STUDY PROJECT

THE ECONOMY OF THE ARAB MAGHRIB UNION

BY

LIEUTENANT COLONEL CHEDLY KHEDIMI
International Fellow, Tunisia

DISTRIBUTION STATEMENT A: Approved for public release.
Distribution is unlimited.

DTIC ELECTED
USAWC CLASS OF 1991
MAY 30, 1991

U.S. ARMY WAR COLLEGE, FORT CARRACKS, PA 17013-5050

91-00619
On 17 February 1989, the Arab Maghrib Union (A.M.U.) was founded in Marrakech, Morocco. This organization brought together the five countries of North Africa: Algeria, Libya, Mauritania, Morocco, and Tunisia. Although the Maghribi countries had long sought union, the expansion of the European Community to include Greece, Spain, and Portugal threatened Maghribi markets in Europe and was the catalyst for the formation of the Union.

At the present, the A.M.U.'s effects are primarily economic. It seeks free movement of individuals, foods, services, and capital among the member nations, and it sponsors joint planning of strategy for trade with the European Community. In addition, the A.M.U. seeks joint development of the region and educational and cultural cooperation.

Although it has enjoyed modest success so far, could the A.M.U. be a breakthrough for regional integration? Possibly, for the concept of Maghribi unity is regionally popular, and the A.M.U. could grow, despite its present limited basis and slow political progress.
USAWC MILITARY STUDIES PROGRAM PAPER

The views expressed in this paper are those of the author and do not necessarily reflect the views of the Department of Defense or any of its agencies. This document may not be released for open publication until it has been cleared by the appropriate military service or government agency.

THE ECONOMY OF THE ARAB MAGHRIB UNION

AN INDIVIDUAL STUDY PROJECT

by

Lieutenant Colonel Chedly Khedimi, FA

Lieutenant Colonel Joseph P. Englehardt
Project Adviser

U.S. Army War College
Carlisle Barracks, Pennsylvania 17013
9 April 1991

DISTRIBUTION STATEMENT A: Approved for public release; distribution is unlimited.
ABSTRACT

AUTHOR: Chedly Khedimi, LTC, FA

TITLE: The Economy of the Arab Maghrib Union

FORMAT: Individual Study Project

DATE: 9 April 1991 PAGES: 21 CLASSIFICATION: Unclassified

On 17 February 1989, the Arab Maghrib Union (A.M.U.) was founded in Marrakech, Morocco. This organization brought together the five countries of North Africa: Algeria, Libya, Mauritania, Morocco and Tunisia. Although the Maghribi countries had long sought union, the expansion of the European Community to include Greece, Spain and Portugal threatened Maghribi markets in Europe and was the catalyst for the formation of the Union.

At the present, the A.M.U.'s effects are primarily economic. It seeks free movement of individuals, foods, services and capital among the member nations, and it sponsors joint planning of strategy for trade with the European Community. In addition, the A.M.U. seeks joint development of the region and educational and cultural cooperation.

Although it has enjoyed modest success so far, could the A.M.U. be a breakthrough for regional integration? Possibly, for the concept of Maghribi unity is regionally popular, and the A.M.U. could grow, despite its present limited basis and slow political progress.
THE ECONOMY OF THE ARAB MAGHRIB UNION

BACKGROUND

Since the emergence at the turn of this century of Nationalist movements struggling against French colonialism in North Africa, the idea of unification of the countries of northern Africa, the Maghrib, has been the dream of several North African generations. In 1958 the Morocco Istiqlal party met in Tangiers with the Algerian Front National de Liberation Party and the Tunisian Neo Destour Party to discuss the formation of a North African Economic Community. The idea of Maghrib unity was written into the constitution of Tunisia in 1959, Morocco in 1962 and Algeria in 1962.

The idea of unity is not a new idea. Several centuries ago the Almohads from Morocco unified all of North Africa. Unfortunately this unity did not last. The world today is facing a reordering of political and economic relationships. An example is the redefinition of world economic regions such as the recent events which produced free East European countries. Therefore, the Maghrib countries; Morocco, Algeria, Tunisia, Lybia and Mauritania, cannot continue to ignore the political, economic and social evolution of their environment.

The Maghrib summit held in February 1989, in Marrakech, (Morocco) between the leaders of the five Maghrib countries created the Arab Maghrib Union (A.M.U., regionally known by its French initials, U.M.A). This union was the culmination of over three decades of pan-Maghrib aspirations.

The Maghrebis (inhabitants of the Maghrib) have a stronger belief in the unity of the Maghrib than in the unity of the Arab world. This is due in part to the fact that the Middle East is farther from Maghrib than Europe which is reasonably close. For example, the distance between Morocco and Spain is approximately 14 kilometers. Because the Maghrib share the same religion,
civilization and language with countries in the Middle East, there is a strong Arab culture among the Maghrib countries.

The Maghrib has extensive economic ties with Europe, other Mediterranean countries and the Middle East. However, the commerce between the Maghrib and the Middle East is relatively small. For example, Maghrib emigration to other countries in the Middle East totals only about 30,000 people. On the other hand, there are over 2,000,000 Maghribis in Europe. The Maghrib societies keep a close bond with the European colonial powers and are strongly influenced by western culture. Although the Maghribis are Arab, Berber, Muslims and Mediterranean people, almost all of Maghribi commerce is with the European Community.

The relative recent creation of "Europe of twelve," the European Community (E.C.), threatens the competitiveness of Maghrib exports to European markets. This has especially created concerns since Greece in 1981 and Spain and Portugal in 1986 joined the E.C. These factors and others form the basis for the development of a strong Arab Maghrib Union.

The purpose of this paper is to outline the history and background of the A.M.U. as well as explain its role in the future economic growth of the Maghrib.

GEOGRAPHY

The Arab Maghrib Union is located in northern Africa and consists of that part which lies west of Egypt and north of the Sahara Desert. From east to west it includes: Lybia, Tunisia, Algeria, Morocco and Mauritania. Former President Bourguiba of Tunisia described the boundary between the Middle East and Maghrib as "that place where the people stop eating rice and start eating
couscous," the staple starch of North Africa. The A.M.U. in effect makes up the south side of the Mediterranean Sea.

The importance of its geographical location places the A.M.U. in a strategic position. The Mediterranean Sea, which has been the cradle for so many civilizations, is divided into regions or basins. Thus, the Strait of Sicily is considered a natural barrier between the western and eastern basins of the Mediterranean Sea. This strait is also a barrier between the Muslim and Western worlds.

A strategic analysis shows that the southern theater of the western basin is made up of one entity: the Maghrib. This geography has some important strategic considerations. Morocco for example, is critically located adjacent to the Strait of Gibraltar in the west. Tunisia has a similar position to the Strait of Sicily, and Libya is critically positioned in its relationship to Italy and Greece. This land area has played a critical role in wars as recently as World War II where in spite of British opposition, the Maghrib served as an important focal point in American strategy.

COUNTRIES MAKING UP THE ARAB MAGHRIB UNION

Algeria:

Official Name: The Democratic and Popular Republic of Algeria.

Area: 2,460,500 sq. km.: 950,000 sq. mi. (almost as large as the U.S. east of the Mississippi River).

Population: 25 million (estimated).

Capital City: Algiers (pop. 4.1 million).

Chief Commercial Products: Petroleum, natural gas and crude oil, cereals, citrus fruits, vegetables, tobacco, etc.

Annual Per Capita Income: About U.S. $2500.

Chief of State: Chadli Benjedid, President
Libya:

Official Name: Socialist People's Libyan Arab Jamahiriya

Area: 1,758,610 sq. km.: 68,000 sq. mil. (about the size of Alaska and Arizona).

Population: 4.5 million (estimated).

Capital City: Tripoli (pop. 1.2 million).

Chief Commercial Products: Petroleum.

Annual Per Capita Income: About $6800.

Currency: Libyan Dinar.

Leader: Col. Muammar al-Qaddafi.

Mauritania:

Official Name: Islamic Republic of Mauritania.

Area: 1,085,210 sq. km.: 419,000 sq. mi. (one and one half times the size of Texas).

Population: 1.7 million (estimated).

Capital City: Nouakchott (pop. 720,000).

Annual Per Capita Income: About U.S. $310.

Currency: Ouguiya.

Chief of State: Maaouya Ould Sidi Ahmed Taya, President.

Morocco:

Official Name: Kingdom of Morocco.

Area: 409,200 sq. km.: 157,992 sq. mi. (slightly larger than California).

Population: 24.8 million (estimated).

Capital City: Rabat (pop. 900,000).

Currency: Dirham.
Chief of State: Hassan II, King.

Tunisia:
Official Name: Republic of Tunisia.
Area: 164,206 sq. km: 63,031 sq. mi. (slightly larger than Florida).
Population: 7.9 million.
Capital City: Tunis (pop. 1.6 million).
Annual Per Capita Income: About U.S. $1300.
Currency: Dinar.
Chief of State: Zine al-Abidine Ben Ali, President.

MAGHRIB HISTORY

The first inhabitants of the Maghrib were the Berbers. They belong to tribal confederations which speak different dialects. There are two confederations of Berbers, the Butr and the Baranes. The Butr live in the south of North Africa from Libya to Morocco while the Baranes live in the north of North Africa from Tunisia to Morocco. Today the Berber dialects are spoken by the approximately 30 percent of Moroccans and 20 percent of Algerians who are Berbers. The dialects have all but disappeared in Tunisia and Libya. Of the Maghrib non-Berber Arabs, very few today speak Berber, even though most of them have Berber ancestors.

Before the Phonecians came from Tyre several centuries before Christ, the indigenous people had either settled and become agriculturalist or were nomadic, such as the Touarig tribes are today. These tribes for example, today move throughout the South Maghrib and Sahara Desert.
Carthage, a seaport center of trade and industry, was founded about 800 B.C. However, Carthaginians did not develop the interior of the country except for what is now Tunisia and eastern Algeria. They did, however, develop trade colonies at least as far as the Atlantic coast and Spain. The region became prosperous and Carthage became a great power in the Mediterranean Sea. As Carthage was developed, the competition between Rome and Carthage increased. This created a great deal of conflict which initiated a long period of war called the Punic Wars between the two cities. Rome finally established its hegemony after the burning of Carthage in 218 B.C.

By A.D. 40 the Roman Empire occupied all of North Africa from Cyrenaica, (Libya) to Morocco. The Romans divided this region into the following four provinces which had self-government: Africa (Tunisia); Numidia (eastern Algeria); Mauritania Caesariensis (western Algeria); and Mauritania Tinquitana (modern day Morocco). The Romans applied their rules and control, and many Berbers became "Romanized," even though they never got along with the Romans and from time to time threatened the central Roman power in Africa and Numidia.

Jufurtha, a Berber king, defeated the Roman garrisons and took power in A.D. 610. After many years of fighting however, he was defeated, captured and eventually assassinated in Rome. Paradoxically, the Berbers were Christians before this religion was established in Rome. However, they celebrated their beliefs secretly until the Byzantine era, at which time Christianity became the religion of Rome. Just prior to the Byzantine era, most of north Africa, Spain and Sicily had been invaded by Vandals over a period of approximately 150 years.

Arabs arrived from the east and unsuccessfully tried to impose their rule. Arabs spent more than 50 years trying to conquer "Ifrikia" (Tunisia)
and sent seven expeditions to conquer the region. During the last expedition the Berbers were led by their queen, Kahena. Her army was defeated by the army of Emir Hassan Ibn Nooman. After that, Berbers converted to Islam very quickly and many participated in the expedition against Spain which was led by a Berber, Tarik Ibn Ziad, in the 8th century A.D.

The next invasion came from the west at the beginning of the 16th century, when the Spanish occupied many towns on the Mediterranean coast from Morocco to Tunisia. The indigenous people put up a prolonged and bloody resistance until the Turkish invasion in A.D. 1535. On behalf of the Calif of Constantinople, the Turks ran governments in Algeria, Tunisia and Libya, but not in Morocco. This began the era of Janissaries (white slaves) and Corsairs (pirates). The principal revenues for states were provided by piracy, and this situation continued for several centuries. Piracy was perceived by the Maghribis as a holy war against infidels.

The French colonialist era of North Africa began in 1830, with the French first occupying Algeria. In 1881 they inserted themselves as protectors of Tunisia (protectorate) and in 1912 France began the "pacification" of Morocco. Many years earlier Morocco had lost Ceuta and Mellila, two small enclaves on the Mediterranean coast, to Spain. In the meantime, Libya had been occupied by Italians. During the 1950's the Maghreb countries one by one got their independence.

ECONOMIC UNITY

In 1963, the ruling political parties of Morocco, Algeria and Tunisia established the Comptoir Maghrebin de l'Alfa (Comalfa). This was joint marketing company for alfa grass which operated for many years. This grass is an important raw material for fine paper.
In 1968, the Maghrib Center for Industrial Studies (M.C.I.S.) was established with financial and technical assistance from the U.N. Development Program. The scope of M.C.I.S. was to avoid duplicating industrial investments, to coordinate and harmonize economic policies.

Despite M.C.I.S. and other agreements between the five countries, no remarkable progress was registered. Many factors led to disunity. Among them were:

1. Lack of political willingness to build a regional cooperation;
2. The pragmatic approach to build Maghrib unity led by Tunisia and Morocco were broken down by the radical concepts of Algeria and the more utopian ideals of Libya;
3. More serious was the Algerian-Moroccan disagreements over the Western Sahara, which started in 1975, and which decisively stopped all cooperation;
4. The turbulence and incohesiveness of Qaddafi and his hysteria to lead Arab unity. Consequently, he destabilized all Maghrib policies; and
5. The Moroccan and Tunisian attachment to Western capitalism—even with a planned economy—did not find favor from the regime in Algeria headed by Houari Boumediene.

**BILATERAL AGREEMENTS**

After the election of Chadli Benjedid as president of Algeria in 1979, a fresh stimulus for Maghrib unity was created. Chadli's willingness to provide a regional cooperation and to advocate *bon voisinage* (good neighboring), instituted a new era in the relationship between Maghrebi countries.

**Algeria-Tunisia**

In the 1980's Algeria and Tunisia concluded a series of agreements including:
The creation of the Bank of Cooperation of Maghrib (B.C.M.); 

The Coordination of import-export policies with the European Community (E.C.); and 

The establishment of common scientific institutions.

More important was the conclusion between both countries of the Treaty of Brotherhood and Concord in March 1983. This treaty was also signed by Mauritania in December. The creation of this so-called "Tunisian Axis" was seen as a step toward a Greater Arab Maghrib, in calling for a unity of destiny and fraternal cooperation. Under these auspices, for example, Algeria settled frontier disputes with Tunisia. Another benefit was the opening of the trans-Mediterranean pipeline in May 1983, which enabled Algerian natural gas to be transported to Italy through Tunisia. Several frontier villages were electrified by a common energy project.

Industrial cooperation between the two states had been defined by an agreement concluded in April 1983, which sought to promote complementary projects along their borders, to be completed within the framework of a development plan. So, several factories were built with external participation. In fact, a number of projects have been conceived jointly because no country could create such projects alone without the other's financial participation.

Italy was involved in the construction of several plants as a close partner, such as:

- A diesel engine factory for the Algerian-Tunisian SAKMO Company of Sakiet Sidi Youssef in Tunisia;

- A white cement factory of a 200,000-ton capacity in Feriana in Tunisia;
A lithium plant with a 20,000-ton capacity near El Kef in Tunisia.

The B.C.M. has undertaken initial studies, provided financial resources and assisted by its major investment in the establishment of a plastics plant in Algeria.

The friendly relationship between Tunisia and Algeria increased bilateral trade. In January 1981, a commercial agreement strengthened the principles of priority supplying and industrial exchange. This trend means that Algeria became Tunisia's largest Maghrib market, with exports rising from $163 million to $449 million between 1982 and 1987. During the same five years, Algerian exports to Tunisia increased from $70 to $354 million following an agreement concluded in 1985. The national importing offices of Algeria and Tunisia made joint efforts to save hard currency and to enhance their leverage with exporters.

**Tunisia-Morocco.**

Bilateral cooperation has also increased between Tunisia and Morocco, in spite of Tunisia's Treaty of Brotherhood and Concord with Algeria. This occurred despite of the bilateral cooperation between Tunisia and Mauritania which was perceived by Morocco as a gain for the Polisario (an organization seeking to liberate Western Sahara from Morocco). For example, some coordination has occurred between the Moroccan and Tunisian automobile industries to produce several components. Potentially, because of its multiplied linkages, the vehicle industry could be a major area of cooperation.

**Tunisia-Libya.**

Qaddafi never forgave Tunisia, and especially its former president Bourguiba, for renouncing a union between Libya and Tunisia in 1974. The relationship between the two countries rose and fell according to the humor of
Mr. Qaddafi, but since the American bombing of Tripoli, he became quiet. In November 1987, Bourguiba, then president of Tunisia, was becoming really senile, and was unseated by the prime minister. The elimination of Bourguiba and subsequent Algerian mediation led to Libyan rapprochement with Tunisia. Libya sought to unfreeze Tunisian assets and to compensate the workers which were expelled after a dispute which happened in 1985 between the two states. These developments led to Libya and Tunisia restoring diplomatic relations in December 1987, to a meeting of heads of state early the next year, and to a revision of the economic agreements that had been inoperative since 1985. Settlement was also reached in the long running dispute over offshore oil reserves in the Gulf of Gabes.

Algeria-Libya

Libya had attempted to revive relations with Algeria at a meeting between the two heads of state in January 1986. They created joint ventures in regard to oil exploitation, geophysics, car assembly, vehicle maintenance and the manufacture of spare parts. In June 1988, the Algerian-Libyan Mixed Commission created the Arab Maghrib Bank (A.M.B.) to promote common industrial projects and trade links. Further joint ventures concerned the production of aluminum, petrochemicals, and the creation of the Arab Maghrib Society of Gas (Somagaz) in collaboration with Tunisia. Algerian gas will be piped across southern Tunisia to the Libyan coast, where an aluminum smelter is planned.

Algeria-Morocco

Then in 1988, came reconciliation between Algeria and Morocco. Their dispute over the Western Sahara had promoted regional fission. After restoring diplomatic ties in May 1988, contacts increased, culminating with the visit of the president of Algeria to Morocco in February 1989. The joint declaration of the two heads of state sought to strengthen bilateral
cooperation and to reactivate and to implement all treaties and conventions concluded between the two states. A mixed commission to promote economic, cultural and technical cooperation was established. A joint company to prepare studies for a natural gas pipeline to Spain across Morocco was created. Also, Algeria agreed to supply Morocco with tractors and other machinery in exchange for Moroccan spare parts.

INSTITUTIONS OF THE A.M.U.5

The five heads of state who signed the "Unity Treaty" at Marrakech in February 1989 agreed that the A.M.U. will have the following institutions:

- Presidential Council. As with the European Community, the A.M.U. is led by a Council of the Heads of State, presided over by each in turn on a semestral rotation. Only this supreme organ has the power to make decisions, and all other institutions of the Union are dependent on the Presidential Council. Its decisions require unanimity.

- Foreign Ministers Council. The Foreign Ministers Council prepares for the Presidential Council sessions, reviewing proposals formulated by specialized committees and commissions.

- Consultative Assembly. The Consultative Assembly is constituted by representatives from each member state. They can advise the Presidential Council on matters which might strengthen the Union. This assembly meets regularly every year.

- Judicial Branch. This branch is composed of two judges from each state, appointed for six years, presided over by one of them that they elect. Its function is to settle disputes arising from differences in the interpretation of the provisions and application of the treaty as well as subsequent agreements concluded within the A.M.U.
General Secretariat. The General Secretariat is constituted of a representative from each member state. The government of the A.M.U.'s current president provides for the financial and material requirements of this rotating secretariat. Unfortunately, the secretariat lacks a fixed headquarters and a permanent secretary.

The Maghrib governments appear to have learned lessons from past experiences. The Treaty of Union has defined a set of goals and has directly involved all five heads of state as a manifestation of their commitment to build the Maghrib.

**THE FUTURE OF A.M.U.**

After examining the political process to establish the A.M.U. in 1989, it is worth establishing the limited realities of Maghribian economic activity. For example, in 1972 when unity had seemed imminent, intra-Maghrib trade totalled only $48 million, compared to $3,625 million with the rest of the world. By 1976, only 0.7 percent of Algeria's total imports came from Morocco and Tunisia, and Algeria received only 3.7 percent of their neighbors' total exports. Tunisia's trade figures were similar, but Morocco's were somewhat higher at 6.9 percent of imports and 2.5 percent of exports to Algeria and Tunisia. The position had not improved much by 1988, as illustrated by Chart I. Thus, despite the 1983 treaties and bilateral trade agreements, the intra-Maghrib trade was negligible in both volume and value. Similar figures suggesting relative stagnation, even decline in trade between the five countries between 1975 and 1988, are illustrated by Chart II.

Although there is such negligible trade between the A.M.U. countries, there are great possibilities for regional economic growth. The creation of the Maghrib Union is a great opportunity to have a significant intraregional
complementary activities. For example, Morocco exports both fresh and tinned vegetables and fruits, as well as superphosphates, while Algeria is importing significant quantities of these products. Tunisia exports foodstuffs such as almonds and olive oil, as well as superphosphates and certain agricultural equipment, all of which are imported by Algeria and Libya. Finally, Algeria exports crude oil, iron ore, liquefied propane and butane, and ammoniac, most of which figure prominently in Moroccan and Tunisian imports.

The scope of the A.M.U. is to promote mutual cooperation on a wide scale. First of all, it agreed to the free movement of persons, foods, services, workers and capital among Maghrib countries. Also, the treaty provides that common policies will be formulated in almost all sectors, including diplomacy, defense, education, agriculture and health. It should be noted that a meeting of the A.M.U. transport ministers in Tripoli in May 1989 set up commission that will seek to create both an Air-Maghrib Society and a jointly-owned shipping company, and to construct a trans-Maghribi railway linking Morocco with Libya.

The Maghrib countries have been competitors rather than partners in commerce with the European Community (E.C.). Since the independence of A.M.U., up to 75 percent of the Maghrib's annual exports have gone to E.C., from where have come 65 percent of Maghribian imports. Such close relationships extend to debt dependency, and by 1987 the E.C. banks held about two-thirds of the $47 billion debts of Algeria, Morocco and Tunisia.7

The Maghrib exports phosphates, crude oil and natural gas, fruits and vegetables, and wines, as well as an increasingly number of manufactured goods, notably textiles and refined petroleum. To some extent, preferential access, tariff reductions or quotas have been negotiated. Problems of
dependency are increasing vis-a-vis the E.C. as a major market for Maghribian products.

Any analyses of the Maghrib integration during the late 1980's ought to include the impetus prompted by the threatened loss of European markets. The accession to the E.C. of Greece in 1981, followed in 1986 by Spain and Portugal, threatens the Maghrib's exports. With the creation of the "Europe of Twelve," the competitiveness of Maghrib exports in their main markets became worse. Already, the E.C.'s wine imports from Algeria, Tunisia and Morocco have dropped by 55 percent, while E.C. wine imports from Spain increased by 20 percent.8

In September 1983, Algeria, Morocco and Tunisia created an Inter-Maghrib Coordination Group to better relations with the E.C.. The European Commission in Brussels recognized the potential for trade conflicts. It sought to encourage complementary agricultural production by proposing the establishment of a "Mediterranean Forum" in order to coordinate planning and to reduce over-supply or shortages.

PROSPECTS AND CONCLUSIONS

Will the Arab Maghrib Union represent a significant breakthrough as regards real regional integration? Experience elsewhere in Africa and the Middle East does not augur well, given several spectacular failures. It is surely encouraging that the A.M.U. Treaty envisages joint ventures to produce certain goods or services, and joint action to develop common resources and to improve bargaining positions, the promotion of intraregional trade, and cooperation to mobilize financial assistance from foreign sources. Regional cooperation of this wider nature, rather than just trade liberalization and market integration could be achieved by the A.M.U.
Undoubtedly, the current prospects for success in the Maghrib are greater than they were 20 years ago. But, border disputes and personal animosity between leaders must disappear. The Maghrib should prepare for the next century in a unified fashion. The challenge of economic development is greater than ever. The Maghrib-E.C. trade continues to grow regularly because of an emerging degree of economic interdependence, and obviously by the end of the century, a Maghrib with 100 million inhabitants cannot be neglected.

The E.C. will probably have to improve its existing arrangement with the A.M.U., and to coordinate investment planning, in order to forestall trade conflicts. Moreover, with the second Algerian gas pipeline through Spain, the A.M.U. increasingly will become southern Europe's key supplier of energy.

Some economists suggest that the Maghrib is likely to be increasingly attractive to multinational investors if it becomes more integrated. As the western Mediterranean basin becomes based on high-tech industries and services, auxiliary enterprises involving simpler, more laborer-intensive process will transfer to the shores of Maghrib. Such developments will depend on one hand on more liberalized economics and progress towards a Maghrib Common Market, and on the other hand, on stability in that region.

It is on the basis of economic realities that a pan-Mediterranean scenario for the Maghrib's can be suggested if the A.M.U proves capable of building on its future.
CHART I

INTRA-MAGHRIB TRADE, 1988 (IN $ MILLION)

<table>
<thead>
<tr>
<th></th>
<th>Total Exports</th>
<th>Algeria</th>
<th>Libya</th>
<th>Mauritania</th>
<th>Morocco</th>
<th>Tunisia</th>
<th>Maghrib Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>8,216</td>
<td>--</td>
<td>ntr</td>
<td>ntr</td>
<td>ntr</td>
<td>81.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Libya</td>
<td>6,793</td>
<td>ntr</td>
<td>--</td>
<td>--</td>
<td>39.0</td>
<td>8.0</td>
<td>0.7</td>
</tr>
<tr>
<td>Mauritania</td>
<td>456</td>
<td>8.4</td>
<td>ntr</td>
<td>--</td>
<td>ntr</td>
<td>ntr</td>
<td>2.0</td>
</tr>
<tr>
<td>Morocco</td>
<td>3,374</td>
<td>ntr</td>
<td>91.3</td>
<td>ntr</td>
<td>46.0</td>
<td>4.1</td>
<td>4.1</td>
</tr>
<tr>
<td>Tunisia</td>
<td>2,425</td>
<td>60.0</td>
<td>37.9</td>
<td>0.2</td>
<td>12.1</td>
<td>--</td>
<td>4.5</td>
</tr>
</tbody>
</table>


ntr: No Trade Recorded.
## Chart II

**Evolution of Maghrib Trade, 1975-1988**

<table>
<thead>
<tr>
<th></th>
<th>Total Trade $ Million</th>
<th>Percentage Intra-Maghrib</th>
<th>Percentage with EC Member State (at that date)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Imports</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1975</td>
<td>13,827</td>
<td>0.80</td>
<td>60</td>
</tr>
<tr>
<td>1980</td>
<td>26,007</td>
<td>0.43</td>
<td>61</td>
</tr>
<tr>
<td>1985</td>
<td>22,148</td>
<td>1.40</td>
<td>59</td>
</tr>
<tr>
<td>1987</td>
<td>19,824</td>
<td>1.90</td>
<td>59</td>
</tr>
<tr>
<td>1988</td>
<td>23,088</td>
<td>1.80</td>
<td>58</td>
</tr>
<tr>
<td><strong>Exports</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1975</td>
<td>13,418</td>
<td>0.97</td>
<td>54</td>
</tr>
<tr>
<td>1980</td>
<td>40,011</td>
<td>0.25</td>
<td>42</td>
</tr>
<tr>
<td>1985</td>
<td>27,911</td>
<td>1.10</td>
<td>68</td>
</tr>
<tr>
<td>1987</td>
<td>20,934</td>
<td>1.80</td>
<td>71</td>
</tr>
<tr>
<td>1988</td>
<td>21,264</td>
<td>1.70</td>
<td>68</td>
</tr>
</tbody>
</table>

ENDNOTES


3. Parker, p. 3.


BIBLIOGRAPHY


