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# Morocco: Foreign Policy Dilemmas



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An Intelligence Assessment

PROJECT NUMBER NESA 2150 88 N  
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PAGE NUMBERS 13

TOTAL NUMBER OF COPIES 450

DISSEM DATE 880601

EXTRA COPIES 343-366

RECORD CENTER 367-416

JOB NUMBER \_\_\_\_\_

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NESA 88-10034  
May 1988

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# Morocco: Foreign Policy Dilemmas

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**An Intelligence Assessment**

This paper was prepared by [Redacted]  
Office of Near Eastern and South Asian Analysis. It  
was coordinated with the Directorate of  
Operations. [Redacted]

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Comments and queries are welcome and may be  
directed to the Chief, Arab-Israeli Division, NESAs,

[Redacted]

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**Morocco: Foreign Policy  
Dilemmas**

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**Key Judgments***Information available  
as of 30 April 1988  
was used in this report.*

Morocco's King Hassan II is promoting closer ties to the United States, France, and Gulf Arab oil producers because he wants additional foreign financial and diplomatic support. Hassan, the architect of Morocco's foreign policy, in our view, sees bolstering ties to key foreign benefactors as the most effective way to combat economic difficulties, obtain financing for military purchases, and check diplomatic maneuvering by his chief rival, Algeria.

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Over the past year, Morocco's political rivalry with Algeria in the Maghreb has grown more difficult to manage. Despite Libyan indifference, Algeria has not given up pressing Tunisia and Mauritania to accept eventual Libyan accession to their tripartite Treaty of Fraternity and Concord. We believe King Hassan is reaching out to moderate Arabs and key Western states in part to counter this continuing Algerian effort to buttress his position in the Maghreb.

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Hassan wants help for Morocco's economy, which cannot keep pace with the needs of its population—growing at a rate of nearly 3 percent per year. With unemployment near 25 percent and a youthful population, Hassan is looking for foreign investment and assistance to spur Moroccan economic growth and employment opportunities.

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We believe Hassan is also concerned about preserving access to much needed markets for Moroccan goods in Western Europe. Internal trade barrier reforms in the European Community (EC) scheduled for implementation in 1992 and the 10-year transition to full Spanish and Portuguese participation in the EC that began in 1986 will jeopardize this access. Hassan will increasingly look to France, which has long been the leading foreign player in Morocco, to intercede and preserve Moroccan trade access to the EC.

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Hassan views strategic cooperation with the United States as a vehicle to obtain sizable compensatory financial assistance over the long run. Hassan views the access and transit agreements with Washington as a starting point, and we believe he would allow greatly expanded US use of Morocco for exercises and training. We judge he would prefer such use to occur under a multinational or NATO umbrella to diminish US visibility and his own identification with Washington.


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Hassan, however, has an exaggerated view of his country's strategic importance to Washington—placing excessive emphasis on its location bordering the Strait of Gibraltar, with Atlantic as well as Mediterranean ports. As a result, he is likely to remain a difficult negotiating partner, demanding more compensatory assistance than Washington is willing to pay for expanded US use of Moroccan military facilities. 

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We see little danger over the next two years of a fundamental shift in Morocco's moderate diplomatic course. Even if the King were to believe Washington had not offered sufficient military assistance or were to become seriously angry with the United States for some other reason, we doubt that he would do more than tilt his foreign policy in a more Arab, nonaligned direction. His deep distrust of Communism and the Soviet Union, along with his personal affinity for the West, are obstacles to more dramatic policy shifts. Because there is no large, anti-Western constituency in Morocco and the King's two sons and the country's military establishment generally share the King's pro-Western outlook, we doubt that his unexpected departure from the scene would trigger a major shift in Rabat's foreign policy. 

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**Scope Note**

This is our first comprehensive examination of Morocco's overall foreign policy in nearly a decade. The timeliness of this Assessment stems from the coincidence of two circumstances—the increasing threat to US military power projection and readiness resulting from host country restrictions on US basing and training in Europe and elsewhere and the increasing willingness of King Hassan to provide the United States expanded military access to his country. 

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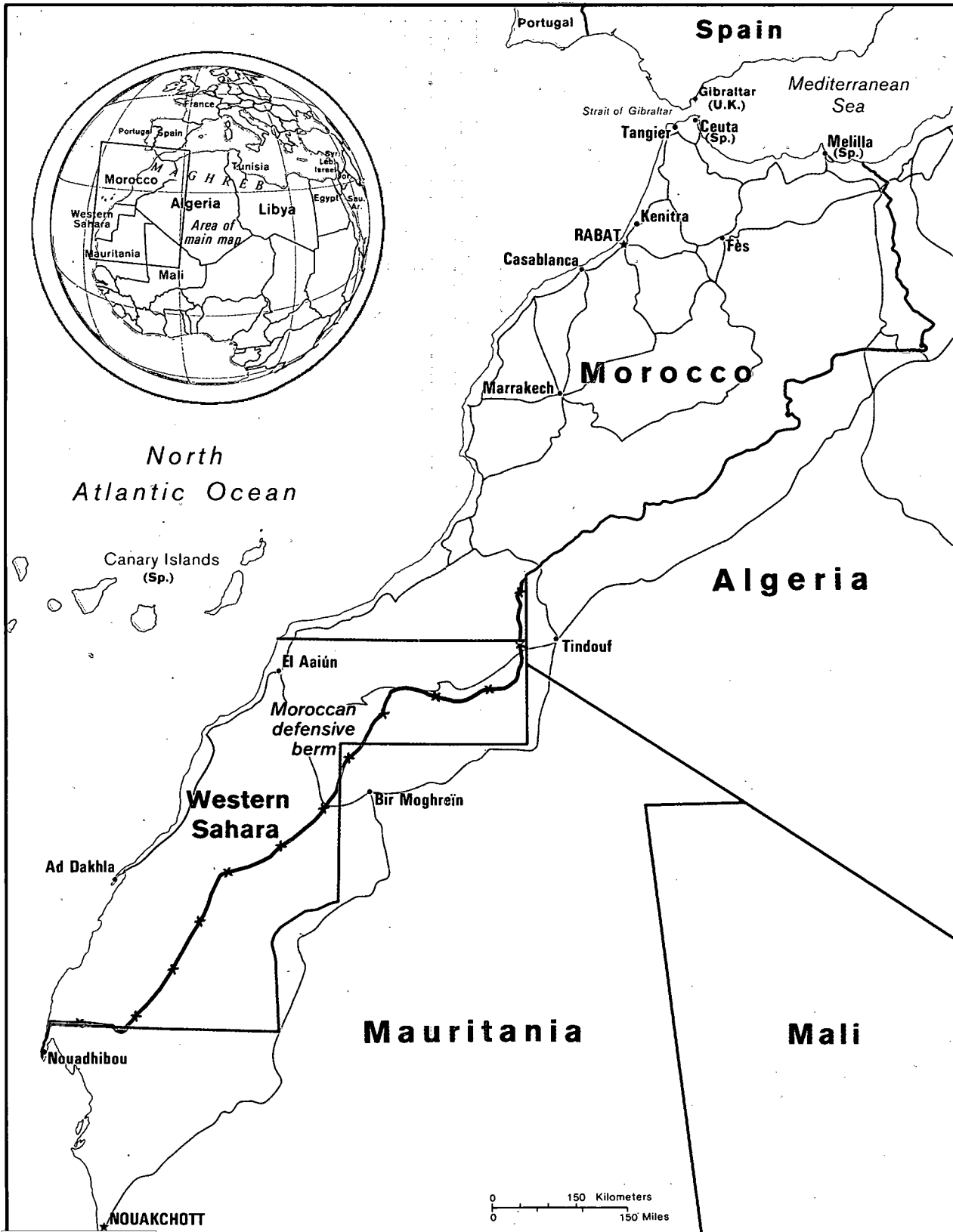


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## Morocco: Foreign Policy Dilemmas

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### Underlying Forces in Moroccan Foreign Policy

As a moderate Arab leader with strong ties to the West as well as to the Arab world, King Hassan II has turned throughout his 27-year reign to Western Europe and the United States for military and economic assistance. He tried recently to support his claims for that aid by telling the US Secretary of Defense, as he has told other senior Western officials in the past, that Morocco's location bordering the Strait of Gibraltar with "two danger points"—its Atlantic as well as Mediterranean ports—gives the West an important stake in his country's future. In our view, the King believes his assertion that Morocco is a bulwark on NATO's southern flank against radicalism and Soviet influence in the Maghreb. This perceived political linkage to the West is reinforced by Morocco's strong cultural and historical ties to France and Spain as well as by the presence of approximately 1 million Moroccans living and working in Western Europe.

Morocco remains, nonetheless, an Islamic state despite its French colonial experience. The overwhelming majority of Moroccans see themselves as Muslims and Arabs. They identify strongly with Arab causes, especially the struggle to recover Palestine. Moroccan soldiers fought in the Arab-Israeli war in 1973. In addition, Morocco was host to the Arab summit meeting in 1974 that designated the Palestinian Liberation Organization the sole, legitimate representative of the Palestinians. It also was host to the summit meetings of 1981 and 1982 that produced an Arab consensus on terms for peace negotiations with Israel.

King Hassan is a devout Muslim who traces his lineage to the Prophet Muhammad. As the spiritual head of Islam in Morocco, he bears the hereditary title, Commander of the Faithful. According to the US Embassy in Rabat, many Moroccans—particularly the rural poor—believe Hassan possesses *baraka*, an aura of holiness and manifestation of divine grace transmitted through the prophet's descendants.

As an Arab country with strong ties to the West, Morocco has pursued several foreign policy objectives under King Hassan:

- Securing assistance from the United States, Western Europe, and wealthier moderate Arab regimes to help him promote his country's development and maintain its armed forces.
- Expanding Morocco's role in the Maghreb, including winning international acceptance for its effort to extend its control over Western Sahara.
- Promoting better relations between the West and the Arab world to bolster his standing in each camp and to reduce the strain on his country's diplomacy when Western and Arab interests diverge.
- Promoting an Arab-Israeli peace settlement as part of his effort to enhance his image in the West and to reduce the principal source of tension between the Arab and Western world.

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### Regional Rivalries

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#### Algeria

Algeria and Morocco are longstanding political rivals with expanding populations of about 24 million each and roughly equivalent army manpower of 160,000 and 120,000 troops, respectively. The rivalry between them for regional preeminence is increased by their differing governmental systems and ideologies. Morocco is a religiously based monarchy exuding tradition and maintaining a pro-Western orientation while Algeria is a socialist, nonaligned regime that depends heavily on the Soviets for military equipment.

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Diplomacy in the region generally revolves around the Moroccan-Algerian adversary relationship. The competition between them sparked a limited border war in 1963 and contributed to a 12-year military conflict between Morocco and the Algerian-backed Polisario guerrillas over Western Sahara. Algeria's success in creating a tripartite Treaty of Fraternity and Concord

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*Hassan's Diplomatic Style*



*Fifty-eight-year-old King Hassan II is the epitome of a powerful traditional monarch. He is a highly self-confident, paternalistic leader who believes he is uniquely qualified to determine what is best for his country. Although he receives advice from a few trusted ministers, he alone formulates Morocco's foreign policy. As a result, he can institute a policy or reverse it on his own initiative—as he did when he made the Moroccan-Libyan Union in 1984 and then reversed it in 1986. According to the US Embassy in*

*Rabat, in late 1986 he interpreted a phrase in a Moroccan newspaper as an attack on his recent meeting with Israeli Prime Minister Peres and declared foreign policy to lie within his royal prerogative and to be exempt from criticism.* [redacted]

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*Hassan's principal priority is the perpetuation of the Moroccan monarchy. The monarchy traces back with only brief interruptions to the ninth century, and Hassan's Alouite dynasty goes back to the 17th century. With a flair for the dramatic, he frequently focuses on foreign policy issues to mobilize domestic support and distract public attention from internal concerns. For example, in 1975, he made Western Sahara a rallying cry in part to deflect attention from his country's internal problems.* [redacted]

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*A fundamental characteristic of Hassan's foreign policy dealings is his disdain for routine behavior. This is a reflection of his own authoritarian tendencies [redacted] His ability to achieve rapport with other leaders has encouraged him to seek high-level personal relationships. He believes he has used private channels with sympathetic leaders to obtain special benefits for Morocco.* [redacted]

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with Tunisia and Mauritania in 1983, in our view, encouraged Morocco to sign the short-lived treaty of political unity with Libya the following year. After Hassan abrogated Morocco's union with Libya in 1986, Algeria sought to improve its relations with Tripoli and has campaigned since 1987 for Libyan accession to the tripartite treaty. [redacted]

**Libya**

Despite Algeria's maneuvering to include Libya in the tripartite treaty and King Hassan's abrogation of the union he made with Qadhafi, we believe Tripoli and Rabat continue to see mutual benefit in maintaining an active—if wary—relationship. According to official US sources, the King initiated the union in mid-1984 to gain economic assistance, to ensure that

Tripoli would refrain from supporting the Polisario, and to present the Algerians with the potential of a second military front in a future confrontation. For his part, Qadhafi was interested in eliminating training of Libyan dissidents in Morocco and in discouraging Hassan from supporting Chadian President Habre. According to the US Embassy in Tunis, Qadhafi also hoped the union would undermine US efforts to isolate Libya in the Middle East. [redacted]

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Hassan's decision to abrogate the union stemmed, according to the US Embassy in Rabat, from his perception that Qadhafi had grown so weak that he

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*The Internal Scene*

*The economy is the King's biggest domestic problem. It is not expanding fast enough to meet the needs of Morocco's rapidly growing population. According to the US Embassy in Rabat, nearly 56 percent of the population is under 20, and job creation is becoming increasingly important. Although export receipts have increased in recent years, the domestic economy remains weak. In 1986 inflation reached 10 percent, the highest level in this decade, and unemployment exceeded 25 percent, according to the US Embassy in Rabat. Embassy reporting indicates that neither improved much in 1987 nor is likely to get better in 1988. We believe Hassan is aware of these problems, and his concern has led him to reach out during the past year for additional help from the West and from wealthier, Arab states.* [redacted]

*Hassan, nonetheless, has managed to remain relatively untouched by Morocco's economic difficulties, maintaining broad popular support as the country's undisputed religious and political leader. He manipulates competing interest groups through divide-and-conquer tactics and has successfully co-opted most opposition groups. None of Morocco's political parties, labor unions, or fringe opposition elements appears capable of mounting a serious challenge to government policies. Most of those groups are part of the political establishment in the pay of the palace and have little standing with the public.* [redacted]

*The troubled economy has contributed to the still limited political challenge of Islamic fundamentalism. According to the US Embassy in Rabat, the poor, the young, the intellectuals, and urban professionals could turn to fundamentalism to express discontent with the regime. We believe that fundamentalist criticism of Hassan's mishandling of social and economic problems and the royal family's ostentatious lifestyle could erode the King's status as defender of the Islamic faith—a key element in his claim to legitimacy. During the riots in January 1984, fundamentalists helped fan unrest by distributing tracts attacking the King on this score, according to the US Embassy.* [redacted]

*Hassan has tried to counter the fundamentalist challenge by using his security services to intimidate religious extremists and by placing greater emphasis on Islam. He has tripled the budget for officially sanctioned Islamic activities in recent years and during Ramadan frequently leads the prayer in various mosques, according to the US Embassy in Rabat. He often tries to overlay political events with a religious patina. On a trip to Western Sahara, for example, he stopped to pray when he entered the territory. In public statements he has struck a note of humility by saying that he is "but the servant of God and his people called to do their will."* [redacted]

was no longer likely to provide much economic support to Morocco or significant military assistance to the Polisario. Qadhafi's confrontation with the United States also made Libya a growing liability in Hassan's quest for US economic and military aid. [redacted]

Although the rupture of the accord no doubt angered Qadhafi, Hassan and the Libyan leader have maintained relations. They apparently believe that they have more to lose than gain in further antagonizing each other. The US Embassy in Rabat reports, for

example, that Hassan still fears that Qadhafi may engage in terrorism or subversion against his regime and is reluctant to confront him. The Embassy also reports that Hassan is concerned that breaking off contact with Qadhafi would accelerate the warming trend between Libya and Algeria. Hassan may even perceive that Qadhafi could again prove useful in his diplomatic efforts to stave off Algerian attempts in the future to isolate Morocco. [redacted]

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**Western Saharan Conflict**

*The driving force behind Morocco's pursuit of the war is a national consensus that Western Sahara is an integral part of the country. Morocco's claim to Western Sahara is based on the argument that it possessed the territory before Spanish colonization. In our view, King Hassan would lose face at home if he made concessions that undermined Moroccan control of the territory. We believe the issue is not as emotional for most Algerians because Algeria has no claims to Western Sahara and is involved in the conflict only for political and ideological reasons. It insists on the right of the inhabitants to self-determination and views the Polisario question as a legitimate independence struggle.<sup>a</sup>*



Hassan and President Bendjedid of Algeria

*King Hassan and President Bendjedid failed to bridge their differences on Western Sahara in a summit meeting in May 1987 even though both accept that a military solution will not bring lasting peace. We do not believe that they will resolve the conflict soon. Neither side is willing to compromise enough to allow a settlement. Rabat has the upper hand militarily and can pursue the war indefinitely.*

*[redacted] controls about 80 percent of the territory and may be planning another extension of the berm—an earthen defensive perimeter that it has been advancing since 1981.<sup>b</sup> We believe the King's focus on berm construction reflects his pessimism about the chances of reaching a favorable political solution in the near term. He probably believes that his strong military position will enable him to reach a settlement on his terms.*

<sup>a</sup> The Polisario or the Popular Front for the Liberation of Saguia el Hamra and Rio de Oro was created in 1973. Its leaders support non-Marxist Arab socialism and independence for Western Sahara. They claim that as many as 165,000 supporters live in four refugee camps in Algeria. Morocco, however, contends that the number is as low as 15,000. Algeria provides most of the Polisario's economic and military support.

*The Algerians maintain a tough public stance, but [redacted] they are convinced that the war cannot be won [redacted]. An important factor in this changing attitude is the rising cost of supporting what we estimate to be 20,000 to 40,000 Polisario refugees living in southwestern Algeria when the country's economic problems are worsening because of falling oil revenues. We believe that President Bendjedid will be forced to make diplomatic concessions because his government is not willing to risk an all-out war with Morocco.*

*Bendjedid is trying to push Hassan to negotiate a settlement, according to US Embassy reporting. Toward that end, the Algerian President met for four days last summer with Qadhafi and reached agreement with him to pursue closer cooperation. According to US Embassies in Rabat and Algiers, he probably hopes that expanded links to Qadhafi will lead to financial support from Libya, establish his preeminence in the Maghreb, help isolate Morocco, and ultimately force Hassan to compromise on Western Sahara.*

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**Tunisia**

Algeria's most recent efforts to isolate Morocco diplomatically and to gain Libyan accession to the tripartite treaty find Tunisia where it usually is—uncomfortably caught in the middle. Tunisia shares a basic affinity with Morocco—both countries are oriented toward the West and are relatively open societies. At the same time, Tunisian President Ben Ali, like President Bourguiba before him, is concerned, according to the US Embassy in Tunis, about his country's vulnerability to intimidation by other Maghreb states. The US Embassy in Tunis reports that Algeria's urgings that Tunisia support Tripoli's accession to the tripartite pact have clearly troubled Ben Ali, but he is reluctant to alienate Algeria and Libya and may ultimately acquiesce in including Tripoli in the pact.

[redacted]

**Maghreb Maneuvering**

Algeria's latest efforts to isolate Morocco reached a high point in February when Algerian President Bendjedid engineered a summit meeting with Tunisian President Ben Ali to coax Tunisia and Mauritania into allowing Libya to accede to their Treaty of Fraternity and Concord. According to the US Embassies in Tunis and Algiers, the conflicting goals of the participants at that meeting at least temporarily prevented realization of Algerian goals—Bendjedid wanted Libyan accession to the treaty, Qadhafi wanted political unity with his neighbors, and Ben Ali wanted guarantees of noninterference in Tunisian internal affairs. This episode suggests to us that, even if Ben Ali goes along with Libyan accession, there is a good chance that Algeria will fail again as it has in the past to isolate Morocco diplomatically. In the meantime, the US Embassy in Rabat reports that Hassan is watching carefully the diplomatic maneuvering in the Maghreb. We believe the King's concern on this score probably has led him to seek closer ties to moderate Arab regimes in the Middle East.

**The Gulf Connection**

**Political Ties**

Hassan has maintained longstanding, strong relations with like-minded Sunni regimes run by royal families in Saudia Arabia, Kuwait, and the United Arab

Emirates. Although the full scope of these relations remains shrouded in secrecy, the Moroccan-Saudi tie is the most important. The two countries share intelligence and cooperate closely on major Middle Eastern issues. Hassan also assists Saudi Arabia and the other Gulf states in internal security and military training. According to the US Embassy in Rabat, 1,500 to 2,000 Moroccan military personnel are in Saudi Arabia and 3,000 are in the United Arab Emirates.

[redacted] approximately

120 Moroccan advisers are in Kuwait. [redacted]

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**Financial Support**

[redacted]

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[redacted] Saudi grants to Morocco amounted to about \$3 billion during the period 1980-85, with an additional \$700 million in loans. The Saudis delivered to Morocco without charge some two million metric tons of oil in 1985, worth about \$375 million and equal to half Rabat's annual consumption. This was the only time Saudi Arabia provided oil to Morocco free of charge. Since then, it has extended discounts of up to half the world price. This assistance has helped significantly to ease Morocco's foreign exchange problems. The Saudis gave \$267 million in assistance in 1986 and a reported \$176 million in 1987. Although the physical quantity of Saudi oil deliveries to Morocco has been fairly constant in recent years, the dollar price of the oil has fallen 36 percent since 1984, which accounts for much of the apparent decline in Saudi assistance.

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Figure 1. Hassan and King Fahd of Saudi Arabia

**Security Cooperation**

Gulf state assistance to Morocco for military purchases grew out of an understanding the two conservative monarchies reached in the mid-1970s as members of the defunct Five Power Intelligence Committee—Morocco, Saudi Arabia, Iran, Egypt, and France—that a multilateral effort was needed to thwart radical initiatives, counter Soviet inroads in Africa, and combat international terrorism. Since then, Saudi financial support has helped Morocco provide security assistance to several moderate Arab and African governments. In the early 1980s, Gulf state military assistance declined, but recent Moroccan activity in the military marketplace suggests that Saudi Arabia and the other Gulf states may have renewed contributions to Rabat for military outlays.

In 1985, for example, Hassan publicly pledged to spend \$1 billion in five years on military modernization. When the King made this promise, he did not appear to have the funds to carry out the program. Since January 1986, however, Morocco has signed agreements worth more than \$400 million. We believe there is a good chance Rabat is counting on grants from Saudi Arabia and the United Arab Emirates.

It may be no coincidence that the first large contracts under Morocco's new military modernization program were signed less than two weeks after visits to Rabat by the Saudi Crown Prince and the deputy commander of the United Arab Emirates' armed forces. King Hassan also agreed in the summer of 1986 to train Emirian airmen and technicians on Mirage F-1s in the United Arab Emirates and Morocco,

This deal almost certainly included a sizable Emirian financial commitment to Rabat. In addition a reliable source of the that \$13 million—earmarked for, but not needed in, the F-5 purchase in 1980—was released by Riyadh in 1986 for military purchases by Rabat.

Security cooperation probably increased further last year, when King Hassan was becoming concerned about Algeria's renewed efforts to isolate him, but few details are available. Saudi Arabia and the Gulf states were increasingly worried about the Iranian threat to their security, and,

they requested military assistance from Morocco.

Morocco agreed during this period to provide a rapid deployment force for Saudi Arabia's use,

We believe it is possible that the Saudis are showing their appreciation for Hassan's recent efforts on their behalf by stepping up their security assistance to him.

We believe close political and security cooperation between Morocco and Saudi Arabia and the Gulf states will continue over the medium to long term.

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Rabat's economic problems point toward close Moroccan attention to relations with potential Arab donors and oil suppliers, even though Hassan's appeals for increased Western aid during the past year suggest to us that he still is not receiving as much from the Saudis as he would like. He would almost certainly be disappointed if aid from the moderate Arab states becomes erratic in response to fluctuations in the international oil market, but we believe he will continue to receive some help and that shared common interests will preserve close ties to Riyadh. Saudi Arabia, for its part, will continue to rely on Morocco to support Saudi efforts to enhance Arab and Muslim unity and moderate Arab positions. [redacted]



Figure 2. Hassan and then Prime Minister Peres of Israel [redacted]

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### The Israeli Connection

We believe Hassan has an exaggerated sense of his influence with eastern Arab states and Israel and of his ability to play a key role in the peace process. He has indicated to US officials that his ties to Israel qualify him far better than Jordan's King Hussein as a mediator in the Arab-Israeli peace process. This, along with his interest in securing greater Western assistance, was almost certainly why he risked Libyan and Syrian condemnation to talk with Peres.<sup>1</sup>

and the King's principal vehicle for unofficial contacts with Israel. According to the US Consulate in Casablanca, the community numbers less than 10,000—down from nearly 350,000 in 1956. Some 600,000 Israelis today are of Moroccan origin. Despite their limited numbers, Jews still play, according to the Consulate, important unofficial roles as financiers, businessmen, technical and professional experts, and advisers to the King. [redacted]

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The King probably believes that his open policy toward Tel Aviv wins favor in the West, especially with Washington. This consideration loomed especially large, according to the US Embassy in Rabat, when the King was trying to mitigate US displeasure during the period of union with Libya (1984-86). Hassan continues to hope, in our view, that the West will reward his constructive policy toward Israel—illustrated by his meeting with Shimon Peres in July 1986—with increased economic and political assistance. [redacted]

Hassan probably hopes that contacts with Tel Aviv will result in increased Israeli intelligence, military, and counterterrorist cooperation with Morocco. According to the US Consulate in Casablanca, he hopes Tel Aviv will provide limited military assistance to improve his forces' performance in the Western Sahara war. We believe he also would like to learn about vulnerabilities exploited by Israel in fighting the Syrian Air Force, which is Soviet-equipped and trained—much like Algeria's Air Force. Hassan also wants to know how Israel counters seaborne guerrilla infiltration, a subject he presumably is interested in because of his own extended coastline. Hassan almost certainly realizes, however, that Israel will only share limited information with an Arab state. [redacted]

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A further factor in the King's relations with Israel is Morocco's Jewish population. Hassan's Alaouite dynasty is the protector of the 2,000-year-old Moroccan Jewish community—the largest in the Arab world

<sup>1</sup> He is one of only five Arab heads of state to meet openly with an Israeli leader. Three of the others—King Abdallah of Jordan, President Sadat of Egypt, and President Gemayel of Lebanon—were assassinated. [redacted]

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There are strict limits on how far the King can go in his relations with Israel. Getting too far ahead of the Arab consensus, in our view, would increase the risk of terrorism, assassination, or sanctions from radical Arab states. He also has to consider the anti-Israeli views of his chief Arab financial backers—Saudi Arabia and the United Arab Emirates. [redacted]

From Tel Aviv's perspective, contacts with moderate Arab states have long been an Israeli goal. Israeli leaders hope that informal relations with Morocco will bolster Israeli legitimacy in the Arab region and help overcome Arab psychological constraints against direct contact with Tel Aviv. Accordingly, we believe Israel may give low-level military assistance by providing Morocco with tactical advice and specialized military equipment such as remotely piloted vehicles in which the Moroccans have shown considerable interest. [redacted]

We believe lower level informal contacts between Morocco and Israel will continue, despite Hassan's disappointment at the summit meeting with Peres over Tel Aviv's inflexibility and Washington's failure to give greater assistance. According to the US Consulate in Casablanca, as an initial sign of his interest in continued ties to Israel, Hassan revived plans for a book to be published in French, English, Arabic, and Hebrew on his supportive relationship with the Moroccan Jewish community. [redacted]

**Relations With the European Community**

Morocco is closely linked to Europe by its longstanding ties to France and Spain and by the large Moroccan guest worker communities in France, Belgium, and the Netherlands. [redacted] Moroccan military officers see their country—albeit unrealistically, in our view—as more a part of Europe than the Middle East, and we believe this sentiment is widely shared among the educated classes. The King himself has said that “geography is destiny,” and he has suggested publicly at different times that Morocco's proximity to Europe makes it part of that continent. He has even expressed an interest in joining the European Community (EC) and the North Atlantic Treaty Organization. [redacted]

The US Embassy in Rabat has reported the King would like to integrate Morocco into the Western political, security, and economic system. [redacted]

[redacted] We believe, however, that he is far too astute not to realize that he has little prospect of realizing those goals. We believe he made those statements primarily to signal an interest in closer cooperation with the West and, through that cooperation, to bolster his position in his frequently tense relations with his neighbors in the Maghreb. [redacted]

In our view Hassan seeks to bolster relations with countries outside his immediate region in part to compensate for his potential isolation within it—a motivation that has increased of late as a result of Algeria's stepped-up diplomatic maneuvering. The US Embassy in Rabat reports that Hassan also appears to believe that West European countries could help him to achieve a favorable diplomatic solution to the Western Sahara war. The Embassy also reports that Hassan made a strong pitch last year to the Spanish Foreign Minister to throw Madrid's support behind Morocco's proposal for a referendum on Western Sahara. [redacted]

We believe that the King's desire for closer ties to Western Europe also reflects Morocco's considerable economic dependence on trade with the European Community. The EC countries take over half of Morocco's exports and supply 30 to 40 percent of its imports. According to the US Consulate in Casablanca, approximately 1 million Moroccans work in Western Europe, and Morocco is host to nearly 15 million foreign tourists—mostly from Western Europe—each year. Since Spain and Portugal joined the EC in 1986, Moroccan officials have expressed concern to EC officials that preferential treatment for those countries' products would jeopardize important Moroccan exports, such as citrus fruits and tomatoes, particularly as Spain and Portugal approach full participation in the EC in 1996. [redacted]

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**Morocco's Top Ten Trading Partners, 1986<sup>a</sup>**

Exports To			Imports From			
	Country	Million US \$	Percent of Total	Country	Million US \$	Percent of Total
1.	France	680.9	29.5	France	1,022.6	25.8
2.	Spain	188.8	8.2	United States	511.4	12.9
3.	West Germany	177.7	7.7	Spain	341.6	8.6
4.	Japan	136.5	5.9	West Germany	266.7	6.7
5.	Italy	136.3	5.9	Italy	201.1	5.1
6.	India	110.0	4.8	Saudi Arabia	137.9	3.4
7.	Belgium/ Luxembourg	107.2	4.6	United Kingdom	128.0	3.2
8.	United Kingdom	76.3	3.3	Belgium/ Luxembourg	125.4	3.2
9.	Netherlands	75.7	3.3	Canada	124.0	3.1
10.	Turkey	64.5	2.8	Netherlands	107.3	2.7

<sup>a</sup> Source: IMF *Direction of Trade Statistics*—1986 is the most recent year for which complete data are available.

We believe Hassan's goal in making overtures about entry into the EC is to win economic concessions from the Community—financial assistance, more favorable import terms for Moroccan manufactures, and increased quotas for Morocco's agricultural exports. The US Embassy in Rabat reports that Moroccan officials hope the EC will favorably consider Hassan's earlier request that Morocco receive essentially the same terms as Spain and Portugal for its citrus and tomatoes. Morocco has limited leverage in this situation. Hassan recently delayed agreeing to a fishing accord with the EC—a tactic potentially damaging to Spain's fishing industry because about 40 percent of all Spanish fishermen normally fish in Moroccan waters. [redacted]

**France**

In terms of culture, commerce, education, and economic and military assistance, France plays the leading role in Morocco. Morocco's 44 years as a French protectorate established strong cultural ties that persist despite the occasional strains in relations since Morocco gained independence in 1956. French is the

second language of Morocco, and most of the elite—in the palace, the government, and business—are French educated. Despite French budgetary cutbacks for foreign scholarships, nearly 25,000 Moroccans study in France compared with 790 in the United States, according to the US Embassy in Rabat. The Embassy also reports that the Moroccan community in France, over 500,000 strong, is the largest group of Moroccans abroad and one of the largest foreign communities in France. In 1986 France received 29 percent of Morocco's exports and provided 25 percent of its imports. [redacted]

France also exerts a sentimental tug on King Hassan. At the beginning of his state visit to France in November 1985, Hassan claimed that, because of his upbringing, he considered himself "not an Arab who speaks French, but a man with almost a completely double culture"—a statement tailored to the circumstances but, in our view, one that he, along with many other educated Moroccans, appears to believe. [redacted]

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France is the principal Western aid donor to Morocco and, according to the US Embassy in Rabat, holds between one-third and one-half of Morocco's foreign debt of over \$15 billion. According to the French-Moroccan Financial Protocol of 1987, France committed \$61 million to cover Moroccan foreign payments deficits and \$130 million for project assistance. French tourism also helps the economy—more visitors come from France than any other country. [redacted]

Bilateral ties are important to France as well. Economically, France values Morocco as an arms purchaser—even if the Saudis ultimately pay the bill. In addition, Morocco strengthens France's foothold in North Africa and acts as a channel for French dealings with other moderate African countries. [redacted]

Although France and Morocco have concluded major economic agreements, provision of new arms and spare parts since 1983 has depended on Morocco's ability to pay in hard currency. We believe that prospects for a large new concessionary military deal from the French are poor, considering France's already substantial nonmilitary support and Morocco's high overall debt. According to the US Embassy in Rabat, France will sell Morocco the Mirage 2000 aircraft only if the King can secure the funding. [redacted]

We believe that the King is satisfied with his relationship with France and that Morocco will continue to pursue strong bilateral ties. Hassan has contrasted to US officials the "more understanding" French view of Rabat's two-year union with Tripoli to the cold reaction of Washington. He probably will continue to play up his French ties to urge Washington to compete more strongly for influence in Morocco. [redacted]

### Spain

Spain, although clearly secondary to France, is Morocco's other principal link to Western Europe. Spanish-Moroccan relations, however, have been marred by conflicting claims to the enclaves of Ceuta and Melilla on the north coast of Morocco. Melilla and Ceuta comprise an area of 32 square kilometers and have a population of slightly more than 100,000. Although Madrid has occupied and administered the enclaves since the 15th century, Morocco claims these enclaves as its own and asserts that Spain should have surrendered them when it relinquished the rest of its colonial territories in Morocco in 1955. [redacted]

According to the US Embassy in Rabat, Hassan exploits the enclave issue when he wants to divert attention from domestic economic problems, to press Spain to support Morocco on the EC, or to increase Morocco's leverage with Spain. We believe the King views the enclaves as a diplomatic card that might help him reduce Spanish diplomatic support for Algeria's position on the Western Sahara war. Nevertheless, in our view, both countries see it in their interests to prevent the issue from becoming a serious confrontation in the near to medium term. [redacted]

The King, therefore, seems in no hurry to resolve the enclave issue and has more immediate goals to achieve—most notably a resolution of the Western Sahara war. Hassan's father, Mohamed V, said "every King of Morocco shall be a liberator." Mohamed V liberated Morocco proper, Hassan claims to have "liberated" Western Sahara, and [redacted] the enclave issue may be left to Crown Prince Sidi Mohamed. The King is aware, moreover, that the enclaves are important to the economy of northern Morocco. According to the US Embassy in Rabat, northern Moroccans display an affinity to Spain, and northern merchants and businessmen worry that they and their region could lose economically if the enclaves are incorporated into Morocco. [redacted]

The Spaniards worry about a Moroccan takeover of the enclaves, and to contain that threat, according to the US Embassy in Madrid, they strongly support King Hassan as a force for stability in Morocco and have tried to fashion a strong web of economic, cultural, and military ties to Rabat. Spain is virtually tied with the United States as Morocco's second most important trading partner, according to the US Embassy in Rabat. Joint air and naval exercises, arms sales, and antiterrorism cooperation strengthen relations between Rabat and Madrid. In 1986 the two capitals concluded an approximately \$220-million deal for delivery of Spanish trucks and military equipment to the Moroccan Army and agreed to increase security cooperation, according to the US Embassy in Madrid. [redacted]

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### Relations With the United States

The United States has been a central part of Hassan's recent efforts to enhance his country's traditionally strong relations with the West. Rabat has a long-standing special relationship with Washington. Morocco was one of the first countries to recognize the United States when bilateral commercial relations were established in 1787. Since World War II, military considerations have predominated over economic ones in Rabat's ties to Washington—the reverse of its relations with Western Europe. The US Air Force maintained Strategic Air Command bases in Morocco until 1963, and the US Navy operated communication facilities at Kenitra until 1978. In 1982 Washington and Rabat signed an access and transit agreement that gives the United States access to Moroccan airfields to support force deployments in unspecified contingencies, subject to Moroccan approval. A joint military commission also was formed that year to manage US-Moroccan military cooperation, including training, intelligence, mapping exchange, and US security assistance. [redacted]

### US Interests

US interests in Morocco stem from its strategic location. Morocco affords US naval craft—including nuclear-powered warships—access to ports on the Atlantic Ocean and the Mediterranean Sea. Morocco has become an important training site, second only to West Germany in hosting US military exercises. In a crisis, Morocco would be a convenient transit stop for US forces on their way to either the Persian Gulf or Sub-Saharan Africa. In a conflict between NATO and Warsaw Pact forces, a friendly Morocco could constitute a rear area close to Europe and accessible to the Atlantic. [redacted]

Washington benefits from Rabat's refusal to grant the Soviet Union access to Moroccan facilities. Under hostile influence, Morocco could be used as a staging area to threaten NATO's southwestern flank—particularly Spain and Portugal—and to threaten maritime traffic to the eastern Mediterranean and the Middle East. [redacted]

### Morocco's Goals

King Hassan probably hopes that improved relations with the United States will strengthen his hand in



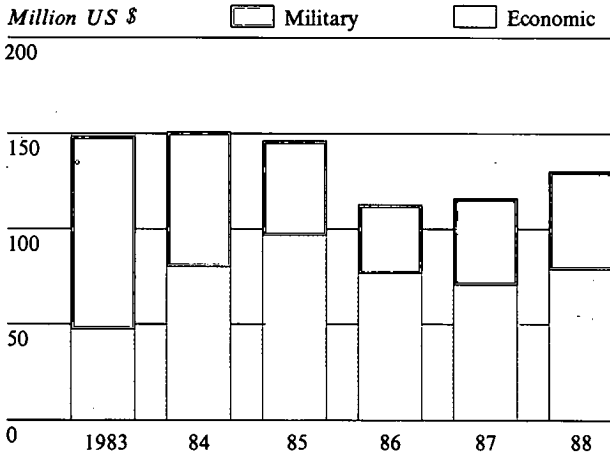
Figure 3. Hassan and President Reagan [redacted]

dealing with his neighbors—particularly as he contends with Algeria's recent diplomatic activism and pursues his military effort in the Western Sahara war. The US Embassy in Rabat reports that Hassan believes military cooperation with the United States has deterrence value and that he may hope that the United States will guarantee Morocco's security against Algeria. Even though the conservative Gulf states may be providing financial assistance to Morocco, we believe the drop in oil prices and the current tension in the Persian Gulf have raised doubts about the reliability of future financial assistance from that quarter. This would also encourage Hassan to look to the West. The King might hope as well that the United States would help Morocco obtain greater access to Western markets—especially the EC. [redacted]

We believe these considerations almost certainly underlie Hassan's increasingly direct statements over the past year that Morocco is strategically important for the United States as well as a bulwark against Communism. He has suggested to US officials that the United States has not approached the limit of long-term military access to Morocco and has offered to provide basing for a US Air Force tactical fighter wing scheduled to leave from Spain. Although he may have realized his offer was unlikely to be accepted, he probably hoped it would be read as evidence of Morocco's desire for further cooperation. [redacted]

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**Figure 4**  
**US Assistance to Morocco, 1983-88**



**Constraints on Cooperation With Washington**

An expansion of US military activities would bring both military and economic development opportunities for Morocco, but it also could carry liabilities. We believe Hassan is wary of being called a puppet of the United States and is alert to potential nationalist or Islamic fundamentalist criticism that he is giving too much to the United States for too low a price. He would not want to be accused of reversing his decisions to phase out all US airbases in 1963 and the US naval communication facility at Kenitra in 1978. Because his greatest domestic challenge is the economy, we believe he would be willing to risk adverse domestic reaction if he could obtain substantial compensation for US and NATO use of Morocco for military exercises. Hassan probably would prefer a multinational or shared NATO use of Moroccan facilities to diminish US visibility and his own identification with the United States.

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**Soviet Relations**

The Soviet Union has far fewer ties to Morocco than with Algeria and Libya, its friends in the Maghreb. With an eye to Morocco's strategic location, rich fishing waters, and large phosphate deposits, however, the Soviet Union has for years quietly sought to woo Hassan away from its dependence on the West. The US Embassy in Rabat reports that in 1987 there was a slight upswing in bilateral commercial ties. The Soviets also asked to open a consulate in Tangier—a request the King has placed on indefinite hold.

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Hassan's sense of his own self-interest and his suspicion of Communism make it unlikely that he would align Morocco closely with the Soviet Union even if he believed the Soviets would respond by sacrificing their close ties to Algeria. Nevertheless, if Hassan becomes sufficiently unhappy with the level of US aid, we believe he would make an overture or two to Moscow to increase Washington's interest in maintaining good relations with his country.

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Despite US provision of about \$36 million in military assistance and about \$70 million in economic aid to Morocco in 1987, Hassan claims that the United States undervalues Morocco's strategic importance and its potential contribution to Western security. Over the past two years, a favorite theme of the King's has been that he is cooperating closely with the United States and that US assistance is not commensurate with Moroccan needs and with his willingness to be accommodating.

Hassan typically avoids putting cooperation on a specific quid pro quo basis, and he has complained that the United States demeans Morocco when it cites specific points of cooperation as justification for foreign assistance appropriations for Morocco. It is difficult for that reason to estimate, however, how much of an increase he would expect for increased US military use of Morocco for exercises and training. We believe he will not expand military cooperation substantially without what he deems appropriate recompense.

**Outlook**

We believe that King Hassan will continue to experience stresses both in his relations with other Arab countries and in his dealings with the West. We also believe that he probably will continue to keep Morocco on much the same diplomatic course that he has pursued during the previous 27 years of reign—burnishing his Islamic credentials and stressing his Arab heritage while maintaining an essentially pro-Western foreign policy. Ideological affinity and his perception of the United States as the world's paramount superpower almost certainly will urge him to sustain strong bilateral ties as an important component of his national security. We believe the King's concern with his economic problems at home and the diplomatic challenges he faces in the Maghreb have created an opening for Washington to increase security cooperation with Rabat. That opening, along with the challenges that contributed to it, is likely to persist for at least the next two years. [redacted]

Hassan's considerable pride has played a role in his diplomatic decisions in the past, and we believe there is a chance that he could reevaluate his foreign policy if he believes Washington is not taking him seriously or cannot meet his needs. Early manifestations of displeasure would include cutbacks in US port calls and training exercises and discrimination against US business interests. In our view, however, Hassan's personal moorings in the West are so strong that he would be unlikely to go beyond giving his country's diplomacy a more Arab, nonaligned tilt. [redacted]

Under these circumstances, the most likely—but still remote—threat to Morocco's Western orientation over the medium term, in our view, would be Hassan's unexpected departure from the scene. Although he remains popular at home and has removed potential challenges to his regime, there remains a possibility that radicals from other countries, with or without the help of Moroccan dissidents, could assassinate him. Even then, the conservative elements who would most likely assume control probably would not move Morocco in a radical direction. There is no large anti-Western constituency in Morocco. We believe, moreover, that his most likely successors—one of his sons or senior military officers—generally share his pro-Western outlook. They might, however, be less bold than the King and a bit less willing to be publicly identified with his diplomatic outlook. [redacted]

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