Agrarian Capitalism and the Privatization of Collective Land in Morocco

By David Balgley University of Puget Sound

Abstract

The recent approval of Morocco's Employability and Land Compact — a bilateral agreement between the Government of Morocco and the Millennium Challenge Corporation — will convert collectively-managed land in the Gharb irrigated perimeter into private property. This article seeks to address how this new program is likely to affect contemporary agrarian structures in Morocco, and how these shifts will impact rights-holders to collective land as their land is converted into private property. I assert that this project is based upon a particular interpretation of neoliberal ideology that has promoted a capitalized, export-oriented agricultural sector at the expense of small farmers in the traditional sector. This ideology dates back to the colonial era, and has been continued by the current regime in order to forge ties with a class of agrarian capitalists and rural elites by providing economic benefits in exchange for political support. Furthermore, I argue that converting collective land into private property will strengthen agrarian capitalist structures, encourage concentration of land ownership, and enhance processes of proletarianization affecting rural populations, which will in turn increase pressures to diversify livelihood strategies beyond small-scale farming.

Introduction

Land ownership plays a significant role in the distribution of political, economic, and social power. In turn, land reform processes are shaped by existing power dynamics and hierarchies. This makes tenure structures, systems of land distribution, and the design of land reform a vital area of inquiry when looking at the transformation of agrarian systems. There has been considerable contention among scholars and development theorists on how land tenure should be reformed and how these changes impact different population groups. This article—based on a review of theoretical and context-specific literature and supplemented by fieldwork in June and July of 2015—assesses how Morocco's Land and Employability Compact with the Millennium Challenge Corporation is likely to affect contemporary agrarian structures in Morocco, and how these shifts will impact rights-holders to collective land as their land is converted into private property.

The Compact includes a project that will convert collectively-managed land within the irrigated Gharb perimeter in northwest Morocco into private property. This pilot project will initially only impact approximately 3% of Morocco's collective land, but will eventually be scaled up throughout the country. It is part of a larger series of neoliberal policies and programs designed by the Moroccan regime that have had a powerful role in creating an agrarian capitalist system. Since gaining independence, the government has promoted agricultural development policies that prioritize irrigated, export-

oriented large-scale farming operations, largely to the benefit of a class of rural notables and agrarian capitalists, whilst small farmers and the traditional farming sector have been largely ignored.² These policies of marketization and liberalization have provided economic benefits to elites that the regime depends upon for political support.³

In this article, I argue that by opening irrigated collective land to conventional land markets through privatization processes, the Compact will strengthen agrarian capitalist structures, promote land concentration, and encourage rural livelihood diversification. Agrarian elites who hold large amounts of liquid capital will be able to expand their holdings as legal barriers to purchasing irrigated collective land are eliminated. At the same time, rights-holders to collective land will be able to sell or rent the land to which they gain a title, as their land assets become unfrozen. This will allow them to diversify their livelihood strategies beyond agricultural pursuits. These livelihood shifts have been observed in other areas of Morocco, particularly from pastoralism to a combination of cultivation, wage labor, and migration abroad.4 Concentration of land ownership and the pre-eminence of large operations in the agricultural sector will make small farming increasingly untenable as a single livelihood option for rural populations.^{5,6} This could lead to the semi-proletarianization of small farmers, as wage labor takes an increasingly important position in the diverse portfolio of livelihood strategies that rural households are deciding upon.⁷

Colonial influence on the development of agrarian structures and policies

The French Protectorate, which lasted from 1912 to 1956, had a profound impact on the development of agrarian structures and policies in Morocco. In many ways, contemporary agricultural policies that promote mechanization, modernization, and privatization arose out of colonial policies. France developed a bifurcated agricultural system through expropriation of land, created a new class of rural notables who largely collaborated with the regime, developed hydro-projects and irrigated perimeters, and instigated the *Dahir* of 1919, a royal decree which continues to shape the administration of collective land to this day.

French agricultural policy in Morocco first encouraged production of wheat, and later high-value fruits and vegetables, to be exported to France.² In order to fulfill this policy, French colonists expropriated some of the most productive agricultural land in Morocco—approximately 1 million hectares, or 13% of Morocco's arable land.⁸ At the time of independence, 94% of this land was owned by only 2,600 European large landowners, and the average parcel size was 365 hectares.²

French colonists were not the only ones who expropriated land and created large landholdings. A new class of Moroccan rural elites also arose during the colonial period. Working closely with the French, they amassed approximately 1.6 million hectares of land with an average parcel size of 225 hectares. These rural elites occupied regional political positions in the colonial regime, and were often local notables who

used their power to accumulate land and other capital assets. 9,10 While some of these individuals were stripped of their positions and land after independence, many of them continued to be powerful actors in rural areas. 11,12

Another notable feature of the latter part of the colonial project was the emphasis on agricultural development through irrigation projects. Officials expected that investments made in the most productive land would generate taxes and rents that could pay off the cost of new infrastructure.² This policy tended to benefit large landowners, both Moroccans and Europeans, who already controlled the most productive agricultural land. 13 The colonial regime created the Office de l'Irrigation in 1941 and developed a plan to perennially irrigate 1 million hectares of agricultural land by the year 2000. This institution pioneered a development model in irrigated areas that continues to this day, characterized by centralized agricultural decision-making in government agencies and remembrement.² Remembrement is the process of dividing and reallocating irrigated land into a geometric landscape appropriate for capitalized irrigated agriculture. Decrees in 1951 and 1953 opened land within the irrigated perimeters to speculation, allowing for the development of further irrigated large-scale farming operations.²

The vast majority of Moroccans remained in the traditional sector during the colonial period, engaging in subsistence production on small, non-contiguous parcels of communally-owned land. ¹⁴ As land ownership became more concentrated, traditional landholdings shrank and rural peasants were pushed onto marginal land, which in the past had only been used for pastoralism.8 At the time of independence, over 60% of Moroccan land was owned by only 5-10% of Moroccan landowners, while 40% of the population had virtually no land.² This combination of land concentration and the growth of landless peasants contributed to the proletarianization of rural peasants and served as a basis for a new agrarian capitalist system.6

Agrarian capitalism is a mode of production distinguished by private ownership of the means of production for the purpose of selling agricultural commodities in a market system.¹⁵ The salient features of capitalist farms are the utilization of wage labor, integration with national and international markets, and for-profit production.¹⁶ Agrarian capitalists are the landed elite who controls the means of agricultural production, and they are frequently absentee landowners who live in urban areas while occupying a powerful role in rural power structures.¹³ This system contrasts with the traditional

sector in Morocco, which is characterized by small, non-contiguous parcels totaling 4 to 10 hectares, subsistence production using family labor, and communal ownership.⁸ Agrarian capitalism requires a pool of agricultural laborers—often peasants who are either supplementing their income or have lost their land.¹³

In order to address rural discontent arising from land expropriation, the colonial regime decided to delimit and insulate collective tribal land from land markets. To this end, the *Dahir* of 1919 was created – a royal decree that gave perpetual usage rights to the ethnic collective that inhabited a particular area of land at the time of the *Dahir*. This decree protected collective land from expropriation as it made it inalienable—that is, it was jointly owned by the collectivity as a whole and could not be sold to outsiders, with the exception of the state in the form of eminent domain policies. 9

Post-colonial agricultural development and the current situation of land

Many of the characteristics of the agricultural policies and systems of production created during the Protectorate period have continued in the post-colonial era. Morocco continues to exhibit a bifurcated agricultural system divided between the traditional sector and largescale capitalized operations, and agrarian elites persist as a significant interest group in rural power structures. In addition, the government has largely sustained policies that promote the development of irrigated areas, although the details of these programs have changed since the colonial period. This is seen by King Hassan II's announcement on January 8, 1969 that irrigating 1 million hectares was a national goal - an explicit continuation of colonial policies emphasizing irrigation development.19

Between 1956 and 1969, there was a series of administrative changes related to the management and development of irrigated areas, which largely continued colonial policies of centralized decisionmaking and state support for farmers in irrigated areas through the creation of cooperatives and contract-based farming.2 This resulted in the contemporary system, which divides each of the irrigated regions into separate administrative zones that are managed by an Office Régionale de Mise en Valeur Agricole (ORMVA) [Regional Office for Agricultural Development]. Currently, there are 9 ORMVA that are ostensibly under the administrative umbrella of the Ministry of Agriculture, although in practice they are largely autonomous due to their financial independence.^{2,20}

As aforementioned, collective land in

Morocco is governed by the *Dahir* of 1919, which dates back to the colonial period. However, with regard to collective land within irrigated perimeters, a major evolution of land governance occurred in 1969 in the form of a new Code des Investissements Agricoles [Agricultural Investment Codel and an accompanying law that was adopted in order to convert collective land in irrigation schemes into private property.²⁰ This was partially influenced by a World Bank report that recommended investment in irrigation infrastructure.21 This report also suggested measures to recoup excessive gains on government investment by large privately-owned farms; although this recommendation was echoed by several Moroccan government agencies, no such measures materialized.² The combination of national and international pressures resulted in the 1969 Code, which has guided Morocco's agricultural development policy through the latter half of the 20th century.

This new Agricultural Investment Code and its associated legal reforms had two main aspects. The first of these aimed to focus investment in the irrigated perimeters managed by the ORMVA. These agencies continued centralized production policies and were responsible for choosing crops and rotation cycles, developing agricultural and water usage techniques, and building infrastructure within their jurisdiction.²² The second main aspect of the reforms associated with the 1969 Code was a modest land reform project, which included the conversion of collective land into private property.²

The new law in 1969 that allowed for the conversion of collective land into private property reformed the Dahir of 1919, but was only applicable in irrigated perimeters. The conversion process began with the establishment of lists of rightsholders to a given ethnic collectivity's land, which was carried out asymmetrically based on customary eligibility criteria that was subject to internal power dynamics.23 This was followed by subdividing and individualizing plots based on remembrement procedures. However, implementation of this privatization procedure did not vield the expected results. Since 1969, no more than half of the collective areas have been delimited, and only a few were subdivided with individualized plots assigned to collectivity members. No comprehensive titling programs took place—by one account, only 46 titles were given out over the entire process.²⁰ The Government of Morocco identifies the major difficulties as: legal and technical issues related to the lack of clarity of the legal situation of collective land; lack of funds to implement division of lands; issues of coordination between government agencies and ministries that do not have clearly defined roles; and problems resolving inheritance and land disputes, due to issues with establishing lists of rights-holders in accordance with local customary law.²⁰

In 1999 and 2014 the government held a series of regional and national dialogues related to tenure shifts and general land issues with a variety of stakeholders, including local authorities, parliamentarians, public administrations, and representatives of ethnic collectivities. Two main points of view arose out of the 1994 discussions: the first recommended privatizing arable collective land used for agriculture and maintaining collective administration of rangeland and forests, while the second advocated for reforming the management and valuation of collective land through cooperatives and partnering with private investors, but rejected tenure conversion processes. None of the recommendations were implemented, resulting in increased disputes over land and a general worsening of the situation due to population growth and land scarcity.²⁰

A second round of dialogues was carried out in five regions of Morocco in 2014, and the majority view aligned with the first viewpoint of the 1994-95 discussions: privatizing agricultural collective land while maintaining the collective status of rangelands and forests. Furthermore, stakeholders agreed that periurban collective land should be managed as part of urban policy, and that changes to the administration of collective lands must be both inclusive and participatory. These dialogues were followed by a national conference on land in December 2015 marked by the publication and reading of a royal letter, which provided guidelines for the development of a national land strategy and action plan as well as the development of recommendations for reforming Morocco's land system. These recommendations included revising legal frameworks related to land, improving governance tools, reforming the land tax system, and improving land financing mechanisms.²⁰

While the privatization of all arable collective land continues to face legal barriers to conversion as a result of the *Dabir* of 1919, the 1969 reforms provide the government with a legal basis to begin privatization processes within irrigated areas.¹⁷ In essence, the recent Employability and Land Compact is designed to overcome problems that previous privatization projects faced while incorporating the recommendations of the regional dialogues and conferences. It will also serve as a pilot project that can demonstrate the economic benefits of tenure reforms while larger institutional structures are being reformed.

Contemporary land tenure institutions in Morocco

Today, Morocco divides land into five categories, which exhibit administrative plurality.²⁴ The two most prominent tenure systems for agricultural land are private property (melk) and collective tribal land held in trust by the state (soulaliyate). The other categories of land are religious land (habous), pre-Protectorate endowments grants to military supporters of the Sultan (guiche), and state-owned land, but these tenure institutions do not play a significant role in contemporary agriculture. Soulaliyate land, or collective land, is communallyowned by what the French Protectorate called "ethnic collectivities". This remains the official term for a tribal confederacy, although a clear definition of its meaning was never fully developed.25 It is important to recognize that an ethnic collectivity is a kinship group that holds usufruct rights to soulaliyate land and can be either Arab or Amazigh, the two dominant ethnic groups in Morocco. This paper focuses on melk and collective land, as together they make up more than 93% of all farmland in Morocco (see Figure 1).

partially explains the official registration policy. In interviews, both urban and rural landowners emphasized that they preferred *melk* as a tenure system, as it granted them the most control over decisions related to their land. *Melk* land can be sold or rented through market systems, and is inherited by the owner's descendants without interference from outside institutions.

In contrast, collective land is officially managed by the Ministry of the Interior on behalf of ethnic collectivities under the Dahir of 1919. The Dahir states that soulaliyate land is to be governed in accordance with local customary law.9 As a result, soulaliyate land exhibits highly asymmetric forms of administration that can vary widely, even within the same region.²⁸ Collective land makes up between 34% and 42% of total land in Morocco, although only approximately one-tenth of that is arable farmland.24 There are 4,600 recognized tribal confederacies in Morocco, each of which holds usufruct rights to their traditional lands.²⁹ These lands are administered by the Direction des Affaires Rurales (DAR) [Directorate of Rural Affairs], a department within the Ministry of the Interior.

Figure 1: Farmland by tenure status²⁶

Tenure Status	Hectares	% of Total
Private Property (Melk)	6,618,130	75.8%
Collective Land (Soulaliyate)	1,544,656	17.7%
Guiche	240,441	2.75%
State Land	270,153	3.09%
Endowments (Habous)	58,843	0.66%
Total	8,732,223	100%

One official at the Agence Nationale de la Conservation Foncière du Cadastre et de la Cartographie (ANCFCC) [National Agency of Land Cadastre and Cartography], a public institution jointly funded by the Ministry of Finance and the Ministry of Agriculture, reported that the official policy of the government is to privatize and title all land through registration with the ANCFCC.27 However, legal codes and historical dahir prohibit the other four types of land from being converted into melk, with few exceptions.28 This remains a major policy issue that needs to be addressed, and the Compact positions itself as the first step in a new registration process.

Melk is the sole category of land that is subject to official tax policy.²⁷ By increasing the amount of *melk* land, the government is concomitantly broadening its tax base, which

Each ethnic collectivity elects a naib (pl: nouab), a representative responsible for all contact with the DAR and who manages the land of their collectivity in accordance with customary law.30 Soulaliyates, or those who hold rights to collective land, reported that the *naib* was actually selected by a local council, rather than by an election within the ethnic collectivity. This council is largely made up of older men who exclude women and youth from decision-making power; institutional channels to replace naib do exist, but local power dynamics and social considerations often prevent these channels from being used.³⁰ This demonstrates the inequitable access to decision-making power that is the status-quo within ethnic collectivities, which allows council members and nouab to use their own interpretation of customary law for personal economic benefit.³¹

From my discussions with soulaliyates in the Middle Atlas, I found that there are two contemporary forms of managing collective land: delimitation of land based on historical usage and community discussions, and keeping land undivided for pastoralism or to lease out. The DAR supports formal delimitation and partitioning of land, and has in some cases provided boundary documents to rights-holders, although these documents are not equivalent to a land title.9,29 Delimitation makes collective land individualized and inheritable, although it can still only be sold within the collectivity through informal markets. The Ministry of the Interior encourages the rental of soulaliyate land, subject to the approval of the naib and Ministry officials through an opaque process that lacks accountability.11 The Ministry collects the rent generated by lease agreements, which is put into a fund to be used either in individual disbursements to those included on the lists of rights-holders or to fund a development project for the benefit of all soulaliyates.29 The combination of centralized bureaucratic control and local administration aligning with customary law contributes to a highly complex system of tenure practice that is often unintelligible to outsiders and incompatible with conventional land markets.32

Morocco's Employability and Land Compact

Morocco's Employability and Land Compact (hereafter referred to as "the Compact") is a bilateral agreement between the U.S. Government, acting through the Millennium Challenge Corporation (MCC), and the Kingdom of Morocco. It was signed into effect on September 17, 2015. The U.S. Government will provide \$450 million over five years to implement the outlined programs. The MCC is a U.S. foreign aid agency that aims to reduce poverty through investing in development projects in partnership with foreign governments, using a free-market approach. Article I of the Compact states its overarching goal: to reduce poverty in Morocco through economic growth. This objective consists of two projects: the Employability Project, which aims to increase access to workforce training and secondary education, and the Land Project, which seeks to increase land productivity by reducing barriers to investment through formal land markets.33 The Land Project is further divided into Rural Land Activity (on which this article focuses) and Industrial Land Activity.

In the case of rural land, the Compact focuses on *melkization* of collective land,

which is the process of converting soulaliyate land into melk, or private property. The Rural Land Activity will function as a pilot project to privatize 46,000 hectares of collective land in the ORMVA Gharb region of Morocco, in order to assess the effectiveness of registration strategies and their ability to be scaled up throughout all irrigated areas in Morocco. In addition to seeking to address productivity constraints, the Compact also identifies governance structures as forming a significant obstacle to investment and productivity increases in collective land. The Compact blames "the lack of a national land governance strategy, policy or sector-wide plan, poor coordination among government actors, and a legal-regulatory framework that is outdated or applied inconsistently" for creating barriers to productive investment in rural land.33

When addressing productivity issues in soulaliyate land, the Compact primarily focuses on tenure insecurity and its associated impact on investment, issues of co-ownership and fragmentation, difficulties in registering and titling collective land under the current system, and transaction obstacles in land markets. The Rural Land Activity seeks to rectify these problems through a new system of registering and titling soulaliyate land that will be developed over the first two years of the Compact, as the current system has proven inadequate due to high costs, administrative complexity, and legal barriers to registering collective land.³³ The Compact stipulates that fees and taxes related to registering land must not be an obstacle to the implementation of the outlined projects; the King's guidelines have stipulated that the process must be free for soulaliyate members. Following the two-year project development process, this new registration and titling program will be implemented during the latter three years of the MCC grant.²⁰

Although the new process of registration has not yet been fully developed, some details have been released by the Moroccan government. To alleviate potential economic losses to individuals who could lose access to land as a result of the registration process, officials are developing a livelihood restitution plan that will compensate those negatively impacted by this project. It will be based upon socio-economic surveys conducted prior to registration and delimitation.²⁰ Although co-ownership of plots is recognized as a significant obstacle to productive investment and interaction with conventional land markets, it will continue to be allowed following the registration process at the request of rights-holders. Past efforts to combat joint ownership have proven ineffective in Morocco, but the Ministry of Agriculture is in the process of developing a new approach that will compensate those who exit co-ownership.²⁰

The Compact will be implemented by the MCA-Morocco II, an independent agency of the Moroccan Government that will be led by a Board of Directors with representatives from both state ministries and civil society.³³ The MCC's review process estimates that the planned privatization of land in the Gharb region will affect 81,500 people, who are the rights-holders or family members of those who have rights to collective land in the region.³³ The Government of Morocco and the MCC recognize that the social and economic transformations that will accompany this shift in land tenure may negatively impact historically marginalized groups, especially women. As a result, a section was included in the Compact to signal their commitment to an inclusive reform process through engagement with civil society organizations and potential projects such as legal literacy assistance and inclusive outreach programs.²⁰ However, like many of the potential outlined projects in the Rural Land Activity, a lack of accompanying details or a firm commitment to implementing specific, targeted programs makes it difficult to assess whether such programs will, in fact, occur, and the extent to which they will have a distributional impact on the tenure reform process.

The implementation of this Compact will change the tenure system of collective land in the Gharb region, and this process will eventually be scaled up to cover the 320,000 hectares of identified irrigated collective land in Morocco.²⁰ In addition, the text of the Compact notes that this registration process could be scaled up to cover the approximately 2 million hectares of arable collective land in Morocco, once legal barriers to titling collective land have been addressed.³³ This will have a significant impact on the livelihoods of rural residents of collective areas, which the government estimates at approximately 10 million people, nearly one-third of Morocco's total population.²³

Proponents of privatization and theoretical critiques of market-oriented reform

Systems of land ownership, tenure structures, and related reform processes play a powerful role in shaping the distribution of political, economic, and social power, and are in turn shaped by existing power dynamics and hierarchies. As a result, agrarian systems are a vital area of inquiry for analyzing power structures and distributional relations in rural areas. The debate over agrarian reform was revitalized in the new millennium with the publication of Hernando de Soto's book, *The Mystery of Capital*, which broadly claims

that formalization of property rights and a subsequent creation of national property registers will reduce poverty by allowing informal assets owned by the rural poor to be brought into formal markets.³⁴ Mainstream economists, development policy makers, and international financial organizations are generally in favor of the formalization argument, while heterodox economists and interdisciplinary scholars are critical of it.³⁵

Scholars who subscribe to formalization model believe that it increases tenure security and prevents the need for property owners to spend scarce resources on unproductive investments to protect their property.36 Furthermore, they argue that tenure security invariably leads to greater productive investment as a result of increased credit access and increases market efficiency by lowering market transaction costs. Finally, and perhaps most significantly, these scholars have claimed that formalization of property rights will directly lead to a more equitable distribution of land, while also allocating land to the most productive users, resulting in economic growth. 37,38 This argument is predicated on the idea that small, owner-operated farms are more efficient and have better economic outcomes than largescale agriculture in development projects.³⁹ The policies and projects outlined in the Compact broadly fall within this framework, and much of the Moroccan government's development rhetoric aligns with ideas of economic liberalization.3

Critics of this approach have emphasized that proponents of formalization view land primarily as an economic resource and tend to ignore non-economic dimensions of land, such as identity construction, social relations, and political power. 40,41 Social factors can mitigate market-based land sales due to community solidarity and identification with a geographic location, but processes of agrarian transformation have the potential to either strengthen or erode community bonds.¹³ Another important critique is that titling programs produce asymmetrical benefits. Actors with economic capital, political connections, and more experience working with national institutions have disproportionately benefited from titling programs.42 Skeptics point to a process of "elite capture" in which large landowners and agrarian capitalists use their influence to shape reform programs for their own economic benefit. 43,44

Agrarian structures can be characterized by modes of production, social class relations, and land tenure institutions. Broadly, this categorization process divides agrarian structures into capitalist, semifeudal, communal, and socialist systems. ¹⁶ In Morocco, the primary agrarian systems are

communal and capitalist, and government policies and reforms have strengthened the capitalist system at the expense of the communal system by shifting the preferred mode of production and tenure structures.^{2,6} The growth of capitalist structures in the agrarian countryside contributes to the proletarianization of the rural population as wage labor becomes an increasingly important economic activity due to the dominance of the capitalized farming sector.6 By converting collective land into private property, the Compact will open up collective land in the Gharb region to market processes and shift modes of production, which will strengthen capitalist structures and stimulate processes of proletarianization.^{9,16}

Impact of privatization and titling on tenure security, investment, and credit access

The idea of formalizing customary tenure has shaped the development of Morocco's privatization project, as lists of customary rights-holders will be compiled to decide who will receive titles to collective land in the Gharb irrigated perimeter. However, this view is largely predicated on the assumption that tenure insecurity results purely from lack of formal recognition of private property rights. It is important to note that tenure insecurity can arise from a variety of sources, and policy solutions must be contextually tailored to address the relevant causes. Proponents of marketoriented reform processes have largely ignored these issues. 42

The assumed economic benefits of the Rural Land Activity are based upon the idea that tenure security and formal property rights incentivize productive investment in land and facilitate access to credit that can be used for investment by allowing land to be used as collateral.³³ There is a significant body of work that demonstrates the link between tenure security and productive investment, although the results of specific projects have varied based on context. 30,35,36,37 However, there is little evidence that titling projects increase access to credit for small landowners. 45 Studies have shown that medium and large landowners experience increased access to credit as a result of receiving land titles.⁴⁶ The literature presents three compelling explanations for this result. First, commercial banks will often only give preferential loans that use plots over a certain size as collateral, which marginalizes smallholders.41 Secondly, social norms can sanction those who use family or community land as collateral, as land can serve as an important marker of community identity.⁴⁰ Finally, microfinance institutions and informal loans can fill the credit gap for small landowners, which provides a disincentive to attempt to break into a formal credit market that has historically marginalized small farmers.⁴¹

The Rural Land Activity is working under the assumption that receiving a title provides greater access to credit, but the MCA-II recognizes that structural support will help beneficiaries break into formal credit markets. Farmers in irrigated collective areas have been able to acquire loans, but the terms have typically been prohibitive due to lack of usable collateral.²³ To provide structural support, the MCA-II is developing a partnership agreement with Crédit Agricole du Maroc (CAM), a bank that focuses on loans for agricultural development. This partnership will include mobilizing CAM agencies to provide funding for investment projects for the beneficiaries of the Rural Land Activity, grant technical support for farmers, and conduct outreach campaigns to ensure that farmers know about their credit options.²⁰ However, it is important to recognize that there may be a significant gap between the rhetoric of these projects and their outcomes. Agrarian capitalists have long been able to get preferential access to credit, and the government has promoted agricultural policies that subsidize loans for their operations. 13 This aligns with the regime's particular interpretation of neoliberalism that provides benefits to elites, and a lack of accountability will likely result in greater benefits for agrarian capitalists than small farmers in the ORMVA Gharb.

Legal and administrative implications of privatization

The privatization project outlined in the Compact will change the legal systems and administrative structures regulating collective land in the ORMVA Gharb irrigated perimeter. The shift from management by customary law to statutory law will alter administrative structures, with consequences for both local and national actors and institutions. It is important to detail how these shifts affect different actors involved in the management of collective land, as this will impact power dynamics and hierarchies that have a mutually constitutive arrangement with systems of land management.⁴⁷

Collective land is subject to legal pluralism – in terms of statutory law, it is regulated by the *Dahir* of 1919 and various attached reforms, most notably the legal change in 1969 regarding irrigated areas, as detailed earlier. This statutory law gives ethnic collectivities the right to manage their collective lands by customary law as defined by local councils and *nonab*, under the oversight of the Ministry of the Interior. The lack of codification of customary law has allowed it to be re-defined by local councils and *nonab*, who have historically re-allocated land to households based on the needs of their

members and ability to work given plots of land.¹⁴ While customary law continues to be dynamic, agricultural *soulaliyate* land is no longer re-allocated due to land scarcity and demarcation of household plots through formal and informal delimitation processes.¹⁷

The proposed melkization and titling process will shift administrative oversight of soulaliyate land in the Gharb irrigated perimeter from the Ministry of the Interior to the ORMVA Gharb, as part of the Ministry of Agriculture.2 According to one government official, the Ministry of the Interior welcomes this loss of management, as the drawbacks of administering collective land have far outweighed any benefits the Ministry has experienced.²³ Furthermore, once collective land formally becomes melk, it will no longer be regulated by customary law, and local councils will lose their ability to manage the land of their ethnic collectivity. Nevertheless, the councils will remain powerful actors throughout the implementation process, as they will have a significant role in deciding the criteria for rights-holders and establishing formal lists of beneficiaries to collective land in conjunction with the MCA-II.²⁰

In light of the literature on privatization projects in general, as well as studies of particular cases in Morocco, there are two significant outcomes that appear likely to occur as a result of legal and administrative changes. The first of these is cementing of ownership structures, as connected to the formalization process inherent in titling programs.48 While some of the collective land within irrigated areas has been delimited and subdivided through formal and informal means, this has not encompassed all such land within the ORMVA perimeters. 17,20 Through remembrement and allocative processes, the Compact will erase the historically dynamic nature of customary allocative mechanisms and could comprehensively exclude those who had informal access to land as the system shifts to an explicit private property regime.⁴⁹

A second notable outcome will be to reduce legal and administrative barriers to transferring land in irrigated areas through conventional land markets. 20,33 The conversion of collective land into *melk* removes legal barriers that in the past have prevented *soulaliyate* land from interacting with conventional land markets. There are contentious debates among scholars of land privatization about the outcomes of market-based allocation of land; various case studies have shown differing impacts as a result of asymmetric reform processes, agrarian structures, and the relative power of different vested interests. 5,36,41,42,45

Market-based allocation and land concentration

The Compact explicitly states that "the Land Strategy will be market-oriented."33 This comes as no surprise, as it is well-recognized that the policies of major development organizations have largely worked under a liberal economic framework that promotes market processes. 50,51 With the conversion of collective land into melk, the beneficiaries of the project will be able to sell and lease the land they have a title to within the irrigated perimeter through formal market systems. While some constraints will remain due to ORMVA policies, the most significant legal barriers to transferring land through market systems will be alleviated through the privatization process.²⁰

Proponents of marketization argue that markets are the most efficient institution to allocate land to the most productive users with the fewest transaction costs, in the absence of market imperfections such as information asymmetries, governmentmandated land ceilings, and insecure property rights.37,44 However, even scholars working under this framework acknowledge that in many areas of the developing world where market-oriented reform projects are carried out, there is a lack of good governance, institutional capacity to protect property rights, or systems in place that prevent information asymmetries.36 Nevertheless, those who work under this framework still believe that the market is the best institution to allocate land and reforms can be designed to fix market imperfections.⁴³

There are a number of critiques of market-led reform projects that are relevant to the Compact's proposed privatization scheme. First, critics accuse proponents of marketization of ignoring historical power imbalances that have shaped the development of contemporary land ownership structures.⁵ Markets are embedded institutions constructed through social and political processes and embody societal power hierarchies.⁵² Holders of liquid capital have increased power in market systems, as they have the disposable income to make productive investments.40 We can certainly see this in the development of an agrarian capitalist class during the colonial period; their wealth makes them the primary group with the capital to invest in technology, agricultural inputs, and land, which gives them more power in land markets than small farmers.^{6,13}

A second critique of market-led land reform is its potential to concentrate land ownership. 41,43 This is a concern for both proponents and critics of liberalization and market processes, as there is evidence that small farmers are the most productive users of agricultural land. 39 Land concentration

has been a continuing characteristic in Morocco's land system since the colonial era; at the time of independence, some 500,000 rural Moroccan households were virtually landless.19 Furthermore, approximately 500,000 small farmers disappeared between the General Agricultural Census of 1974 and 1996.1 With regard to irrigated land, 4% of farmers own half of all irrigated land in Morocco.6 One report noted that between 1965 and 1970, some 12,000 peasants became landless in the Gharb valley while 100 new capitalist landowners appeared.6 This process is driven by a combination of population growth, land scarcity, rural out-migration, and agricultural policies that promote consolidation and prioritize large land-holdings. 2,9,50

Land concentration and consolidation are also tied to distress sales. Critics of formalizing property rights note that removing barriers to land markets allows those in economic distress to sell their land in order to quickly raise funds.⁴¹ This has historically been most notably seen in Morocco during times of drought, when small-farmer agriculture becomes untenable as a livelihood strategy.2 In addition, the Gharb region could be particularly susceptible to distress sales, as the poverty level in the region was 20.5% in 2008, compared to the national average of 14%. 13 However, the corollary argument is that selling part or all of a plot of land can raise capital to invest in alternative income-generating activities. Some rights-holders in the Gharb region report that farming alone cannot support them, and that they would use capital to invest in other livelihood strategies.13

In formal market systems, only large- or medium-sized landowners have the capital to invest in acquiring more land once legal barriers to market transactions are removed. 43 This is further compounded by the greater ability of large landowners to access credit. as detailed above. Land concentration will enhance the relative stature of the modern agricultural sector, which will in turn strengthen agrarian capitalist structures in the rural countryside. At the same time, this will increase the market for agricultural wage labor, as the agrarian capitalist class are largely absentee landowners and use wage labor to work their operations.¹³ The potential increase in the rural landless population would coincide with an increased demand for agricultural labor, allowing for livelihood transformation.^{6,7} In this way, the growth of capitalized agriculture will create space to incorporate some of those displaced by its very expansion.

It is important to recognize that this is not a monolithic process, nor is it a simple matter of an agrarian capitalist class

gaining economic power at the expense of rural farmers in the traditional sector. Small-holder farming continues to play an important role in many regions of Morocco, especially outside of irrigated perimeters where collective land is still managed by the Dahir of 1919. Approximately half of Morocco's population is employed, formally or informally, in the agricultural sector.24 Furthermore, there is increasing evidence that small-holders are diversifying their livelihood strategies. In pastoral areas in eastern Morocco, sedentarization is occurring and members of ethnic collectivities are claiming land for agriculture, but this process is not an elite phenomenon nor has it eliminated the importance of the livestock economy. 18 In the southeastern steppes, research shows that land-use change related to commercial agriculture is integrated with non-capitalist processes and that households are increasingly diversifying their livelihood strategies while maintaining historical practices of peasant farming.4,31

Political considerations and elite capture of reform benefits

The current Moroccan regime has had a mutually beneficial relationship with landowning rural elites, who have supported the monarchy in exchange for patronage.³ A common theme in the literature on tenure reform is the role that elites have played in shaping institutional change for their own benefit, as well as mitigating reform processes that would weaken their power.^{5,35,44} This has certainly played out in Morocco in past privatization schemes and will likely continue to shape reform processes throughout the Compact's implementation.⁵³

The Moroccan government undertook some land reform in the late 1950s and early 1960s, when it nationalized colonized land.² However, much of the land that was supposed to be nationalized was illegally sold by former colonists to Moroccan elites.⁶ Nearly two-thirds of all former colonized land went to these elites: 410,000 hectares were sold directly by French owners, with another 163,000 hectares sold to elites through a privatization scheme in the 1980s.² The concession of nationalized land to private interests can be interpreted as a continuation of the systems of patronage that date back to pre-Protectorate political regimes.1 It has contributed to the development of an agrarian capitalist system and co-opted agrarian elites for political support.9

Land speculation is one area where political connections have assisted Moroccan elites in capturing economic benefits from irrigation schemes. Given that land improved by irrigation rises enormously in value, those who purchase land within an irrigation

perimeter prior to the project announcement or implementation can gain significantly on their initial investment. In certain cases, advance information about future irrigation projects was allegedly leaked to some individuals; in the Souss region, three individuals purchased 40% of land that was to be irrigated by the Massa Dam prior to its construction.^{2,54} Political connections can help elites take advantage of infrastructure projects as well as reform processes for their own economic benefit through access to information that is not publicly available.³⁵

While it is difficult to identify the extent to which the 2011-2012 protests contributed to or played into the timing of the Compact, it is clear that the regime has deployed rhetorical strategies to emphasize that the projects outlined in the Compact will provide economic benefits for small farmers in the Gharb irrigated perimeter.²³ In this way, the privatization of collective land will serve the interests of the regime in placating both agrarian capitalists and small farmers. All of the soulaliyates whom I interviewed were in support of privatization, although there were concerns about how it would be implemented. These concerns were primarily raised by widows and divorced women, who stood to comprehensively lose access to land as a result of privatization that aligned with

The specter of agrarian reform remains a potent political tool for the Moroccan state, both rhetorically for public consumption as well as practically within the elite political sphere. For the rural poor and the political left, reform serves as a promise for greater equity; for the regime, it is a useful threat against the landholding elite in order to ensure their loyalty.² As a whole, this has worked out to the benefit of agrarian elites at both local and national levels, who have been able to leverage the regime's need for support in order to gain economic benefits, particularly in the accumulation of large landholdings and the development of policies aimed at promoting their large-scale capitalized agricultural operations.^{1,13}

Conclusion

The Rural Land Activity included in Morocco's Employability and Land Compact with the MCC will only directly impact a relatively small area of collective land in Morocco through a privatization process that will give titles to collective rights-holders. However, it can be placed within a longer history of agricultural policies that have been structured according to neoliberal ideas that emphasize liberalization and marketization and focus on issues of modernization, economic productivity, and allocative efficiency. Historically, the benefits of these policies have accrued to agrarian capitalists

who dominate the modern agricultural sector, while the traditional sector has largely been ignored or subsumed by these policies. Although many of the specific details of the projects outlined in the Compact are still being designed by the Government of Morocco in conjunction with the MCC, we can situate some potential outcomes of the proposed privatization of collective land in the Gharb irrigated perimeter within larger processes of agrarian transformation that are occurring in the Moroccan countryside.

First, the modern agricultural sector will continue to grow, as ORMVA institutions will focus on modernizing farms on collective land as part of the privatization process. This will include technical training and support from the Office National du Conseil Agricole through a partnership agreement with the MCA-II, encouraging soulaliyate farmers to shift from cereal production to fruit plantations and organizing farmers to negotiate with large-scale distributors, further connecting them with capitalized networks.²⁰ This is aimed at increasing the productivity of these plots and supporting productive investment in order to increase farmer incomes. However, the shift from cereals to fruit cultivation will further decrease the availability of subsistence agricultural goods in a country that is already food insecure.¹¹

Second, the removal of legal barriers to marketization of collective land in the Gharb region will allow for land concentration, though it does not make it inevitable. The privatization and titling process will greatly increase the value of collective land within the irrigated perimeter, which could encourage small farmers to sell or rent their land to larger operations that are run by agrarian capitalists, which has already been documented as a trend in the region.¹³ The extent to which land consolidation and concentration occurs within the Gharb in the post-reform process will be an important area of research in order to assess how this privatization process has shifted control over the land, and whether it will continue to be farmed and owned by the same population.

Finally, as the modern sector increases in prominence, small-holder subsistence farming is becoming increasingly untenable as the sole livelihood strategy for the rural population.⁵ While this does not necessarily mean that small rural landowners will sell their land and move to cities or completely shift to wage labor, we can see that livelihood transformations are occurring in various rural areas in Morocco. The greater importance of wage labor, particularly in agriculture, will continue to be seen as large operations expand and seek to increase their labor pool. Small rental arrangements, remittances, and mixed pastoral and agricultural livelihood

strategies are playing an increasingly important role in the livelihoods of the rural population, although small farming continues to be a significant occupation.¹³

These dynamics are playing out asymmetrically across Morocco, but shifts in land usage can be seen in many areas, particularly as population growth leads to increasing land scarcity. Socio-economic surveys and follow-up field research will help assess the extent to which this privatization project increases the role of agrarian capitalist systems in formerly collective land within irrigated perimeters by concentrating land ownership and stimulating a diversification of livelihood strategies. The history of agricultural policies favoring large operations makes it clear that capitalist structures are continuing to gain influence in Morocco's agrarian system, and that shifting systems of land tenure play a powerful role in shaping ownership structures and the tenable livelihood options of the rural population. This will have a profound effect on the future of rural Morocco, as it appears that many of benefits of agrarian transformation are accruing to agrarian capitalists, at the expense of small rural farmers.

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