



Elusive Economic Development in the Maghreb and Beyond

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How many political, economic, and social mistakes will a population accommodate before it rebels? Due to the self-checking mechanism of elections in democracies this question can be superfluous, yet it still haunts politicians, high ranking officials, and wealthier classes in developing countries characterized by inequality and precarious equilibriums. These are countries where ballot boxes do not settle the voting of political figures nor assign true power to trustees. This leads to disputed legitimacies which inadvertently nurture an instinct of political survival among these leaders. In turn, the unaccountability of leaders to their publics leads them to avoid becoming entangled in situations that are difficult to control. This 'avoidance' policy is truly an implementation of alleged development policies, but mocks the democratic process.

In the long run, this often leads to a waste of vast amounts of energy nationwide and bouts of empty rhetoric, the sole result of which is power devoid of true force. Indeed, the political families, created by leaders or satellite institutions, are organized to form a force of opposition to the more genuine, and supposedly more ambitious and more sovereign 'opposition'. It is the task of these families to channel the ideas of or even absorb the opposition groups. Ultimately, the real opposition groups are trapped by the confrontational style of the fake political

groups, and by entering such verbal battles, the opposition groups end up sacralizing those truly empowered. This process deflects issues of national debate and real concern to the periphery. They get caught up in a face-to-face confrontation which, while contributing to the sacralization of those real power holders, gears the national debate to issues that are peripheral to what should be the central concern. The key concern to the nation here, that is being ignored, should be the seat of responsibility for the country's economic and social development (or underdevelopment). Such common situations of poverty and deflected governmental power cannot be a sheer coincidence; there must be accountability even if it is diluted in the multidimensionality of the problem.

The government, political families, financial communities, intellectuals and other economic agents have made a pattern of continually criticizing and blaming one another. In doing so, these groups constantly deflect problems back and forth between each other. Should the responsibility of a country's development be entirely and exclusively placed upon the government, as is done usually? Should the government be accountable for all of the socio-economic, institutional, educational, cultural, and religious policies it implements? Can the community relieve any of these charges or does it rather lack entrepreneurial vigor? Within the community

does a section exist that is change-resistant and modernity-proof, which could possibly constitute a political force? Could such a force exist that is politically and socially active and economically inert enough? Do the economic theories supplied about development in underdeveloped places indeed supply an understanding on how to bring about growth or are they just adapted aspects of other less specified economic theories? Perhaps this is a case of deficient basic understanding and knowledge about developmental economic theory, or could development economics as a type of applied economics recommend some economic policies that might favor growth? Finally, do these democratic prerequisites, which might have remained unfulfilled, give an explanation for the development levels in several countries? Can any informative conclusion be surmised from the relationship between development and democratization?

All these issues interact and contribute, on different levels, either to the reduction or increase of poverty. Modeling

their effect is particularly laborious. After all, what information should be gathered and in what order to work out a given development model? The numerous failures observed in the elaboration, implementation, and conducting of economic development policies raise questions about the attributes of the development economists. The transversality¹ of the new economic, political, anthropological, and sociological approaches have certainly contributed to the development and improvement of knowledge related to this issue. On the other hand, it has also brought to attention the extent of ignorance and the complexity of the problems yet to be solved for a substantial improvement in living standards. That is — to put it more prosaically — a significant drop in poverty. Certainly, some antithetical economic development models (capitalist, socialist, and even collectivist ones) have been adopted and forsaken. Accordingly, they can be interventionist and liberal, or inward looking (e.g. the substitution of imports for national production), the economy



Young villagers outside their home in southern Morocco.

can be subject to introversion or extraversion, according to a process called “the Washington Consensus” (banning protective measures, currency devaluation, financial liberalization, not to say the abolition of money exchanges). A form of eclecticism is formed in favor of this empiricism. This, nonetheless, took a heavy toll on populations that remain desperately poor. Today’s lessons² shed more light on the policies that should not be implemented rather than on those which have been carried out because this matter is not a zero sum game. To do nothing and not engage policies could come to be more gratifying and less costly to the wealthy than implementing policies dictated by emotions, ideologies, nationalism, egocentrism, and the perennial fears of politicians.

Lost Opportunities and New Hindrances to Development

In this regard, the Algerian example is instructive. Paralyzing centralism, all-out interventionism, self-satisfying economic and social policies, and the quest for a preponderant role among developing countries have all proven to waste resources, although these policies were expected to be the very opposite: generating resources for the community. Algeria’s industrialization has been an utter failure and the collateral damage persists. This is most notably seen in the abandonment of agriculture which formerly positioned Algeria as France’s main wheat supplier, yet which presently leads the country to allocate a considerable part of its oil revenues for the importation of food products.

The increase in the Arabian population, additionally, limited the availability of farming land and crushed the prospects of many citizens to produce agricultural products by curtailing their visions and effectively restraining their perspectives; the influx of Arabs contributed to the poverty and injustice at the start of a population predisposed to religious indoctrination. By being active, this part of the population is not only out of phase

with the development model which had gathered the greatest number of supporters, but the new religious fanaticism among some sees the model as a hindrance and as dangerous. These groups think it necessary to protect themselves against the new economic policies by crusading against its principles. The involvement of human capital considerably complicates the economic and social modernization and development choices facing the state. Unlike a model where it is possible to restructure, revise and improve, an important faction of the population that did not adhere to the model or wished to rather follow a model of society, which a large percentage did, creates a circumstance where the model cannot be revised or improved. More succinctly, to develop an operative model is already a challenge, but trying to develop a policy while facing issues of a rebellious population that may counter the initiatives of socio-economic progress and adopt uninhibited attitudes and postures against the development strategies adds to the complexity of development and renders the development process even more difficult.

The ground gained by religious groups that generally remain in a state of precariousness allows them to threaten the balance of power within the community. This is an issue based on the community condition in which the government makes its socio-economic choices (as the state of precariousness is the consequence of an economic polarization, accentuated not only by weak economic growth but also by a heedlessness in the problems of resource allocation). That is to say that—even when kept away from the decision centers—the political and economic influence exercised by politicians relying on religion is already visible in the Maghreb and beyond. However, when dealing with economic development issues, these religiously inspired politicians insist that these issues are dealt with in their religious references, which moves further from the unanimously accepted model;

these leaders pursue this in order to claim another one which is yet to be defined.³ This would consist in undertaking a social leveling downwards, which only an upward planning would make possible. One can wonder about the pertinence of their ideas in economic terms, about the value of the debate these ideas can raise, and finally about the best choices to be made in order to decrease—not just appease—poverty. These religious groups see showing the credible alternatives to the policies put forth by the government as their work through reticular organizations. The mitigation of poverty, the time to harness, to recruit, to indoctrinate and to resort to clientele-centric practices is nothing but posturing. Religious groups have been very careful, perhaps as a result of feeling at the risk of being impervious to recommendations for economic development, even when emphasizing, in a scattered way, a preference for an interdependent capitalism, which they have vaguely regulated.

Morocco and Tunisia seem to be relatively better off with respect to their capacities to contain the ambitions of their political figures, whose references sit in the religious texts.

Algeria, which has more financial resources, has often been, despite its will, a laboratory for the Maghreb where experimentation and subsequent abortion of economic and social policies are commonly observed. The modest means and resources of the two other countries, Morocco and Tunisia, have been spared some extravagances and, instead, are in need of economic policies that rehabilitated profit in order to develop more innovative capacities. However, due to a budget surplus reached in the mid-seventies, Morocco too, decreed the “morrocanisation” of its economy. At the same time, it brought under state control an important aspect of its industry, which was morocannized through the SNI [*Société National d'Investissement* (*trans. National Investment Company*)]. The “morrocanisation” process saw capitalists

offering to buy some enterprises, the founding of which the capitalists could not afford at the time. Through this process, the country simply deprived itself of an important enterprising human capital with a tradition and an industrial experience, and substituted it for civil servants and trades people who acted as industrialists. Morocco was breaking with a developing policy that could have acted in a path-forging way, like a catalyst, for a twofold economic and social plan. Today, Morocco is using its seductive treasures to return to the economic situation it enjoyed before. “Morrocanisation,” recovering farming-lands, streamlining the economy and the politics of education, was related to the anti-development movements for which one has yet to finish paying the price even though these policies were enacted in the 1970s.

“Morrocanisation” and Arabization constitute the stock in trade of the Istiqlal Party, which is now in power in Morocco. Even today some of these members, who sit in the second chamber, out of what appears to be atavism and in the name of an insatiable “quest for identity”, still demand more Arabization. It is certainly for these political positions that these declarations are made, which is a disconcerting attitude to say the least.⁴

Much closer to us is the Moroccan economic leveling policy. This policy has led to national mobilization and to the allocation of some considerable political, economic and financial resources. Without questioning this aforementioned policy, Morocco seems to be headed quietly towards these policy objectives. After all, the country could gain great benefit in implementing these policies even if many highly ranked officials think that this objective cannot be ignored and insist on its pursuit. Yet, the chances to fulfill this seem negligible for what is being recommended is not immobilism. What is desired is improved managerial efficiency and modernization of production tools. This modernization process, however, should not be undertaken in accordance with business opportunities,

nor should it seek to satisfy the investments of politicians, whose quest for financial leverage lead to indebtedness. These investments may hinder the firms that incur them; discourage their industrial restructuring; compromise their stand-by strategies; and, when all is said and done, increase the risk of these enterprises' disappearance because the industrial fabric is made up of small and medium-sized and weakly capitalized enterprises. The textile industry is a good case in point. Leveling a country's economy, and more particularly its industry, means considering that the level aspired to is fixed before hand and can be achieved. Hence, the industrial organization and the optimization of the combination of the production factors (capital and labor) are subject to a dynamic equilibrium which makes "the optimum" – the level to be reached – always pushed upwards for a permanent improvement of the overall production factor. Such are the teachings of Schumpeter. He calls these innovations (of intelligent combinations of production modes and factors; in the labor factor it also includes the leaders' performance), which he distinguishes from inventions (ideas and concepts) and which precede innovations. These perspectives do not constitute matters that Morocco needs or should explore and follow as development axes; Morocco's delays are already considerable and the failures of its experiences important. Some lucid and pertinent diagnoses have been conducted with a dissuasive effect on any new attempts to be made to that effect.

The Development "Strategies" Presently at Work

Morocco will need to reconcile this idea that while everything is concurrently changing, it and its competitors, there is never any true change. Industrial disparities will persist or might even grow wider. In the harsh competition of the international economic order, no respite is possible for industrial redeployments, especially when the gaps are so abysmal. Such are the facts

that will confront Morocco in the choices it must make when deciding its development strategy towards a tertiary economy oriented to industrial assembly (specifically in airplanes and cars), and tourism development. While these choices might look less ambitious, they are much more appropriate for the country's "competitive advantages," although there is

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still a question of the labor force's qualification, though this is an easily solvable issue. On the other hand, what might jeopardize the success of this policy is the rise of protectionist policies, which the present economic crisis seems to favor. Another factor will be the pressure from the European governments on the enterprises that will be benefiting from public funds—this could cause an end to outsourcing activities. The arbitrations between the firms' political and social costs, on one hand, and the economic ones, on the other, will henceforth be in favor of the latter at the expense of the former. Thus, early stirrings towards de-globalization are beginning. The other development axis, which Morocco has succeeded relatively in implementing, is the improvement of its attractiveness for foreign direct investments (FDI). Seen as a strong development vehicle, these were the origins of the impressive development of Ireland. The FDI effects deserve a closer look. The policies relayed by the press are numerous. These policies extol the breaking up of a state's

property and highlight the importance of FDI attracted by privatization of enterprises and by opportunities offered to Morocco. Indeed, Morocco does remain a privileged destination for FDIs in the Maghreb.⁶ Still, concerning Morocco's attractiveness and the contribution made by FDIs to its economic development, self-congratulatory discourse should be tempered. By focusing on the big investors' economic and financial strategies, their vision, and their objectives, one understandably comes to the conclusion that the major concern is the latter of these enterprises,⁷ which is by no means developmental. These enterprises are rather obsessed with the extraordinary contraction of a time-table for the pay-back of invested capital, as it is vouched for by the equally extraordinary extension of their payout (the distributed profit rate in comparison to the profit made). Vivendi- Universal⁸ illustrates this example in the policy it implements in Maroc Telecom, its Moroccan subsidiary.⁹ At a time of stock market collapse, Maroc Telecom has been short listed among the CAC 40 top ten most performing enterprises – the only ones to have experienced a marked rise in share prices during the eleven months of 2008. While Vivendi registers at -37%, and France Telecom at -20%, Maroc Telecom registers +16.5%. The dividend policy conducted by Vivendi in its Moroccan subsidiary impacts its price and accounts for this performance. In 2008 it distributed 100.68 % of the profit made against only 53% made in France.

Sonasid, Areclor, Mital's Moroccan subsidiary has done even better. The level of benefit distribution that Arcelor-Mital has fixed its subsidy can be characterized as smoking policy. The payout in 2008 was of 213% against 19.7% in France. But that which is at stake is not investment or development, but rather disinvestment and growth potential impoverishment.

A different case is Renault Maroc which, like most transnational companies' subsidiaries, controls neither its products, the costs of its material, nor its prices

or performance. Numerous are the multinationals companies which, in normal times, would plan profit level to be made by their different industrial or commercial branches worldwide in a centralized manner. These performances would be modest, not to say unprofitable if the host country's tax system is deemed impounding, and the number of local shareholders relatively important. On the other hand, it would be considered consistent should the tax system be deemed favorable and the number of local shareholders insignificant (which is more often the case). Multinationals organize themselves by means of transfer prices, by the marking up or down of profits through abroad transfer, and by according to the group's sales or purchase prices. Renault Maroc imports a great deal from Renault Romania. The corporate tax was 16% in 2007 but increased to 30% in Morocco in 2008, plus a 10% tax on proceeds of stock in the two countries.¹⁰ Luckily, the tax law now encompasses measures which could be taken against these practices, namely article 213 of the Moroccan General Tax Code, or Article 57 of its French counterpart. However, their enforcement results in some difficult national and international economic and political negotiations. The sizeable investments made by Renault Maroc for its industrial branch in Tangiers are particularly important; they improve its bargaining power with the tax administration and, as is the case everywhere in the world¹¹, lead the administration to deal with this "tax avoidance" by means of a flexible enforcement of the tax code. This is because the administration does not lose sight of Tunisia and its other competitors that display a readiness to practice tax dumping and the fact that Renault will create job opportunities in Tangiers (6000 direct employments and 30,000 indirect ones), bring technology and know-how.¹²

The evidence presented shows that FDI does not systematically create wealth, although they can act for a period upon the host country's volume of currency reserves.

Portfolio investments and equity participation, accompanied by take-over, result in important, and sometimes exaggerated earnings for technical assistance and other services. They also entail the payment of interest on authorized advances, the sometimes excessive distribution of dividend and as a last resort the realization of capital gains (and on occasion losses). On the other hand, construction or extension investments aid in the creation of jobs, the transfer of technology and in know-how; they can also contribute to the creation of competitive advantages and therefore to economic development. The remunerations of subsequent interventions are then allowed without discussion.

For Algeria, however, no summary could permit divesting responsibility from a coherent development strategy adopted by the government. The state's economic policies, much more than its social policies, seem more reactive than proactive, despite the Growth Support Complementary Plan (a policy to which the US gave \$180 billion over a five-year period). The growth rate achieved by Algeria during the last four years reached an average rate of 5%. What significance can be afforded this level of economic growth when it is largely stimulated by public demand (more than 50% of the GDP in 2007), and when it is supported by oil revenue which stands for more than 98% of exports? These revenues revealed a 12% GDP budget surplus and made \$108 billion of currency reserves. Nevertheless, no economic sector activity generates a sufficient value-added for diversification of exports.

The Algerian leadership's responsibility in the role of economic developer, in regard to the spending of the state, is becoming increasingly great compared to those of its neighbors, who do more with less, despite the classification of the UNDP.¹³ Algeria could have, given its quality of human capital and the importance of its resources, acted as an engine of change for the Maghreb. But, the proper conditions for the release of the human capital, the materialization of some

initiatives, and the allocation of development shares to human capital have failed to be put in place. Instead, these systems seem rather to be discouraged if not foiled.

The Algerian financial system lacks fluidity. An efficient banking system tries to assert an efficient allocation of funds, at least when securing the credit payment which itself goes through the viability appreciation of the investments to be financed. The Algerian banking system has not really secured its first mission, much less optimized resource allocation. It does not meet the basic condition for paving the way to development: the fluidity of financial relief for development. One can also wonder about the level of banking service used by the Algerian population, even among wealthy. The majority of banking services currently manage operations budgets. Even in important transactions, fiduciary money is



Maroc Telecom has performed far better than other Vivendi - Universal subsidiaries.

still more widely used than deposited monies; this is mostly like due to tax considerations and general tendency to favor the materiality of money. A great part of the money supply circumvents regulations because it is held in piggy banks and safes when not exchanged, therefore is it degraded against the euro. This is to say that the efficiency left to the monetary policy is limited despite its being a "strong" tool for economic policy which cannot be ignored.

A cope of defiance seems to be shrouding the whole country. These deficiencies are beyond all comprehension and can only arouse feelings of grief for a country like Algeria.

The Algerian leaders' negligence is best explained by the important, yet dwindling resources drawn from oil revenues. These revenues allowed for the development of soporific policies that permit the government to remain condescending, imbued with self-complacency and unrepentant about its choices. This is because government officials are conscious that sources of private income and other privileges will not be able to resist development nor resist in a long-term manner underdevelopment. This fact must be understood.

Concerning foreign trade, the Algerian open trade initiatives are partly thwarted by the irresoluteness of the leaders who are in no hurry to act. They claim their longest negotiation period was to join WTO, which took twenty years. Additionally, the January 2008 round was not conclusive either. They floundered on finding a solution for the service sector and for gas prices, which are both issues of great interest to leaders. Gas prices, an issue that they would really like to continue to administer over, the Algerian leaders forget, it seems, that the price that has been accepted for gas in France is not the market price of gas, but an expiatory compensational and repentant price.

In Algeria, the intensity of political life tends to check the intensity of economic life. In fact, politics is indispensable for confidence in capital to commence, to take risks, and to create wealth. The fleeting new growth of Algerian capital, legal or illegal, that is invested in France or is deposited in Switzerland are precisely in the vein of this confidence, even at the price of negative outputs. It is not haphazard that the most prosperous and most developed regions of the world are those where the intensity of political life is the weakest and where political life is virtually reduced to a quest for greater efficiency of

regional administration and local governance.

Finally, and in more general terms, the Maghreb has also yielded to the new liberal tendency, hence the necessity to reconsider the perimeters of its state's assets and the fulfillment of privatization.¹⁴ While being at an advanced stage both in Morocco and Tunisia, these processes are less significant in Algeria. Still, one can pinpoint a similarity between the states' economic disengagement, despite the difference in these countries' respective levels. Most of these privatization operations consisted both in denationalizing and politicizing the state's economy. These measures had a negative influence. Admittedly a state without policy is much preferable to a policy without a State. In the first case, there is no room for any political interference, and the efficacy of the state is the main objective. In the second case, substituting the state with a cadre that personifies power and comes from the innermost circle or have some political connections is very often translated into clientism, favoritism and preferential treatment. This creates more defiance and consequently exercises an explosive action by pushing away some economic initiatives from materializing into economic activity.

Economics, Politics and Religion: *What Direction to Take for Social and Economic Development*

The evolution of development economics—provided that development economics exists and that it is not only reduced to applied economics — will solidify through the contribution of political, sociological and anthropological perspectives, in addition to public governance. In other words, new transversal concepts that will call upon more imagination—and some daring applications—must be explored. The world economic crisis, which is just beginning, promises some hard times for the South and North alike. The Maghreb's economic relationship to Europe and its inability to operate under regional integration will force it to undergo

the effects of this economic crisis head on. Nevertheless, the hard times on the horizon can be taken advantage of if deep reflection is followed by the launch of stringent reforms. Such actions could even put the Maghreb in a leading position to either trigger or consolidate development processes when more favorable economic times return. Alone economic policies cannot extricate a country from underdevelopment or keep poverty at bay. All in all, in Morocco and Tunisia, the least disputed economic policies are already at work and acting with variable degrees of success. In these countries, economic growth by means of capital accumulation, productive gains and the increase of the necessary savings for these investments is very encouraging. The volatility of the governmental policies concerning the macroeconomic policies are better contained: the management of demand by means of monetary and tax policies and by a exchange rate policy is making room for more stability and visibility than ever before. Extroverting their economies by means of free trade agreements (FTA), the suppression of quota-based barriers and the gradual softening which ultimately should lead to the elimination of tariff barriers were launched many years ago. Morocco was even considering a liberalization of foreign exchange besides that of trade. As confirmed by the IMF, however, that the growth rate of the last five years has fluctuated between 5 and 6%, means Morocco's economy still remains insufficient¹⁵ to absorb the unemployment and poverty.

If the liberal reforms and the economic policies prove to be insufficient for diminishing poverty, what type of reform could be significant enough to oversee that the socio-cultural and politico-institutional plans reinforce cohesive action?¹⁶ Another observation stems from the trilogy made of politics, religion and development. Concerning this "trptych," the Maghreb countries' governments adopt some antinomic postures that seem paradoxical. Out of attempts to legislatively prevent the mixing of politics

and religion, they end up mixing religion with politics, all the while resolutely promulgating legislative texts in an effort to keep the two domains apart. Indeed, the Maghrebi governments try to break the monopoly of religion by untying the "political religious parties" from the populace, and then they try as hard as possible to win back the religious parties sympathy. In doing so, governments try to recover religious practices and are practically competing with their antagonists. Rather than limiting or even inverting the development of the political and the religious sphere, these governmental policies widen the base and add a cultural dimension to the religious references. Religion is used in both politics and economics, while neither of these institutions are moral or want to become moral. Any attempt at moralizing economic life through the use of religion means rising up against the values, without which no single important economic activity can be conceived of in the first place and no plan of economic or social development could be possible. This is all the more true in states where the 'leisure' economy occupies an important place. When applied without any abuse of authority or corrupt practice to delegitimize the resort to religion and reassure investment capital holders, commercial law or general law may become more coercive and dissuasive. It can even display a greater capacity to organize and make business links more fluid than religious ties which, in some adapted cases, is the very source of these laws.

However, the individual practice of religion should continue to be scrupulously respected and facilitated. Religious practice should never exclude secularism (laïcité), even in unthreatening homeopathic doses, from the state and economy. A state's religious practice and secularism are not mutually exclusive. Rather, it is governmental frailty coupled with frivolity, which creates this belief of mutual-exclusivity. Furthermore, governmental interest in politics over economics (which, in democracies, are strongly intertwined and

in developing countries can be, too) does not make a strong campaign for secularism. Religion can secure social and political stability, ensuring a leader's legitimacy, unlike secularist policies, which tend to be viewed as extremism. The observation of acquiescence, whatever the circumstances, brings an assimilation of poverty with divine will and also to the resentful acceptance of destitution. This fatalism works like a shock absorber for social tensions and contentions. For these reasons, it would seem suicidal for governments to do without it. For these reasons too, no observance can be made concerning any true socio-economic activism which might alter these beliefs. Most certainly, policies of secularism were much more at ease in the past than in the present. A first measure that should be taken is to progressively depoliticize and secularize education. The reasons that used to account for the introduction of more religion in schools curriculum¹⁷ are not timely anymore. The desecularization occurred during a time when the aims were to cannibalize collectivist ideologies that were infiltrating and posing a real threat, especially in Morocco. The present governments have fallen into the trap their predecessors created to ensnare the state's former opponents, not suspecting that they were building a platform for the radicals of today.

As we consider the responsibilities of economic and social development, a quick response might be that responsibilities are proportional to the power held by economic agents. This is in reality only partly true because of interdependence and overlap. Even a hierarchical organization of such responsibilities would only elicit a minor interest because, continually, they only elicit intellectual and contextual development. One has to keep in mind, however, that it is not only with a national mobilization that development process can be launched. This is the common attitude adopted by settled states. After a phase of mobilization a lull generally follows, during which the old problems resurface.

Economic and social development is not just a matter of resolutions and economic policies, nor is it a linear process, as we are reminded by the present day crisis. It is rather a matter of maturation cycles, and temporality in the sense of a "before" and "after" succession, as well as in the sense of a temporal dynamics where a before phase may become an after phase, and where the causes may become the effects. These maturation cycles and temporalities presuppose the cultivation of certain values and the promotion of certain policies. Development is foremost a matter of collective responsibility, where everyone should be whole-heartedly involved. Development is a matter of creating trust to increase the intensity of entrepreneurial activity, strong involvement, and collective reflexes to contain the volatility of policies, power and reaction, which is borrowed from altruism and pragmatism. Development is also a matter of widening the socio-cultural base at the regional and world level. These policies might look laborious; nevertheless, starting their pursuit may improve many aspects of economic and social life. Development is no short-term job. These issues should be put back at the heart of national debates. Once released, national energies can take control of more promising initiatives. The complexity of the development problems and the uncertainty about new policies should remind politicians to focus not just on prerequisites for development, but also on follow-up policies (e.g. corruption control). In this way, more reverberations in the population can be spotted and more political dividends shared. Reflecting on issues geared towards the adoption of the most convenient development policies seems to fall today on the share of multilateral organizations who, from the height of their observation towers, inform people about some rare success stories. What is for sure, however, is that transpositions have hardly ever been so. They fall through because of the lack of preparation, the idiosyncrasies of each country, the risks of instability. This also

implies the country's inability to implement major reforms politically, culturally, socially, culturally and institutionally. It is true that the debate has not been settled on which reforms to settle first. One can still think that these reforms are interactive, and that under the pressure of either progress or hindrances; either these or those reforms might occur on the ground of opportunities. It is usually said that poverty stricken, autocracy driven and resource-less countries have virtually no chance to develop. On the other hand, natural resources and democracy are seen as prerequisites for development. We can see that no oil exporting country is truly developed, that China, which is not a democracy, now overshadows France economically and that Japan has virtually no agriculture. No apology for totalitarianism is being made here, but what is at stake is to draw the outlines for analysis.

Meeting the requirements for a human being's political rights, which – in other words – stands for democracy, cannot resist eternally to the non-fulfillment or satisfaction of this very human being's elementary economic rights. Democracy and economic rights interact with each other.

Numerous are the African and Maghrebi citizens who risk their lives in order to reach Europe by trying to cross the Mediterranean, in a quest for peace; nothing more overwhelming could be imagined by a person with the most infinitesimal portion of responsibility. This emphasizes, in an alarming manner, the urgent necessity to actively devote ourselves to this task, so that risking one's life while trying to extricate oneself from poverty is no longer a concern.

Endnotes

- 1 Aux Frontières Économiques du Développement (Trans. On the Borders of Economic Development), Collective work of the World Bank, Edition ESKA
- 2 Op. cit.
- 3 The government called "reform" (assainissement in French) the act of sending to jail, or putting into police custody, for a month or even more, some business people who were considered dubious. In fact, the regime wanted to terrorize the capitalists who started taking too much liberty, so that nobody should dare go astray again.
- 4 It is really amazing to see that many developing countries admit their lack of experience only in football when they resort to buying the expertise of non-national coaches for the training of their national teams. These choices are made because they clearly seem to win everybody's (or almost everybody's) support. They must – in some countries – be extended to other more serious fields when the national competencies are rather approximate, durably unsatisfactory and more particularly unable to abandon their ideology, their subjectivism and self centeredness.
- 5 Ireland's spectacular development, with a living standard which (before the present recession) caught up with and even exceeded that of the UK or France can be explained mainly by FDI, and more particularly by Ireland's capacity to attract them by means of fiscal dumping and the work force quality, in addition to the social covenant. The European structural funds also contributed to this development. Twenty years ago the country's GDP per capita was less than a third of the European standard.
- 6 Between 2001 and 2007, FDIs in Morocco reached bn. 11.5 €, (against bn. 1.4 € in Algeria in 2000 – 2006) . The European investments totalled 74%. Out of these France and Spain come first (43%), followed by the Gulf countries whose FDIs moved from 9.9% in 2006 to 19.3% in 2007.
- 7 Apart from the Moroccan case, some managers who are entrusted with the destination of these FDIs endeavor to maximize these investments' profit, which in the long run stands for the maximisation of their own profit, even if this should make them rely on what is improperly called creative accounting. This means doctoring the accounts, dissimulating worthless securities and losses which insane finance, not to say financial delinquency, was able to normalize by talking about account embellishment, financial ingenuity and accounting fitness (all of which can legally be resorted to), save for some rare agency tension cases in which shareholders are opposed to managers.
- 8 In 2001 Vivendi Universal contributed to the "rescue" of the Moroccan State's budget when, in the scope of the country's privatisation program, it offered to purchase 35% of the country's chief telecom operator. Initially, it invested bn 2.4 €. In 2005, its capital share reached 50%, for which it paid an additional bn 1.1€. Finally, and in a share exchange deal with C.D.G. (Caisse de Dépôt et de Gestion (trans. Deposit and Management Fund) Maroc Telecom versus Vivendi) Vivendi's participation totalled 53%.
- 9 Through its ownership of 53% of Maroc Telecom's capital, Vivendi became the company's majority share holder. This company made in 2008 a neat profit of mn. 836 € and a 50.8% return on equity against 46.2% in 2007.
- 10 Whatever the source countries, France for the built up (assembled vehicles) or Romania for the CKDs, (spare parts for the local assembly), Renault Maroc has always organized itself in a way that will only help it keep afloat. Its activity would recurrently present a hardly profit making status. Profits would always vary between 0.5% (a rare case though) and 1.5% of the overall business volume, even when it was controlling 60% of the car market, before its opening, against 30% today.
- 11 P.BELTRAME : Consensualisme fiscal et consentement à l'impôt, (trans. Tax Consensualism and tax Consent), in Revue Française de Finances Publiques. N° 100, November 2007.
- 12 In this time of economic crisis, one is yet to remain hopeful that Renault will not reconsider its project's dimension. There are some serious concerns as to whether or not the project, when carried out, is going to keep its initial size, although Renault is trying to appear rather reassuring, and although some investments have already been made.
- 13 The UNDP classification, on the basis of the human development index, does not confirm these words. Morocco is ranked 126th, while Algeria is ranked 104th and Tunisia 91st out of 177 countries. Morocco has vigorously contested this composite index. The 2007 - 2008 classification ranked Iceland first worldwide, and we all know the state into which this country turned before that year ended. As for the GDP per capita and other indicators, many supposedly credible sources refer to some contradictory figures, which putspit their reliability into question.
- 14 Taha Oudghiri, Restructurations, privatisations, le patrimoine étatique à l'épreuve du libéralisme (trans. Restructuring and privatisation: Putting the State's Assets to the test of Liberalism) , in Revue française de finances publiques. 1989 N 29.
- 15 J.P CLING, Ph. De VREYER, M. RAZAFINDRAKOTO et F.ROUBAUD, "La Croissance ne Suffit Pas pour Reduire la Pauvreté" (trans. Growth Does Not Suffice to Reduce Poverty, in Revue Française d'Economie n° 3 Vol XVII. See also M. TRABELSI, "Finance et croissance : évidence empirique des pays en voie de développement" (trans. Finance and Growth : Empirical Evidence of Developing Countries), in Economie Appliquée, tome LVII, 2
- 16 Women's status in Morocco has gone through a considerable progress. Nevertheless, the L.D.D.F [la Ligue Démocratique pour les Droits de la Femme(trans.Women's Right Democratic League)] denounces the gap between the legislative provisions and their practice, five years after their implementation.
- 17 Given the fact that its exacerbation might lead to the establishment of a value system, faith is not to be subject to any evaluation which may in turn give rise to a marking system.

Photos Courtesy of:

"Young Faces of Morocco." Flickr. 3 April 2010. <http://www.flickr.com/photos/peacecorrespondent/2416710489/>

"Call Me if You Can." Flickr. 3 April 2010. <http://www.flickr.com/photos/14791620@N08/4072596246/>