

May 18, 1982

MOROCCO: AN ALLY IN JEOPARDY

INTRODUCTION

The kingdom of Morocco, a vital ally of the United States, is facing a situation of acute danger. For the past seven years, the Moroccan armed forces have been engaged in an expensive war of attrition in neighboring Western Sahara, a territory which Morocco claims for itself but which its guerrilla opponents claim should be independent. The war has witnessed various changes of fortune between the two parties and has now reached the point where neither side can hope to achieve final victory without summoning foreign forces to their assistance. Since that appears unlikely, the conflict will drag out. Morocco probably will continue to repel guerrilla attacks on its desert outposts and may attain notable military successes. However, the simple expense of the war, combined with the strain on the country's social and economic fabric, could bring about the downfall of the Moroccan government, unless the U.S. takes immediate action to forestall it.

Morocco occupies a crucial strategic position at the mouth of the Mediterranean. Any power that could install radar tracking devices along the Moroccan coastline would be able to monitor the passage of shipping through the Straits of Gibraltar and the entire western Mediterranean. Were such a power able to base ships in Moroccan ports, it could interdict the passage of shipping through the Gibraltar "choke point." Obviously, it is in the U.S. interest to prevent construction of any such facilities on Moroccan soil.

Morocco's current ruler, King Hassan II, has taken pains to further U.S. policy in the Middle East. He acted as an intermediary between the Egyptian and Israeli governments in arranging President Anwar Sadat's unprecedented flight to Jerusalem in November 1977. Since then, King Hassan has continued to assist

Note: Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

U.S. efforts in the Middle East, despite Saudi pressure to adopt a "hard line" against Israel.¹

The Moroccan government also has worked hard to stem the tide of Soviet-Cuban expansionism in the African continent. It has supplied arms, training and weaponry to the National Union for the Total Independence of Angola, which is fighting the Cuban troops who sustain that country's Marxist government. On two occasions, Moroccan troops have been flown from the capital, Rabat, to Zaire, to protect President Mobutu Sese Selo from Cuban-led insurgents.²

Clearly, U.S. policy in the Middle East, North Africa and Central Africa would sustain a severe reverse if the Moroccan government were removed from the political scene. Hence, Washington must do everything in its power to support Morocco militarily and financially while seeking to end the Western Sahara war which is inflicting so much damage on this trusted ally.

U.S. POLICY TOWARD MOROCCO

Until the advent of the Reagan Administration, the U.S. showed surprisingly little interest in the crisis developing in North Africa. This failure was in part the result of certain illogical bureaucratic divisions within the structure of the U.S. government. In both the Senate and the State Department, Morocco is classified not as part of North Africa, but as part of the Middle East. Unfortunately, those involved with Middle Eastern affairs tend to devote their energies to the major problems which beset the area commonly understood as comprising the Middle East: Egypt, Israel, Jordan, Syria, Iraq, Saudi Arabia, etc. Consequently, Morocco "falls between the cracks," with few official bodies willing to devote long periods of time and serious attention to its problems.

The Carter Administration exhibited a particularly sad ignorance of Moroccan affairs. Throughout most of his tenure in office, President Carter refused to sell arms to Morocco on the grounds that such weapons might be used for "expansionist" purposes in Western Sahara. This despite the fact that Morocco was a longstanding ally of the U.S., that Morocco had striven to further U.S. policy in the Middle East and that the U.S. failure to supply arms was placing this ally in great danger.

The Reagan Administration now has reversed that policy and arms have begun to flow to Morocco in significant amounts.

¹ New York Times, August 3, 1979; Washington Post, November 16, 1978.

² Christian Science Monitor, June 8, 1978, p. 4; Christian Science Monitor, June 9, 1979, p. 26; Foreign Report, June 25, 1978, pp. 1-3; Economist, June 10, 1978, p. 74; June 2, 1979, p. 80.

However, while this move must be applauded, it must be stressed that it represents only half a policy. Morocco has sustained severe economic damage as a result of the war in Western Sahara and of a four-year drought which has bedevilled the country's agricultural system. Unless the U.S. is willing to shoulder the financial burden of upgrading Morocco's armaments, paying for the country's food and energy imports, and underwriting the conduct of the Western Sahara war (now running at \$1 million per day³) -- all of which seem unlikely in a time of fiscal restraint -- the U.S. must link its arms policy with a diplomatic offensive to conclude the war as soon as possible. Otherwise, Washington must countenance the possible downfall of one its most dependable allies in North Africa and the consequent undermining of its North Africa/Middle East policy and its general international prestige.

THE VIABILITY OF NEGOTIATIONS

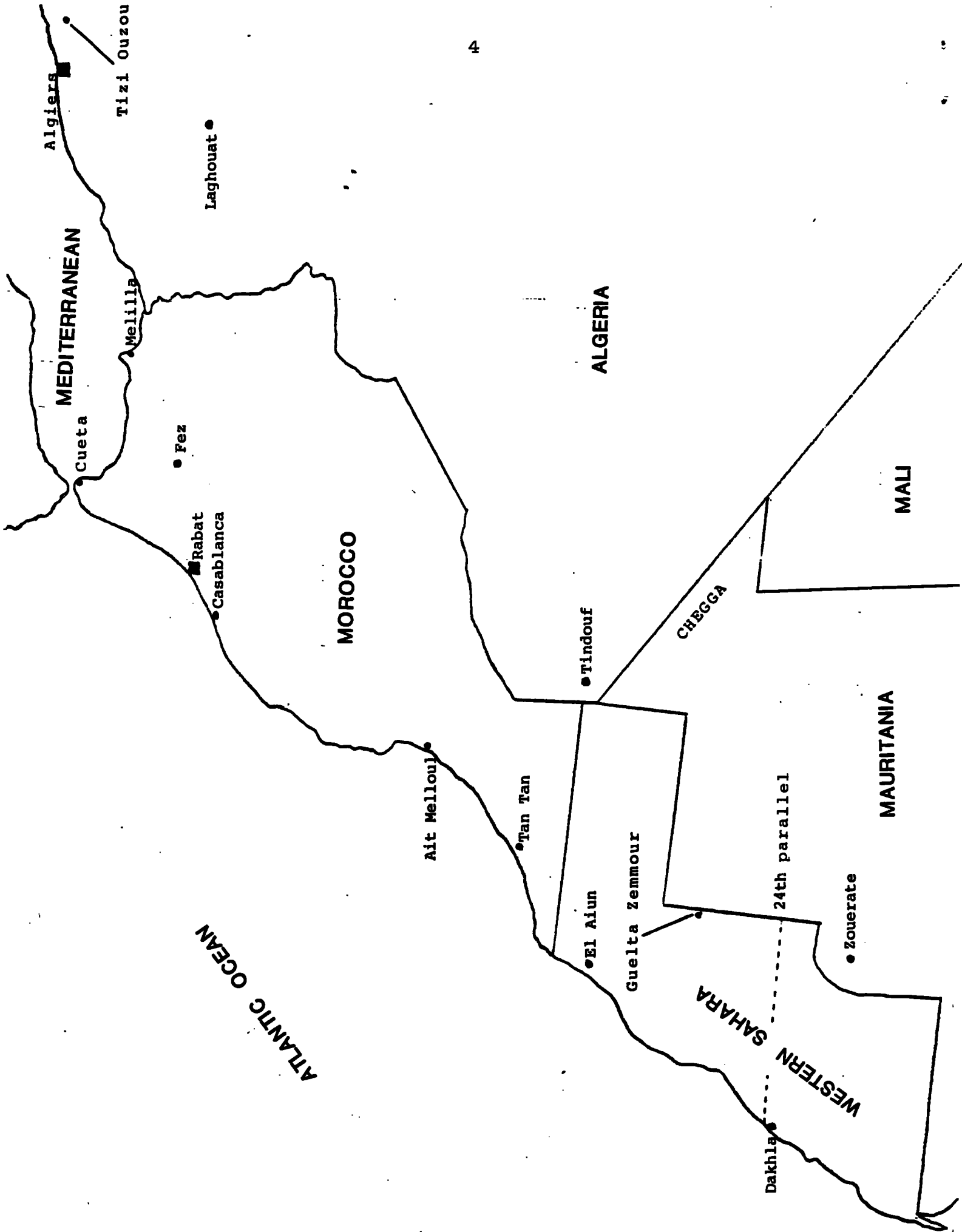
The Reagan Administration's manifest determination to support Morocco with military supplies and equipment has done a great deal to strengthen the Moroccan position in the course of any Western Sahara peace negotiations. Furthermore, prevailing circumstances prevent Algeria, Libya or Mauritania, all parties to the struggle, from placing any serious obstacles in the path to settlement. Hence, it is of crucial importance that the U.S. act quickly, before these propitious circumstances change.

Washington must move directly to initiate negotiations between Morocco and the Western Sahara guerrillas in order to prevent further damage to the overstrained Moroccan economy. An equitable solution to the Western Sahara problem can still be reached if the U.S. demonstrates its willingness to lead the search for settlement.

Should Washington choose to follow this policy, it must make three points clear at the onset:

1. Both Morocco and the Western Sahara secessionists have some legitimate claims to Western Sahara's territory.
2. It is not in the interests of any North African state, with the exception of Libya, to countenance the establishment of an independent state in the Western Sahara. Such a state would be small, weak, underpopulated, underdeveloped and lacking any bureaucratic infrastructure. Consequently, it barely would be able to maintain itself and would afford Colonel Qaddafi yet another outlet for his imperialistic ambitions.

³ Christian Science Monitor, June 8, 1978, p. 4; Economist, October 27, 1979, p. 63; Economist, February 23, 1980, p. 43.



Algiers
Tizi Ouzou

MEDITERRANEAN

Laghouat

Melilla

Cueta

Fez

Rabat

Casablanca

MOROCCO

ALGERIA

MALI

CHEGGA

Tindouf

Ait Melloul

Tan Tan

MAURITANIA

ATLANTIC OCEAN

El Aiun

Guelta Zemmour

24th parallel

Zouerate

WESTERN SAHARA

Dakhla

3. A compromise agreement can be worked out in such a way as to retain Western Sahara's traditional ties with Morocco while affording the country a considerable degree of political independence. Western Sahara thereby would be guaranteed continuing Moroccan military protection from external interference and subversion and valuable Moroccan cooperation in the development of its oil and phosphate resources.

4. Negotiations can succeed only if the U.S. maintains military and economic support to Morocco to counterbalance the aid afforded Western Sahara's secessionists by their North African allies.

HISTORICAL BACKGROUND

The Western Sahara originally was seized by Spain from the ruler of the Sherefian Empire in 1886. Morocco, the core of that empire, was divided between France and Spain.

After World War II, Sultan Mohammed Ben Youssef unified a variety of Moroccan independence movements and demanded the departure of the French and Spanish authorities. The French tried to nip the independence drive in the bud by exiling the Sultan to Madagascar, but a nationalist uprising obliged Paris to reverse its stance, permit the Sultan's return as King Mohammed V, and grant Moroccan independence on March 2, 1956.

The new government initiated a policy designed to reunite what it regarded as Moroccan territory. This approach inevitably would cause major political problems in northwest Africa, for the territories of the old Sherefian empire had comprised parts of the territory of modern day Algeria, Western Sahara and Mauritania.⁴ Further complicating the situation was the fact that Morocco is a viable historical entity, with a history that predates colonialism. On the other hand, its neighbors, Algeria and Mauritania, are the artificial products of colonialism. Consequently, Morocco was able to make legitimate, historical claims upon the territory of its neighbors, asserting that denial of these claims amounts to an implicit underwriting of colonialism. Its neighbors countered with the argument adopted by the Organization of African Unity that colonial boundaries, no matter how illogical, must be respected if the entire continent is not to lapse into anarchy. Thus, the area's territorial disputes are dominated by two sides which speak fundamentally different languages. This is demonstrated clearly by the seven-year dispute over the political fate of Morocco's southern neighbor, Western Sahara.

⁴ William H. Lewis, "Western Sahara: Compromise or Conflict?" in Current History, December 1981, pp. 410-413.

THE PRELUDE TO CONFLICT

By 1975 many senior figures in the Spanish government had decided that Western Saharan independence was unavoidable. The government in Madrid was stretched financially and reluctant to continue to pay the cost of the Spanish Foreign Legion's operations against Western Sahara's independence forces. Moreover, General Franco, who had refused categorically to consider any withdrawal, was in his final decline. Hence, the way appeared clear for Madrid to rid itself of its colonial burden.

A referendum among Western Sahara's semi-nomadic population, which a 1974 census had estimated to number 74,000, offered the most obvious path toward peaceful transition from colonialism to independence and Madrid did, in fact, favor this course. However, Western Sahara's neighbors were determined to interdict any such referendum. Both Morocco and Mauritania made major claims on Western Sahara, asserting that it was the rightful territory of their respective states, stolen from them by colonial powers. Algeria was not in a position to make such claims for itself but feared any settlement that might extend the Moroccan sphere of influence in northwest Africa. As a committed Marxist, Algeria's president, Houari Boumedienne, was the diehard opponent of reactionary regimes such as that of Hassan II.

All of the parties, however, were motivated by more than mere ideology and history: Western Sahara's deserts cover a wealth of natural resources. The Spanish colonial authorities had developed a huge phosphate extraction facility at Bou Craa in the north of the country. Western Sahara also was known to possess significant reserves of oil, and some experts believe that it boasts the world's largest deposits of uranium.⁵

Such resources were a powerful attraction to a poverty-stricken state such as Mauritania, which depended for 75 percent of its foreign exchange on the relatively meager earnings of its iron ore mines at Zouerate. Morocco was attracted by the phosphate facilities at Bou Craa. Morocco already was mining 20 million tons of phosphate per annum and was the world's leading exporter, accounting for 34 percent of all phosphate exports. Moroccan strength in this vital sector had enabled King Hassan to quadruple the world price of phosphates over a relatively short period of time. Control over Western Sahara's phosphate resources would further enhance Morocco's hold on the world market.⁶

Though it made no territorial claims on Western Sahara, Algeria hoped to obtain access to Atlantic ports for the export of its own iron ore from the mines at Tindouf in western Algeria.

⁵ Washington Post, November 9, 1975, January 17, 1976, August 14 1979; Christian Science Monitor, October 21, 1975.

⁶ Ibid.; Christian Science Monitor, December 23, 1977, p. 10; Washington Post, August 30, 1977.

On the negative side, President Boumediene was determined to prevent Morocco's gaining control of Western Sahara's resources and its 2,000 miles of Atlantic coastline.

Madrid was particularly open to pressure from Morocco because, if it simply refused to recognize Hassan's claims, the King might take action against Spain's remaining possessions on the Moroccan mainland, Ceuta and Melilla. Conversely, Spain was dependent upon Algeria for its supplies of oil and natural gas. Consequently, Madrid sought to avoid offending either country by referring Western Sahara's fate to the International Court of Justice at the Hague. On October 16, 1975, the Court gave a somewhat ambiguous ruling:

The court finds that at the time it was colonized by Spain, the Western Sahara was not terra nullius, or ownerless territory. There were certain legal ties between individual tribes and Morocco and between others and what is now Mauritania, but they did not amount to territorial sovereignty.⁷

The Court therefore ruled that, in the absence of certifiable claims, the question should be decided, "through the free and genuine expression of the will of the peoples of the territory." However, King Hassan claimed that the Court had recognized Morocco's claim implicitly by stating that religious ties existed between the Sultan of Morocco and Western Sahara because, in Islamic law, no distinction between church and state exists.

King Hassan, therefore, continued to press Morocco's claims and, in October 1975, announced his plan to march 350,000 unarmed Moroccan civilians into the territory to take effective possession. If there had been any doubt as to the popularity of Hassan's position, the reaction to this announcement should have dispelled it. A flood of Moroccan volunteers came forward and none of the country's opposition parties voiced any protest. On the contrary, the Socialist Union of Popular Forces, the chief opposition party, was more belligerent than the King's party. Even the Communist party swallowed its dislike of Hassan to applaud the move into Western Sahara.⁸

By the end of October 1975, 100,000 people, the "first wave" of marchers, had passed through the staging area at Ait Melloul in southern Morocco. On November 6, they entered Western Sahara and began to march south. The next day the United Nations Security Council passed a resolution ordering the Moroccan marchers to withdraw. The U.N. action may have been unnecessary because, six miles into Western Sahara, the marchers met an impenetrable barrier

⁷ Conrad Kuhlein, "Western Sahara," in Aussen Politik, Vol. 23, No. 1 (1981), p. 60. English Language Edition.

⁸ Christian Science Monitor, October 23, 1975, p. 6.

of Spanish minefields and tanks. On November 9, Hassan ordered the marchers to return.⁹

THE FINAL SETTLEMENT

Morocco had sustained an apparent political defeat but appearances were probably misleading. Madrid may have reached a secret agreement with Hassan in return for the withdrawal of the marchers because, on November 14, the Spanish government announced that it had abandoned the projected referendum and had signed an agreement with Morocco and Mauritania, ceding all of Western Sahara's territory north of the 24th parallel -- Saguia el Hamra -- to Morocco, and all territory to its south -- Tiris el Gharbia -- to Mauritania.¹⁰

It should be noted that these dealings were not so illegitimate as, immediately, they might appear. As one expert pointed out, the process of decolonization in Africa is usually operated through institutions set up under colonial rule, not through institutions founded by popular mandate. Certainly, this is the case in such "revolutionary" states as Angola and Mozambique. Very few of today's African states could be considered legitimate if popular mandate were the sole criterion of legitimacy.¹¹

Open warfare between Morocco and Algeria threatened for a time. Boumedienne moved troops and armor to the Tindouf area and Algerian reservists were put on alert. The diplomatic corps in Algiers was refused permission to travel to the south or southwest of the country, presumably because of military activity.¹² However, Algeria finally decided not to go to war, perhaps under pressure from Moscow to avoid open conflict. The Soviet Union, of course, is the chief backer and ally of Marxist Algeria, but Moscow also had important material interests in Morocco. Having developed a viable process for extracting uranium from phosphoric acid, the Soviets were engaged in a massive project to extract phosphate from the foothills of Morocco's Atlas Mountains. Moscow did not wish to see its investment in these works and in Soviet processing plants imperilled by open warfare. On the other hand, Moscow presumably would not object to Algeria's supporting guerrilla activity in Western Sahara, particularly if that were to lead to the downfall of the Moroccan monarchy and

⁹ New York Times, October 21, 1975, October 28, 1975, November 8, 1975, and November 10, 1975.

¹⁰ Washington Post, January 17, 1976.

¹¹ Statement of William Zartman, Ph.D., Professor of Politics, New York University in "Hearing before the Subcommittee on International Organizations and on Africa of the Committee on International Relations, House of Representatives, 95th Congress, 1st Session, October 12, 1977" (Washington, D.C.: U.S. Government Printing Office, 1977), p. 15.

¹² New York Times, January 20, 1976.

the ascent of a left-wing government that would allow the Soviet Union to establish a more formal presence in that country.¹³

Though he backed away from direct confrontation, Boumedienne did decide to give major support to the chief Western Saharan resistance movement, El Frente Popular para la Liberacion de Sequia el Hamra y Rio del Oro, better known as Polisario. At the time, diplomatic and press observers believed that Polisario had approximately 5,000 fighting men in the refugee camps around Tindouf, where many Sahwris had fled during the troubles with Spain. Polisario's equipment was meager -- chiefly Land Rovers mounted with machine guns -- and the movement probably could mobilize only 1,500 men. Nonetheless, this force could mount damaging hit-and-run raids from behind the Algerian border and its capacity to inflict damage would increase with the flow of Algerian arms.¹⁴

THE NEW REGIME -- THE DEFEAT OF MAURITANIA

The last of the Spanish troops left Western Sahara on January 11, 1976, and Moroccan and Mauritanian troops moved in to take over the territory. Mauritania soon emerged as the weak link in the chain of settlement. When it moved into Dakhla, the capital of Tiris el Gharbia, it had an army only 2,000 strong. During the next two years of its struggle with Polisario, Mauritania strained to expand its forces to 7,000, but they were ill-equipped and poorly led, as a result of a shortage of officer training facilities. Morocco was soon obliged to position some of its own troops south of the 24th parallel and even in Mauritania itself, where their presence was somewhat embarrassing, since Morocco had not abandoned its claims to all of Mauritania's territory until 1969.¹⁵

Between 1975 and 1978, Polisario pursued a hit-and-run war with Morocco in the Western Sahara, making use of a growing fleet of Soviet vehicles and of Cuban "trawlers" that ferried Polisario guerrillas along the coast of Western Sahara and performed electronic surveillance on the Royal Moroccan Armed Forces.¹⁶ However, the bulk of Polisario's efforts were directed against Mauritania. Guerrillas attacked the iron ore mines at Zouerate and kidnapped French technicians working there in the hope of driving away the mines' European management. Since the mines provided at least 75 percent of Mauritania's foreign exchange earnings, these raids were particularly damaging. The armed forces were unable to launch an effective counter-offensive and, on one occasion, Polisario even was able to bombard the capital, Nouakchott.¹⁷

¹³ Foreign Report, June 25, 1978, pp. 1-3.

¹⁴ New York Times, January 20, 1976, January 28, 1976.

¹⁵ Christian Science Monitor, December 23, 1977, p. 10; Washington Post, January 19, 1976.

¹⁶ Christian Science Monitor, December 23, 1977, p. 10.

¹⁷ Ibid.; Washington Post, August 20, 1977.

The strain of the war finally brought about the fall of Mauritania's president, Ould Daddah, to a military coup in July 1978. His successor, Colonel Ould Salek, announced that the war had "nearly destroyed" Mauritania and that he would be happy to withdraw from Tiris el Gharbia if a "global settlement" involving Morocco, Algeria, Mauritania and Polisario could be reached. Polisario rejected the proposal, demanding that Salek recognize its political wing, the Saharan Arab Democratic Republic (SADR) as the legitimate ruler of Western Sahara. Nevertheless, it halted its attacks on Mauritania to encourage that country to make peace.¹⁸

Morocco was alone and, in the future, would bear the brunt of the Polisario offensive. International developments further weakened the Moroccan position. Morocco originally had enjoyed widespread Arab support for its move into Western Sahara. The civilian march of November 1975 had included symbolic contingents from Jordan and Saudi Arabia. The Saudis had done a great deal to defray the cost of Morocco's war with Polisario. However, Hassan's support for Anwar Sadat's November 1977 peace initiative and his subsequent trip to Washington, where he spoke on behalf of Sadat, lost him a great deal of crucial Arab support.¹⁹

Similarly, his dispatch of 1,500 Moroccan troops to Zaire in June 1978 cost Hassan a considerable amount of support within the Organization of African Unity. On June 3, 1978, Colonel Qaddafi abandoned his previous pan-Arab stance and announced that Western Sahara should be independent. Now Morocco had every reason to fear that Polisario would have access to the well-stocked treasury and armory of Libya in its pursuit of desert victory.²⁰

U.S. POLICY

Between 1975 and 1978, Washington, as a result of bureaucratic inertia and general predisposition, ignored the Western Sahara conflict as an unpleasant fact of life which, hopefully, would resolve itself. Both the Ford and the Carter Administrations may have held back through fear of an Algerian energy boycott. At that time, Algeria was the fourth leading supplier of U.S. imported oil, accounting for 10 percent of all U.S. imports.

Finally, after the fall of Iran revealed a central U.S. weakness in North Africa/Middle East, the Carter Administration agreed to sell Morocco \$100 million in military equipment, chiefly OV-10 armed reconnaissance aircraft and Cobra helicopter gunships. This delivery had been ready for over a year, but elements within the Carter White House had opposed the sale for fear that Morocco

¹⁸ Economist, June 10, 1978, p. 74; October 21, 1978, p. 82; March 31, 1979, p. 45; June 2, 1979, p. 80.

¹⁹ Ibid.

²⁰ New York Times, August 3, 1979; Washington Post, November 16, 1978.

would use the arms to press an expansionist foreign policy. Even this assistance -- which arguably was too little and came too late -- was only supplied over the vigorous protests of Senator George McGovern, chairman of the African Affairs Subcommittee of the Senate Foreign Relations Committee.²¹

MOROCCAN DIFFICULTIES

U.S. delay was particularly unfortunate because, in the meantime, Polisario had improved its equipment base and its operational ability. By the time the U.S. had come to the aid of Morocco, Polisario had infiltrated Western Sahara thoroughly and was beginning to mount operations in southern Morocco, where it attacked the garrison town of Tan Tan in January 1979. Moroccan soldiers in the Western Sahara were being made to serve four years in the desert without leave. The size of the Moroccan contingent in the territory had been doubled to 40,000 and, by the close of 1979, had been increased to 60,000.²² Nevertheless, no final victory was in sight. On the contrary, the Moroccan death toll had risen from 100 to 150 per month. Hassan, who was still suspicious of the army after attempted coups in 1971 and 1972, confined military decisions to the palace in Rabat, making the army's reactions to Polisario slow and cumbersome.²³

THE MOROCCAN DOMESTIC SITUATION

Inevitably, the war made itself felt in the domestic sphere. Defense was taking 40 percent of the Moroccan budget, while inflation was running at 20 percent. The new "austerity taxes," designed in part to pay for the war, were falling much more heavily on Morocco's middle class than on its privileged upper class. The world phosphate market had entered a serious decline while the cost of imported energy had soared. Before 1973, oil imports had accounted for 4 percent of Morocco's total import bill. By 1979, this share had jumped to 25 percent and its cost exceeded the earnings of the country's phosphate exports.²⁴

1979 also saw the advent of the first of a series of disastrous droughts which slashed Moroccan agricultural productivity and obliged it to import two million tons of wheat at a cost of \$400 million, which it could ill afford. The drought drew people off the land into large, overcrowded cities such as Rabat and Casablanca.²⁵ Unemployment and malnutrition were rife in these

²¹ Christian Science Monitor, June 8, 1978, p 4; June 9, 1978, p. 26.

²² Economist, October 27, 1979, p. 63; Foreign Report, August 1, 1979, p. 4-5; Congressional Record, Senate, June 4, 1979; p. 56852; and Washington Star, October 23, 1979.

²³ Ibid., October 29, 1979; Economist, March 31, 1979, p. 45.

²⁴ Ibid., June 2, 1979, p. 80; New York Times, August 20, 1979; November 12, 1979.

²⁵ Washington Post, October 29, 1979.

cities already and their high growth rate served to exacerbate an increasingly unbearable situation.

MAURITANIAN WITHDRAWAL

By June 1979, Mauritania had undergone several more changes in leadership. Colonel Ould Salek had been obliged to hand power over to Colonel Ahmed Ould Bouceif, who was killed in a plane crash after only seven weeks in office, to be replaced by Khouna Ould Haidallah. Polisario, worried by these developments, ended its ceasefire with Mauritania on July 11, 1979, and launched a major attack on Mauritania's forces in Western Sahara. The action had the desired effect and Nouakchott sued for peace. A peace treaty was signed in Algiers on August 5, 1979, whereby Mauritania abandoned all its claims to Western Sahara and recognized the SADR as the legitimate ruler of the country. Hassan, believing his options to be severely limited, withdrew his 6,000 troops from Nouakchott and moved his army southward into the former Mauritanian area, Tiris el Gharbia, proclaiming it a Moroccan province and occupying the capital, Dakhla.²⁶

INTERNATIONAL REPERCUSIONS

The move, though probably unavoidable in a military sense, cost Morocco more international support. In December 1979, an OAU-nominated group of heads of state met in the capital of Liberia, Monrovia, and passed a resolution on Western Sahara, calling for a ceasefire, the establishment of an OAU peacekeeping force and a popular referendum for the Sahrawi population. Morocco also was told to withdraw its troops from Tiris el Gharbia immediately, before a ceasefire even came into effect. King Hassan had not attended the meeting, claiming that the leaders of socialist Tanzania and Mali were partial to Polisario.²⁷ Nevertheless, the committee was influential and some more of Morocco's traditional Arab and African support fell away.

The United Nations, as usual, could be relied upon to go further than other international bodies. On November 2, 1979, the General Assembly's decolonization committee voted, 83 to 5, demanding Moroccan withdrawal from Western Sahara and recognizing the SADR as "the sole and legitimate representative of the people of Western Sahara."²⁸

However, certain subsequent developments were in Morocco's favor. In November 1979, the Royal Moroccan Army deployed the first of its 7,000-man mobile armored columns, named "Uhud."

²⁶ Strategic African Affairs, July 20, 1979, p. 1; Economist, August 18, 1979, p. 49; and Washington Post, August 14, 1979.

²⁷ Economist, December 15, 1979, p. 54.

²⁸ The Interdependent, December 1979, p. 3.

These armored columns were designed to operate in the perfect tank country of Western Sahara, conducting classic "search and destroy" missions against Polisario infiltrators, chasing them back to their bases in Algeria. "Uhud," acting in cooperation with OV-10 reconnaissance aircraft, was a major success and soon began to restrict Polisario's scope of operations.²⁹

On the international front, the death of President Boumedienne of Algeria could augur nothing but good for Rabat, particularly when Algeria's only political party, the National Liberation Front (FLN), chose Colonel Benjedid Chadli as his successor. Chadli, a compromise candidate between the party's ideological left and its more liberal wing, could be expected to moderate Boumedienne's rigid anti-Moroccan line. The continued strength of his rival on the left, Colonel Mohamed Yahiaoui, slowed the pace of change but, nevertheless, Chadli soon showed his cards by releasing the country's first president, Ben Bella, after fourteen years of house arrest. Chadli also cut the heavy income tax upon Algeria's small middle class and allowed those with money to buy their own houses.³⁰ He appeared to be a leader with whom Hassan might eventually be able to deal.

THE RELIGIOUS SITUATION AND THE U.S. PERSPECTIVE

One U.S. intelligence agency chose to ignore these developments and began to advise the White House in early 1980 that the Moroccan monarchy was doomed. Economic developments and the rising tide of Islamic fundamentalism supposedly would sweep away King Hassan just as they had swept away the Shah of Iran.³¹

Morocco indeed was faced with severe economic troubles as a result of the Western Sahara war, the drought, a high population growth rate and an unprecedented demographic shift to the cities but, nevertheless, Hassan could not be equated with the Shah. It was most unlikely that he would ever face the latter's religious problems, for King Hassan had always taken care to emphasize the religious basis of his rule. As the direct descendant of the Prophet Mohammed, Hassan claimed the title of Commander of the Faithful and seems to have been recognized as such by the bulk of the Moroccan populace. In 1980, Hassan's chief advisory body, besides the parliament, was a national council of Ulema, religious notables who coordinated religious and administrative affairs. Hassan even had based his claims to Western Sahara on religious grounds.³²

²⁹ Christian Science Monitor, December 5, 1979, p. 13.

³⁰ Economist, February 3, 1979, p. 39; November 24, 1979, p. 78.

³¹ Ibid., February 23, 1980, p. 43.

³² U.S. Department of Commerce, Public Information Office, September 1, 1980; Economist, February 23, 1980, p. 43; and Strategic Middle East and African Affairs, March 10, 1980, p. 2.

In the wake of the fall of the Shah, Washington understandably was quick to see Islamic fundamentalism everywhere. In their eagerness to seek out fundamentalism in Morocco, U.S. intelligence agencies missed two crucial observations: Hassan probably would not be troubled by a fundamentalist upsurge but his neighbor, Algeria, might have to face such an Islamic revival. Thus, a wave of Islamic fundamentalism might actually strengthen, rather than weaken, Morocco's position against Polisario.

Islam was the official state religion of Algeria but Boumediene's secularist approach to both domestic and foreign policy and his general unconcern for the living standard of the Algerian people provided fertile ground for the illegal Moslem Brotherhood, which began to thrive in the wake of the Iranian revolution. In addition, Algeria was plagued by minority questions. The country's Berber population was dissatisfied with Algiers' radical pan-Arab, anti-French stance, fearing that the Arabization of the country's educational system would leave them as second class citizens. Berber concern over these problems led to violence in Algiers University and widespread rioting in the coastal city of Tizi-Ouzou in April 1980.³³ Developments were beginning to suggest that Algeria might be compelled to put its own house in order before seeking to further its policies abroad.

POLISARIO'S DIFFICULTIES

In March 1981, the SADR celebrated the fifth anniversary of its founding. The parades and meetings were held in Tindouf in Algeria but the entire event actually was financed by Libya. Representatives of sympathetic states and other international observers watched a march-past of 2,000 men who were supported by tanks, armored personnel carriers and self-propelled guns.³⁴ However, this show of force belied the serious difficulties which Polisario now was facing. The Moroccan mobile columns had seriously restricted the movement's access to Western Sahara. In addition, in September 1980, Morocco had begun construction of a 400-mile, nine-foot wall stretching from Tan Tan, on the coast of southern Morocco, arcing inland and then curving back in a south-westerly direction to cover the phosphate mines at Bou Craa. Construction was completed in May 1981. The wall was covered with radar and sensor devices and strengthened with a series of mini-forts, some with tanks, others with artillery batteries. The wall was not an effective defensive barrier but it did act as an invaluable hindrance to Polisario's movements in and out of Western Sahara's most prosperous area, the "triangle utile" inside the wall, which contained Western Sahara's chief city, Al Aiun and the phosphate workings at Bou Craa.³⁵ Thus, Polisario

³³ Economist, May 3, 1980. p. 41.

³⁴ Ibid., March 7, 1981, p. 43.

³⁵ Washington Post, November 10, 1981; and Dr. Michael C. Dunn, "There is a New Armored War Being Fought," Defense & Foreign Affairs, January-February 1982, pp. 7-9.

was being denied access to its most valuable targets behind the wall, while being harassed by Moroccan armored columns outside it.

FURTHER DOMESTIC DETERIORATION

Morocco's military successes did not help it to deal with its domestic problems. Both the drought and the consequent migration to the cities continued. In 1981, the country's cereal harvest amounted to only 2.5 million tons, compared to national needs of 6.5 million tons. Morocco required substantial financial assistance from the International Monetary Fund to finance this adverse trade balance. In return for a loan of \$1.2 billion, the IMF demanded the curtailment of all Morocco's agricultural subsidies. The price of flour was raised by 40 percent, sugar by 38 percent and butter by 76 percent. Serious riots broke out in Casablanca when news of the price rises broke; at least sixty-six people died and over one hundred were injured. In face of this opposition, the government in Rabat was obliged to renege on its pledge to the IMF and reinstitute the subsidies.³⁶

Developments in neighboring Mauritania also threatened Morocco's chances of final victory. President Haidallah originally had refused to allow Polisario to use Mauritanian territory for its bases. However, he then blamed Senegal and Morocco for an attempted coup by two of his ex-army officers in April 1981. Haidallah promptly broke off all diplomatic relations with Morocco, sent his Prime Minister to Tripoli and announced that Libya's "cultural center" in Nouakchott would be allowed to reopen.³⁷ Haidallah's move was of momentous significance because, should Polisario be allowed to set up bases in Mauritania, it would be able to attack Western Sahara anywhere along Mauritania's 700-mile border with that country. The Moroccan armed forces estimated that they would need at least an additional eleven expensive armored columns to police this long border.³⁸

DIPLOMATIC MOVES

Morocco's domestic troubles and developments may have prompted Hassan to make his offer of a "limited referendum" for Western Sahara at the OAU annual assembly in Nairobi in June 1981. The offer was well timed. Certain elements within Polisario had been drifting away from Algeria towards Libya, a much more generous donor of arms and equipment. However, various OAU members who were favorable toward Polisario were suspicious of the Libyan connection. Qaddafi's meddling in Chad and his attempt to stir

³⁶ New African, August 1981, p. 24; Washington Post, August 25, 1981, November 12, 1981.

³⁷ Economist, May 30, 1981, p. 30; Washington Post, April 26, 1981.

³⁸ Ibid.

up rebellion in Tunisia had alienated several important OAU members. Even Algeria was suspicious, for though both countries theoretically were supporting Polisario, Algiers was angered by Qaddafi's claims upon Algerian territory and his supplying arms to Algeria's nomadic Touareg population. Chadli had even gone so far as to block the flow of Libyan arms to Polisario bases at Tindouf and Qaddafi was obliged to fly his gifts to airstrips in the Chegga region of northeastern Mauritania.³⁹

The OAU's change of heart is clearly demonstrated by the terms of the agreement which it proposed. Polisario had always demanded the complete withdrawal of all Moroccan troops and administrators from Western Sahara before peace talks could begin. In addition, it had asserted that between 750,000 and 1 million Sahwri people had the right to participate in a national referendum, regardless of whether they were located in Algerian refugee camps or in Western Sahara itself. The OAU substantially rejected all of Polisario's demands. The Sahwris in Algerian refugee camps were to be allowed to vote, but the OAU insisted upon using the 1974 Spanish census of Western Sahara, which had stated categorically that the territory had only 74,000 inhabitants. Only those Sahwris who had been registered in the census and who had attained the age of majority were to be allowed to vote. Some experts did accept Polisario's assertion that the 1974 census was at fault but very few would accept Polisario's second claim that there were as many as 1 million Sahwri refugees in Algerian refugee camps. Such inflated claims aroused suspicions that Polisario intended to manipulate Algeria's mass of refugees from drought-torn Mali and Niger for its own ends. The OAU effectively had denied Polisario that option. Furthermore, the Moroccan administration of Western Sahara would not be compelled to withdraw prior to the referendum and the Royal Moroccan Armed Forces simply would be confined to barracks for the course of the voting.⁴⁰

King Hassan probably would have been wise to accept the OAU's terms and proceed with the referendum. Certainly, the U.S. would have been happy to support him since it appeared to remove Morocco from danger of financial collapse. The visit to Morocco of Francis J. West, Jr., Assistant Secretary for Defense for International Security Affairs, and his clear determination to supply Morocco with sophisticated radar jamming and detection devices would boost Moroccan prestige in Western Sahara and increase the chances for a favorable outcome to the referendum.⁴¹

Moreover, general political circumstances favored the referendum. Algeria's objections to the OAU's proposals probably were pro forma; Chadli did not boast a sufficiently powerful political

³⁹ William H. Lewis, op. cit., pp. 410-413.

⁴⁰ Ibid.; Zartmann, op. cit.

⁴¹ Washington Post, November 10, 1981; New York Times, March 26, 1981.

base to repudiate fully the Boumedienne line. On the other hand, Chadli and his colleagues were much more concerned with Qaddafi's ambitions nearer to home than they were with Western Sahara. The world oil glut was biting deeply into the country's oil revenues, particularly because Algeria was one of the world's highest-priced producers. Moreover, the drought that was bedeviling Morocco now was devastating Algeria, to the point where the government in Algiers was asking for days of national prayer.⁴²

Algeria's developing social problems also were serving to restrain the FLN's more militant members. Student riots at the University of Annaba in November 1981 underscored the economic frustration of the young and their disappointment at Chadli's slow pace of reform. One month previously, the illegal Moslem Brotherhood had taken over a mosque in Laghouat, 250 miles south of Algiers, occasioning three days of anti-government riots in that city.⁴³

Ironically, even Libya was prepared to support a settlement pro tempore. Qaddafi was aware that he had gone too far in his expedition into Chad, that he had alienated many important figures within the OAU who were now pressing for a change of venue for the 1982 general assembly, which had been planned for Tripoli, the Libyan capital, under Qaddafi's chairmanship. In a bid to broaden his support and reconcile some of the more conservative leaders, Qaddafi downgraded his support for Polisario and announced his desire to reestablish relations with Morocco. Hassan promptly sent a close advisor to Tripoli and relations were resumed. It appeared that Hassan might be succeeding in his bid to isolate Polisario internationally.⁴⁴

The only serious opposition to the OAU's projected settlement came from Polisario and, surprisingly, from within Morocco. In the latter case, five members of the chief opposition party, the Socialist Union of Popular Forces, including Secretary General Abderrahim Bouabid, were arrested for making major public statements condemning Hassan's peace offer.⁴⁵ If nothing else, these arrests demonstrate that Hassan truly had the broad political backing which he claimed for his war in Western Sahara. Meanwhile, Polisario condemned the OAU peace plan as "a pernicious formula," but its diplomatic isolation rendered it impotent within the OAU. When Algeria, on behalf of Polisario, had tried to pass an amendment demanding the withdrawal of Moroccan troops prior to a referendum, it had been able to muster only 6 votes among the 50 member states. Moreover, Hassan's diplomatic coup had exacerbated a pre-existing schism within Polisario, between those who favored

⁴² Economist, December 12, 1981, p. 36.

⁴³ Washington Post, October 8, 1981; Economist, November 21, 1981, p. 49; and "Algeria's New Sultan," Current History, December 1981, pp. 418-421.

⁴⁴ Defense & Foreign Affairs, June 26, 1981.

⁴⁵ Africa Report, November-December 1981, p. 34.

cultivating relations with Libya and fighting on for total victory and those wishing to remain in the Algerian camp and settle for a compromise agreement on Western Sahara. Amnesty International had been aware of political tensions within Polisario for some time. Stories of forced labor camps and "disappearances" had leaked out of Tindouf from time to time. The exodus of different Polisario elements to Mauritania and to Europe lends credence to these stories. Polisario's Foreign Minister, Hakim Ibrahim, was obviously speaking for the Algerian side of the movement when he visited the U.N. in November and asked the U.S. to enter the scene and secure peace for Western Sahara, adding that Polisario's leaders intended to develop Western Sahara's phosphate reserves in cooperation with Morocco.⁴⁶

POLISARIO'S OFFENSIVE

The OAU's peace efforts were finally halted by a major Polisario attack on a Moroccan garrison, Guelta Zemmour, 135 miles southeast of El Aiun and outside the defensive perimeter. The attack, which may have been planned and launched entirely by Polisario's pro-Libyan element, appears to have been successful. The movement attacked the base with 3,000 men, destroyed a battalion's worth of Moroccan equipment, shot down five aircraft and inflicted heavy casualties. Morocco conceded defeat but then retook the base and declared that Polisario had been using Soviet T54 and T55 tanks and, more seriously, SAM-6 missiles, which could easily shoot down Morocco's F-5s but which would have required heavy transport and Palestinian, Cuban or East European crews. Observers visiting the battlefield did not accept all of Morocco's allegations but did concede that Polisario probably had access to the new Soviet heat-seeking SAM-9, since a Hercules C-130 had been shot down at 18,000 feet, out of range of the less sophisticated SAM-7. Morocco announced that the attack was evidence of a growing Communist bloc assault upon Rabat and that the attack had ended all negotiations, leaving Morocco with a free hand. Hassan demonstrated this one month later by allowing his aircraft to chase Polisario raiders back to their Mauritanian bases for the first time. Sadly, both the U.S. and the OAU failed to denounce Polisario's attack on Guelta Zemmour. Such a condemnation might have enabled Morocco to persist with the referendum without a significant loss of prestige.⁴⁷

In the midst of the debate over the implications of Guelta Zemmour, few commentators grasped the military significance of the battle, namely, that the war had undergone a major change of character. Polisario's guerrilla attacks had failed to dislodge

⁴⁶ Foreign Report, April 30, 1981, pp. 5-6; New York Times, November 23, 1981.

⁴⁷ Washington Post, October 22, 1981, November 5, 1981; Economist, October 24, 1981, p. 43.

Morocco from the Western Sahara and, in order to have impact and break off negotiations, Polisario had been obliged to abandon guerrilla tactics for classic military action. Polisario might have won a victory but its lack of heavy equipment, formal training facilities and a large population base meant that it had launched the war upon a course which it could not hope to win.

On January 8, 1982, Polisario again utilized the tactics of Guelta Zemmour, attacking a Moroccan base at Ras el Khanfra with 3,000 men supported by 24 tanks. The attack was a complete failure but was of particular note since Polisario had mobilized 20 percent of its total manpower in launching it.⁴⁸

U.S. REACTION

These attacks appear to have deepened Washington's concern over Morocco's security. U.S. Defense Secretary Caspar Weinberger visited Rabat in January 1982 to discuss developments with King Hassan. One month later, Secretary of State Alexander Haig also paid a visit to discuss the increase of U.S. military credits, then pegged at only \$34 million for FY 1982. Consequently, Rabat had been unable to accept the 106 M60 tanks which the U.S. offered in February 1982. The projected assistance total has since been raised to \$101,600,000 to mitigate Morocco's military and economic problems.⁴⁹ However, should the Reagan Administration's new foreign aid bill encounter serious opposition in Congress, assistance could be frozen at the 1982 level.

POLISARIO'S OAU INITIATIVE AND SUBSEQUENT ISOLATION

Developments since January 1982 confirm the belief that a settlement is still possible. Polisario did achieve a small diplomatic victory by securing OAU recognition as an independent state in February, but a careful examination of the proceedings prior to Polisario's admission suggest that the victory was more apparent than real. The conduct of the OAU's Secretary-General, Edem Kodjo of Togo, was particularly suspicious. He had surprised the member states by introducing the proposal to admit the Saharan Democratic Republic during a routine budget and finance meeting. Eighteen member states promptly left the meeting, rendering it inquorate.

Nevertheless, Kodjo insisted that the meeting had been quorate when it sat and that, therefore, the SADR was duly admitted. It subsequently transpired that Kodjo had acted without consulting the chairman of the OAU, Daniel arap Moi of Kenya, who declared the ploy "null and void." Kodjo was believed to have

⁴⁸ Financial Times of London, February 2, 1982.

⁴⁹ Washington Post, February 12, 1982.

acted in Polisario's behalf through a desire to curry secret favor with Libya and thus assure his re-election to the Secretary-Generalship when the OAU convenes in Tripoli later this year.

However, Kodjo's efforts to manipulate the OAU have raised emotions to an unexpected height; the eighteen member states who walked out have refused to abandon their stance against Polisario and have since been joined by another, Tunisia. They also may be joined by any or all of the undecided states, Egypt, Nigeria, Malawi and Mauritania. Kenya probably will choose to join the pro-Moroccan group when it regains its voting rights after the pending termination of arap Moi's chairmanship. Unless these dissenting states can be mollified, and a more mature approach to Western Sahara adopted, the OAU itself may fall apart. Thus, ironically, Polisario's attempts to subvert the OAU's recognition process has made the search for a settlement a true life-and-death issue for the organization's leadership.⁵⁰

Polisario's relations with Algeria have continued to deteriorate, as have Algeria's with Libya. The elections which Chadli has called for May 1982 probably will be used to purge Boumedienne-style hardliners from the candidate lists. Chadli, angered by Soviet delays in supplying spare parts, has begun to draw closer to Washington in the hope of buying U.S. arms. The recent sale of six Hercules C-130s, along with flight maintenance and training programs, may serve to encourage this tendency. Relations between Algiers and Tripoli now are particularly bad after Qaddafi's announcement in January that the two countries had agreed on "steps" towards founding a unified Islamic republic, a statement which Algeria hotly denied. French intelligence sources now report that Chadli actually is expelling pro-Libyan Polisario members from Tindouf, whence they move into Mauritania.⁵¹ Chadli's antipathy towards Libya, his general reluctance to become more deeply involved with Polisario and the fact that his country's revenues have been halved by the world oil glut all combine to suggest that Algeria will not raise any serious obstacles to a Western Sahara settlement.

Polisario is, of course, geographically isolated from Libya and consequently Qaddafi will encounter serious logistical difficulties if he wishes to assume Algeria's traditional role as Polisario's paymaster. In the event, Qaddafi probably will prove reluctant to take such a course for fear of imperilling his hold on the chairmanship of the OAU. The OAU, in its turn, will bring heavy pressure to bear on Polisario to accept a settlement in order to end the deadlock within the organization.

⁵⁰ New York Times, March 7, 1982; Foreign Report, March 4, 1982, p. 7; Strategy Week, March 8-14, 1982, p. 2; and New African, April 1982, p. 23.

⁵¹ Foreign Report, October 8, 1981, p. 1; April 1, 1982, p. 5; New York Times, January 26, 1982; and Wall Street Journal, January 19, 1982, p. 27.

CONCLUSION

The U.S. must act quickly to take advantage of Polisario's isolation and Libyan inactivity. A sincere diplomatic initiative could bring the war to an end and prevent the economic collapse of the Moroccan state. No other power can bring about peace negotiations. France's rapprochement with Algeria has made Rabat suspicious of its one-time ally. Moscow will be happy to contemplate the prolongation of the war, in the hope of witnessing the downfall of the current Moroccan government while safeguarding its investment in the country's phosphate resources.

Some groups within Congress doubtless will find the idea of the U.S. dealing with countries such as Algeria and bodies such as Polisario distasteful in the extreme. However, unless the U.S. is willing to expend huge sums, possibly as high as \$1 billion per annum, to upgrade the Royal Moroccan Army's equipment, finance Moroccan food and energy imports and pay for the everyday conduct of the war in Western Sahara, then the bitter pill must be swallowed. Morocco is a vital ally which must be preserved. If the U.S. is unwilling to pay the cost of that preservation, then it must take advantage of the prevailing circumstances to move to the negotiating table before the opportunity passes.

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Policy Analyst

APPENDIX I
International Economic Assistance to Morocco

Note that the United States definitely is not the primary supplier of aid to Morocco, despite the close political and strategic ties between the two countries. French assistance is almost 600 percent greater than that provided by the U.S. Granted, much French assistance goes to subsidize French exports, but this causes few worries in Rabat, which is in desperate need of those imports.

The assistance which the U.S. has directed towards Morocco, on the whole, has been dispensed wisely. The bulk of U.S. resources have been used to improve the country's dryland agricultural sector, a vital area of development, since only 17 percent of Morocco's land is cultivable without the application of dryland agricultural technology. If Morocco is to feed its rapidly expanding population, this area must be extended. However, it must be stressed that the U.S. program is modest and cannot hope to demonstrate any immediate notable effect, particularly since Morocco's drought is continuing. The country will continue to depend upon heavy food imports for the foreseeable future.

In October 1980, the International Monetary Fund approved a \$1.1 billion Extended Fund Facility credit to support a three-year program of major economic and financial adjustments, incorporating measures to restrict domestic and import demand, expand savings and exports and stimulate the private sector. The final success of this plan, now rescheduled to reach completion in 1985, will require a total of \$22 billion in Moroccan resources. Hence, Rabat will be obliged to engage in heavy borrowing on the commercial market. However, Morocco ran a trade deficit of \$2 billion in 1981 and the country's budgetary deficit is growing. Debt service now accounts for the earnings of 23 percent of Morocco's export earnings and foreign remittances. The latter category of earnings continues to decline steeply as the recession in Europe leads to the expulsion of Moroccan guest workers. As a result of all these factors, it appears unlikely that Morocco will attain its financial goals.

U.S. OVERSEAS LOANS AND GRANTS - OBLIGATIONS AND LOAN AUTHORIZATIONS
(U.S. Fiscal Years - Millions of Dollars)

ECONOMIC PROGRAMS OF ALL DONORS
(Millions of Dollars)

COUNTRY	PROGRAM	FOREIGN ASSISTANCE ACT PERIOD				TOTAL LOANS AND GRANTS 1948-80	REPAY. MENTS AND INTEREST 1948-80	TOTAL LESS REPAY. MENTS AND INTEREST 1948-80
		1970	1971	1972	1980			
		1977	1978	1979	1980			
MOROCCO	I. ECONOMIC ASSISTANCE - TOTAL	4.0	26.8	36.2	27.2	27.1	1006.4	690.1
	Loans	-	8.0	8.8	9.7	5.8	520.0	203.7
	Grants	4.0	18.8	27.4	17.5	21.3	486.4	486.4
	a. A.I.P. and Predecessor Agencies	0.5	2.1	10.0	4.1	9.1	401.0	171.8
	Loans	-	-	-	-	-	341.5	112.3
	Grants	0.5	2.1	10.0	4.1	9.1	59.5	59.5
	(Economic Support Fund)	-	-	-	-	-	71.1	-
	b. Food for Peace (PL 481)	2.8	23.1	24.5	20.9	15.7	581.7	494.6
	Loans	-	8.0	8.8	9.7	5.8	178.5	91.4
	Grants	2.8	15.1	15.7	11.2	9.9	403.2	403.2
	Title I - Total Sales Agreements	-	8.0	8.8	9.7	5.8	178.5	91.4
	Payable in U.S. Dollars - Loans	-	8.0	8.8	9.7	5.8	121.3	77.7
	Repayable in Foreign Currency - Planned for Country Use	-	-	-	-	-	51.2	13.7
	Title II - Total Grants	2.8	15.1	15.7	11.2	9.9	403.2	403.2
	Emerg. Relief, Econ. Develop. & World Food Program	-	-	-	-	-	185.5	185.5
Voluntary Relief Agencies	2.8	15.1	15.7	11.2	9.9	217.7	217.7	
c. Other Economic Assistance	0.7	1.6	1.7	2.2	2.3	23.7	23.7	
Loans	-	-	-	-	-	-	-	
Grants	0.7	1.6	1.7	2.2	2.3	23.7	23.7	
Peace Corps	0.7	1.6	1.7	2.2	2.3	23.7	23.7	
Narcotics	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	
II. MILITARY ASSISTANCE - TOTAL	0.2	30.8	44.2	46.1	25.9	316.3	189.3	
Credits or Loans	-	30.0	43.0	45.0	25.0	259.4	132.4	
Grants	0.2	0.8	1.2	1.1	0.9	56.9	56.9	
a. MAP Grants	0.2	-	-	-	-	29.6	29.6	
b. Credit Financing - FMS	-	30.0	43.0	45.0	25.0	259.4	132.4	
c. Military Assistance Service-Forfeited (MASF) Grants	-	0.8	1.2	1.1	0.9	15.4	15.4	
d. Transfers from Excess Stocks	-	-	-	-	-	11.9	11.9	
e. Other Grants	-	-	-	-	-	-	-	
III. TOTAL ECONOMIC AND MILITARY ASSISTANCE	4.2	57.6	80.4	73.3	53.0	1322.7	879.4	
Loans	-	38.0	51.8	54.7	30.8	779.4	336.1	
Grants	4.2	19.6	28.6	18.6	22.2	543.3	543.3	
Other U.S. Government Loans and Grants	6.4	24.1	-	7.8	10.5	188.3	188.3	
a. Export-Import Bank Loans	-	11.1	-	7.8	10.5	98.9	66.1	
b. All Other Loans	6.4	13.0	-	-	-	89.4	103.7	

• LESS THAN \$50,000. TQ - TRANSITIONAL QUARTER (7/1/76 - 9/30/76)

A. ASSISTANCE FROM INTERNATIONAL AGENCIES - COMMITMENTS

TOTAL	EY 1972	EY 1988	EY 1991	EY 1994-91
J&K	450.4	14.5	227.7	2013.7
IFC	467.0	146.1	303.0	1783.0
IDA	15.2	16.5	15.8	59.8
IOB	0.6	0.6	0.6	5.0
AUB	0.0	0.0	0.0	0.0
AFDI	0.0	0.0	0.0	0.0
UNDP	5.4	5.4	0.0	26.8
UTHP-UN	2.3	0.0	0.0	5.1
TEC	0.0	28.1	0.0	44.0

B. BILATERAL OFFICIAL DEVELOPMENT ASSISTANCE

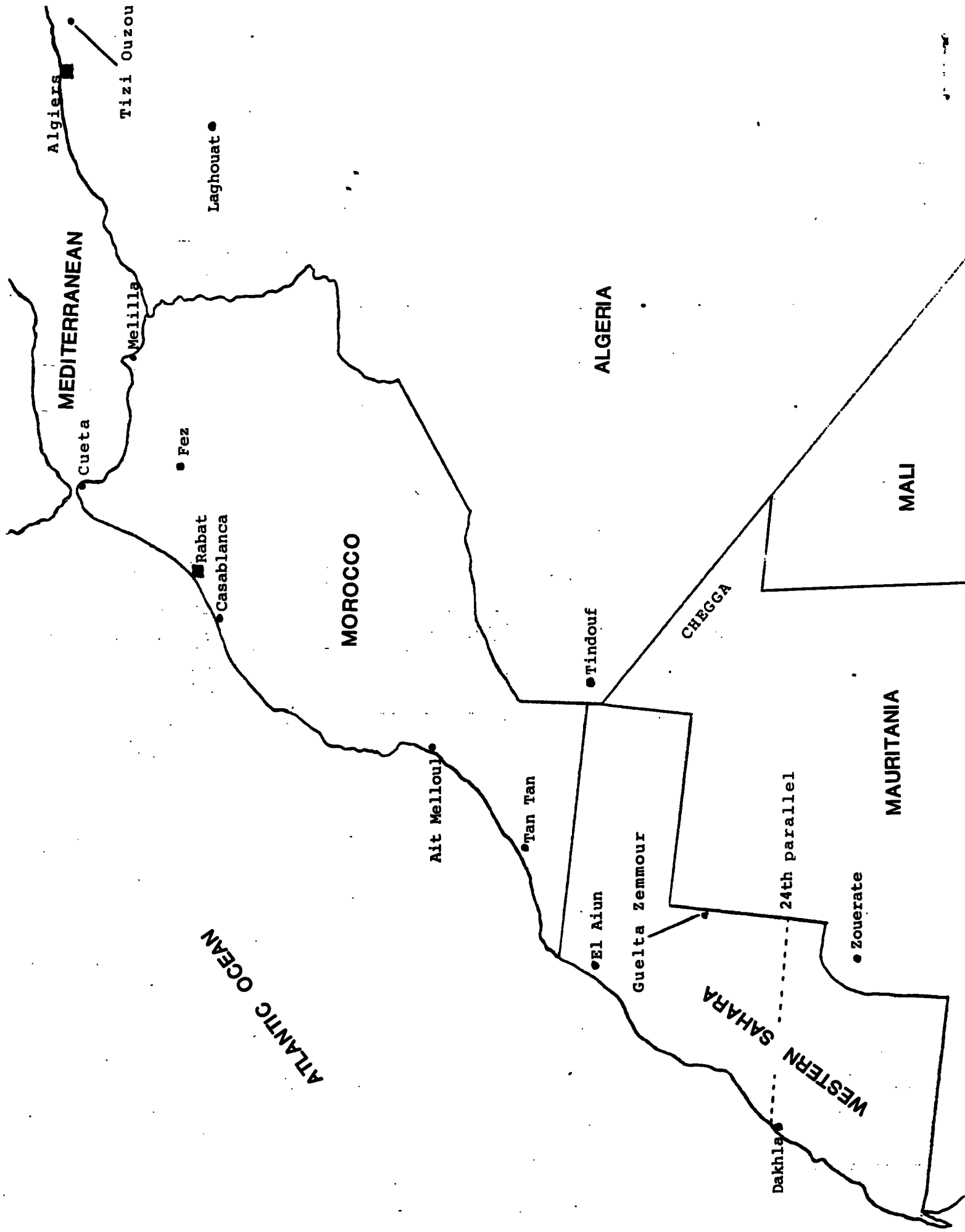
1. D.A.C. COUNTRIES (Gross Disbursements)	
Donor	EY 1978
TOTAL	195.4
U.S.	26.0
France	98.2
Germany	49.4
Belgium	15.6
Canada	1.5
Other	4.7

2. O.P.E.C. COUNTRIES (Gross Disbursements)

Donor	EY 1978	EY 1988	EY 1978-88
TOTAL	20.5	404.9	588.0
U.S.	20.5	404.9	588.0

C. LOANS AND GRANTS EXTENDED BY COMMUNIST COUNTRIES

TOTAL	EY 1978	EY 1988	EY 1978-88
USSR	-	-	2,325
Eastern Europe	-	-	2,100
China	-	-	170
			55



Algiers

Tizi Ouzou

Laghouat

MEDITERRANEAN

Melilla

Cueta

Fez

Rabat

Casablanca

MOROCCO

ALGERIA

Tindouf

CHEGGA

MALI

Ait Melloul

Tan Tan

El Aiun

Guelta Zemmour

24th parallel

MAURITANIA

Zouerate

ATLANTIC OCEAN

WESTERN SAHARA

Dakhla