and production, as well as our way of thinking and being: pervasive connectivity, access to information, automation of a growing number of processes and services...

5. A heightened need for empathy in light of growing inequality and the generalization of individualism, so that the world does not become more inhuman (selfishness, indifference, lack of civility), by promoting cooperation and sharing.

6. A growing certainty of the magnitude of climate change impacts leading the international community to actively seek consensus regarding mitigation mechanisms for greenhouse gas effects and adaptation measures to climate change.

THREATS, OPPORTUNITIES AND BREAKS

- ❖ An examination of Morocco's positioning in the world has enabled us to highlight the threats that the country must be prepared for, but also the significant opportunities that it must seize and the major shifts, or breaks, it must anticipate.
- ❖ The main **threats** identified are :
 - An emerging spiral of long-lasting economic recessions,
 - The intensified competitive pressures,
 - An increase of economic, social and spatial inequalities and a widening digital divide,
 - The global warming and its impacts on water resources and human security,
 - The proliferation of terrorist threats and the spread of international organized crime.
- ❖ **Opportunities** include :
 - Shared responsibility in international affairs, enabling emerging countries to make their voices heard,
 - New economic growth drivers such as the BRICs and Africa,
 - The digital revolution,
 - The blue economy.
- ❖ As for **breaks**, they include :
 - The emergence of China, a harbinger of a likely end to Western economic hegemony,
 - The robotization and increased process automation,
 - The growth of Islamic finance in the Muslim world, where some countries are growing increasingly radical,
 - The possible break up of the Euro zone.

MOROCCO'S SHORT, MEDIUM AND LONG TERM PRIORITIES

- ❖ In light of the major global transitions it must contend with, Morocco has, in addition to defending its territorial integrity, identified the following **short term priorities** :
 - Set-up the Security Council, improve the institutional framework of Morocco's foreign policy and lead proactive economic diplomacy,
 - Deepen Morocco's integration within the Euro-Mediterranean, and strengthen its relations with Gulf countries and emerging nations,
 - Accelerate Morocco's emergence as an economic, financial and transportation hub, and in the longer run, as a technology hub,
 - Fight all forms of inequalities, and bridge the digital divide,
 - Complete the democratic transition, consolidate progress in human rights and promote Islam abroad, advocating for peace and interfaith co-existence,
 - Ensure that water issues are at the heart of public policies and adopt suitable climate governance.
- ❖ The Kingdom's **priorities in the medium and long term** include :
 - Morocco's full-fledged accession to the status of emerging country, bolster its soft power role and establish a global partnership strategy, that is well-suited to the new geopolitical context,
 - Build the Maghreb on the basis of new paradigms, extend Morocco's influence to all of Africa, and expand partnership with Gulf countries to promising sectors,
 - Seize the beneficial effects of the digitization of Morocco' economy and society while mitigating its negative effects,
 - Develop non-tangible capital, including its human, social and institutional components, to serve as a foundation for the Kingdom's competitive advantages at the regional and global levels,
 - Position Morocco on promising new business sectors of the blue economy, and develop influential climate diplomacy.