

Morocco: The Intersection Between Security, Social Risk, & Foreign Direct Investment



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“Morocco’s persistent poverty, growing youth unemployment, and suppression of political dissent amplify Social Risk”

Overview:

Social Risk provides a constant source of instability within Moroccan society and current approaches to counter its effects only increase underlying grievances. The 2011 constitutional reforms enacted by King Mohammad VI have failed to effectively reduce corruption and poverty or improve human rights, government effectiveness, and rule of law. While these reforms temporarily defused social unrest, they have been ineffective in addressing social tensions that continue to manifest across Moroccan society.

Otherwise disparate subsets of the population, including the secular left, radical Islamists, and ethnic minorities, have joined to protest common political, economic, and social grievances. Corruption, *hogra* (official injustice), and unemployment are now perceived as attacks on individual dignity, and freedom. Moreover, activists, criminal organizations, and terrorist groups leverage the population’s discontent to achieve their own objectives. Left unaddressed, the nexus of internal and regional security challenges threaten Morocco’s stability, prevent the country from maximizing economic development, and dissuade Foreign Direct Investment (FDI), all of which feed a growing cycle of insecurity.

Key Findings:

- Underlying social tensions within Moroccan society have not abated since the Arab Spring and February 20 movement in 2011-2012
- Morocco’s persistent poverty, growing youth unemployment, and suppression of political dissent create a fertile environment for activist groups and radicalization
- Moroccans have lost faith in the political system, distrust authorities, and view corruption as an attack on their dignity
- Endemic corruption prevents economic development and FDI from being optimized

Case Study

ENODO Global conducted a case study using open-source online digital media and social media concerning a series of recent demonstrations in al-Hoceima. The investigation used the demonstrations to uncover public sentiment and measure Social Risk. Sentiment and narratives associated with the demonstrations revealed key topics and issues, highlighted how they are discussed online, and exposed how they link to grievances, social values, and tie into broader security concerns.

ENODO developed a Topic Model using customized Natural Language Processing (NLP) techniques to examine online discussions related to the mid-May al-Hoceima protests and



“Corruption, hogra, and unemployment are now perceived as attacks on individual dignity and freedom”

associated grievances during and immediately following the demonstrations. This technique was applied to a dataset containing multi-language tweets originating from within Morocco that were collected over a four-day period starting the day of the protests. ENODO collected Twitter posts in Arabic, English, French, and Spanish that contained at least one of the following hashtags: #hirak, #hoceima, #alhoceima, or #الريفحرك. Topic modeling of the demonstrations uncovered the following findings:

- **Grievances:** Four Twitter topics—two expressed mainly in French and two in English—identified grievances motivating protestors that include: (1) complaints of officials who are “corrompu” and (2) “irresponsable”, (3) worries about “militarization”, and (4) “injustice” in the region.
- **Social Values:** Protestors’ discussed aspirational goals centered on the words “dignity” and “freedom.” They also expressed specific economic and political grievances. Notably, they expressed concerns related to social identity, values, and individual rights. This suggests that unresolved political, economic, and social issues are now viewed as personal attacks. These tweets were primarily found in English.
- **Arabic Tweets:** Topics written in Arabic focused on the Hirak party, its leadership, and the Berber (Amazigh) community. There were relatively few Arabic tweets regarding grievances or social values. This may reflect how subsections of the population that prefer to write in Moroccan Arabic align with the current government, which uses Arabic as the preferred language.

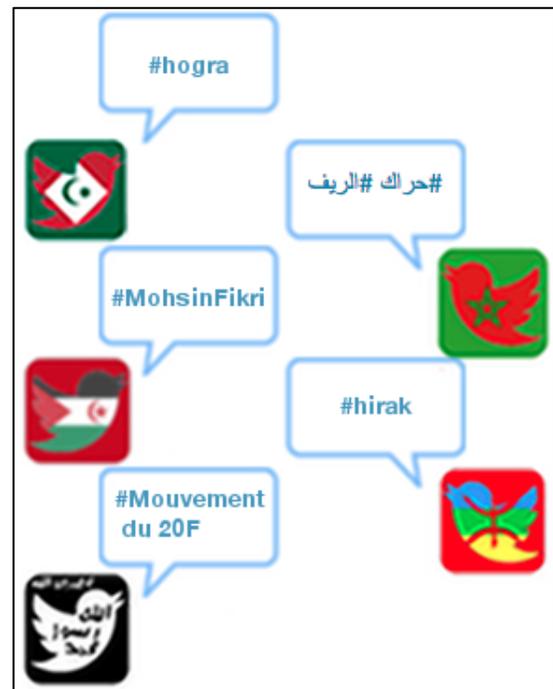


Figure 1

Expression of online sentiment can further be explained by different subsections of the population using different languages (i.e. Berber write in French and Amazigh, and people living in Western Sahara write in Spanish, Hassaniya Arabic, and Amazigh).

- **Outliers:** Additional topic analysis revealed a variety of loosely connected issues including Algeria, Western Sahara, security services, and concerns about alleged officials’ “fake accounts” used to counter social media messages. The appearance of the first two topics — Algeria and Western Sahara — suggest concerns about domestic Social Risk factors are being linked to broader security challenges in social media narratives. The second two topics reflect the challenges the Moroccan government faces when building a credible communications strategy to address the myriad of Social Risks that exist.



“Activists, criminal groups, and terrorist seize on growing discontent to achieve their own objectives.”

Implications

Ongoing protests in al-Hoceima, which began in 2016, illustrate how underlying social tensions remain unaddressed and proliferate unrest. These grievances are intertwined with social issues like poverty, youth unemployment, and a lack of economic opportunities in rural communities. The protests also demonstrates how the online dialogue is expanding. For example, the Feb 2017 protests in al-Hoceima include discussions of Berber identity and against *hogra*, which heighten broader social concerns.

Social Risk factors have also increased as protest narratives have grown in frequency and magnitude. This escalation manifests in unique ways. With their fundamental identities under assault and no viable means to generate change through the political system, individuals and disadvantaged groups within the population turn to crime and radicalization. Activist groups, criminal organizations, and terrorists groups seize on growing discontent to influence individuals

and achieve their own objectives. One technique is to attract unemployed youths who are disenchanted with authority and seek to improve their economic situation. Political grievances can also be hijacked and radicalized to question the existing political structure. Analysis of terrorist attacks and protests reveal a direct correlation between Social Risk, radicalization, and terrorism, which is illustrated in Figure 3.



★ Terrorist Activities ● Social Risk (Protests) ■ Heightened Social Grievances

Figure 3

Economic development and FDI are also negatively impacted by Social Risk. Projects and initiatives associated with corrupt individuals, companies, and the government aggravate existing grievances, increase negative perceptions, and decrease security. Moreover, if the public believes that they are not directly benefiting through increased employment and economic progress, Social Risk compounds. These activities create or reinforce negative perceptions of Morocco



“The Government has an opportunity to seize the initiative and create a positive environment with its citizens”

being an attractive destination for FDI. If Social Risk increases to a critical threshold, private sector organizations will avoid investing in the country and FDI will decrease before it has tangible, positive effects on the population. In this scenario, the reduction of FDI creates a cycle where the resulting economic decline and reduction in jobs further increases social tensions, which ultimately leads to violence. Attempts to reduce social tensions that threaten FDI have not been sufficient nor targeted appropriately. A development strategy that addresses Social Risk and conveys this through a targeted communications strategy to local communities and international investors is critical.

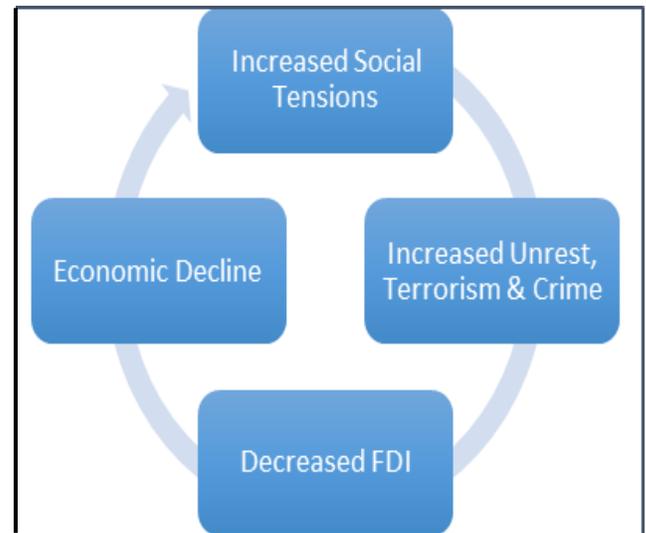


Figure 2

Conclusion

A more detailed analysis of public sentiment and narratives can assist government officials to develop a proactive engagement strategy that recognizes the public’s grievances, reduces social tensions, and shapes the conversation towards positive reforms. Moreover, by understanding the specific Social Risks it faces, the Moroccan government can manage online discourse more effectively and create a strategy to engage different groups within its population. By employing this strategy, Moroccan officials can (1) reduce the likelihood that citizens resort to protests or violence to express themselves, (2) eliminate the hijacking of narratives by extremist elements seeking to create divisions within Moroccan society, (3) create a positive climate for economic development and FDI, and (4) ensure enduring stability.





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