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Economic Policies in Spanish Morocco and the Case of the Electric Cooperative: A Venture for a Nationalistic Strategy*

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ABSTRACT

When the Treaty of Fez between the Makhzen (the Moroccan polity) and France was signed in 1912, Spain obtained its "Zone of influence" in northern Morocco. Like other European colonial powers, Spain resorted to using intermediaries to impose and strengthen its rule. In the city of Tetouan, the capital of the Spanish Zone, the administrative and political elite became the most suitable political intermediaries of the Spanish colonial administration. As an analytical and methodological category, intermediation reflects the subjectivity of the colonised in relation to the colonisers. This approach provides the framework for a historiographical interpretation focusing specifically on the political autonomy that colonial subjects obtained and enjoyed in the interstices of the colonial system. This paper deals with the case study of the Spanish-Moroccan Industrial (or Electric) Cooperative (*Cooperativa Industrial Hispano-Marroqui*), which was founded in 1928 in Tetouan thanks to Spanish, Jewish and Muslim shareholders. Given the broader framework of Spanish colonial economic policies in Morocco, the present study intends to demonstrate how the Cooperative acted as a financing instrument for al-İslâḥ, the first Moroccan nationalist party, which was founded in Tetouan in 1936. The paper investigates the role that this economic venture played in developing the Moroccan nationalist movement and demonstrates that there was interplay between the economic and the political process of Morocco's transition to independence.

* This article is the result of joint research and study by the two authors, Antonio M. Morone wrote the introduction and the first section, while Federica Ferrero wrote the second section and the conclusions.

Spain is often evoked as one of the great imperial powers in world history: the rise of the Spanish Empire with the conquests of the 16th and 17th centuries and its subsequent decline, until the loss of the last important American and Philippine possessions in 1898 following the Spanish-American War. Much less known or studied is Spain's Africanist policy at the beginning of the 20th century, participating in the final stages of the Scramble for Africa in an effort to regain the status of imperial power with a new era of overseas dominion. The ultimate achievements of this "revanchist colonialism" certainly fell short of expectations and Spain had to settle for a handful of scattered new colonies:¹ the island of Fernando Póo and the enclave of Río Muní in West Africa; the Spanish Sahara, which included the enclave of Santa Cruz de la Mar Pequeña (today Sidi Ifni); and the Spanish Protectorate over the northern provinces and southern strip of what is now the Moroccan Kingdom. In 1912, the Treaty of Fez officially sanctioned the partition between France and Spain of the territory of the Makhzen (the polity that had been emerging around the Alawite Sherifian dynasty since the 17th century), while leaving the port city of Tangier under broader international control. In the Franco-Spanish Treaty of 1902, Spain had also claimed the occupation of Fez, but its rule was ultimately restricted to the northern provinces of the country, with Tetouan as the capital of the Spanish Zone of influence in a protectorate in which France played the main role. If Spain managed to play any role at all in Morocco, this was thanks to support from Britain, which – by limiting French expansion and preserving the international regime of Tangier – sought to secure access and transit across the Mediterranean. On the eve of this new colonial era, the freedom of trade invoked by Europeans as a prerequisite to the modernisation of Morocco was actually the premise for the colonial partition and conquest of the Makhzen. At the beginning of the 19th century, the Moroccan trading system operated under a monopoly regime, and every transaction with foreign

¹ G.P. Calchi Novati, "La nazione senza l'Africa: La difficile decolonizzazione dei possedimenti spagnoli", in *Spagna contemporanea*, no. 22, XI, 2002, p. 68.

countries had to be authorised, case by case, by the Sultan. European interference, which increased during the second half of the century, gradually opened the Moroccan market to foreign investment, which favoured European economic penetration, as well as Moroccan indebtedness and consequent colonial occupation.

While competing with France for influence over Morocco, it was precisely from the “French model” that Spain drew constant inspiration for the administrative and political organisation of its colony.² Repeated changes of regime in Spain itself – the monarchy of Alfonso XIII (1902-1923), the dictatorship of General Primo de Rivera (1923-1930), the Second Republic (1931-1936), the Civil War (1936-1939) and finally the Franco regime (1939-1975) – and an uncertain colonial policy in Morocco represented two sides of a single colonialist reality, highlighting the strict limits of Spanish colonialism in Africa by comparison with the bygone empire in the Americas. From a quantitative perspective, the gap between the old and new empire was evident. For example, in 1880 Spain had occupied 50% of the world’s colonised land area (ca. 6 million square kilometres), but by the eve of the defeat in 1898 this percentage had dropped to 1.7%, and in 1913, a year after the Treaty of Fez, to 0.6%. The population subject to Spanish rule contracted from nearly 19 million in the 18th century to 8 million in 1880 and under 900,000 in 1913, or 0.2% of the total world population subject to colonial rule.³

After the defeat of 1898, the intellectual and political lobby known as *Africanismo* argued for the supposed economic advantages of the occupation of Morocco. Within this lobby, one could distinguish between two schools: the neo-colonialists, who considered Morocco to be the opportunity to restore Spain to its former glory, and the conservative nationalists, linked to the Spanish Church and

² J.L. Mateo Dieste, J.L. Villanova, “Les interveniores du protectorat espagnol au Maroc. Contextes de production d’une connaissance politique des cabilas”, in *Cahiers d’Études Africaines*, vol. LIII, no. 3, 211, 2013, p. 597.

³ A. Carreras, X. Tafunell (ed.), *Estadísticas históricas de España, siglos XIX-XX*, vol. I, Bilbao, 1989, p. 19.

serving as the precursor to Francoist colonialism.⁴ The reality was far different from the colonialist propaganda, however. Despite attempts to include industrial and financial capital in the colonial effort, the cost of colonising Morocco fell mostly on the Spanish State,⁵ since in most economic sectors public expenditure was greater than the profits from investment. One of the very few exceptions was the mining industry in the Rif region, which provided constant and significant profit and was the first capitalist enterprise in Morocco.⁶ To understand the limitations of Spain's economic action in Morocco, one must consider its tardy industrial development, which was favoured by the return of capital from the Americas after 1898, and the impact of the world Depression after 1929. Despite the substantial efforts of Primo de Rivera to restructure the Spanish economy during his dictatorship, at its end in 1930 the industrial sector employed only 20% of the labour force, while agriculture and mining "underemployed" something like 60%.⁷ Thus, it is no coincidence that Spanish colonialism in Morocco – at least until the 1950s – promoted above all the mining and agricultural sectors. In summary, Spain invested substantial resources in Morocco with no significant return, even though the trade balance went into surplus after the 1940s and so cut the losses. Meanwhile, the individuals and groups of Spaniards and Moroccans who interacted successfully with the colonial power did manage to reap considerable profits from the economic colonial endeavour.

⁴ A. Bermudez Mombiela, "España y Marruecos tras el desastre del 98: El nuevo colonialismo africano y sus intereses económicos", in P. Folguera, J.C. Pereira Castañares, C. García García, J. Izquierdo Martín, R. Pallol Trigueros, R. Sánchez García, C. Sanz Díaz, P. Toboso Sánchez (eds.), *Pensar con la historia desde el siglo XXI: Actas del XII Congreso de la Asociación de Historia Contemporánea*, Madrid, 2015, p. 2490.

⁵ Ivi, p. 2502.

⁶ M.R. De Madariaga, "Melilla y la fiebre minera en el primer cuarto del siglo XX", in *Revista del Centro Asociado a la UNED de Melilla*, no. 19, 1992; V. Moga Romero, *Un siglo de hierro en las minas del Rif. Crónica social y económica (1907-1985)*, Melilla, 2010; V. Morales Lezcano, "Las minas del Rif y el capital financiero español (1898-1927)", in *Moneda y crédito*, no. 135, 1975; J. Paniagua, "La introducción del capitalismo en Marruecos: El caso de la fosforera marroquí", in C.A.G., no. 20, 2015, p. 210.

⁷ G. Hermet, *Storia della Spagna del Novecento*, Bologna, 1999, p. 30.

This article discusses Spain's economic policies in Morocco, in order to conceptualise the social groups that benefited from them, whether Spanish or Moroccan. Apart from personal legal status, wealthy people on both sides of colonial society were protagonists in the dynamics of social change and intermediation. While all colonial subjects were in a subaltern position in relation to the colonisers, they did not all suffer the same level of subjugation. In other words, not all intermediaries were the same. The ability to interact and intermediate with their colonial masters produced a hierarchy that became visible and real through certain economic and social advantages. This applied, for instance, to colonial auxiliaries such as colonial soldiers, chiefs and servants of the administration, or *protégés*, who were considered functional to the creation of a comprador bourgeoisie under the colonial occupation.⁸ The case of the colonial soldiers was significant owing both to the large-scale recruitment of Moroccans by the Spanish army (nearly 70,000 men) and for the cascade of benefits that their salaries produced for their families and, ultimately, for a significant portion of Moroccan society.⁹ While the intermediation of these auxiliary groups is unsurprising, given the logic of power in colonial society, we cannot assume that Moroccan nationalists could take advantage of bargaining with the Spanish power to obtain economic and political benefits through involvement in Spanish economic plans. The story of the Spanish-Moroccan Industrial (or Electric) Cooperative (*Cooperativa Industrial o Eléctrica Hispano-Marroquí - CIHM*), founded in Tetouan in 1928, shows how the economic processes triggered by colonialism could be bent for political purposes that were functional to the colonised subjects and their nationalist project. Furthermore, the progressive organisation of the Cooperative reveals how the nationalist plans evolved from reformism to a full-fledged movement for independence.

⁸ Mohammed Kenbib, *Les protégés. Contribution à l'histoire contemporaine du Maroc*, Rabat, 1996, p. 339.

⁹ J.A. Salueña, "La economía del Protectorado durante la Guerra Civil", in *Revista de Estudios Internacionales Mediterráneos*, no. 3, September-December 2007, p. 12.

Spanish economic policies in Morocco

The macroeconomic data on the Moroccan economy under colonial rule make it evident that Spain financed its colony at a loss, both via direct investment through the *Hacienda Española* (the Spanish Treasury Ministry) and indirectly, making up the annual deficit of the *Hacienda del Protectorado* (the Treasury of the colonial administration). From 1912 until the Spanish Civil War, the *Hacienda Española* spent between 3% and 10% of its total budget in Morocco, and the payments to make good *Hacienda del Protectorado*'s debt came to between 50% and 60% of the total colonial budget.¹⁰ At the end of the Civil War in 1939, the regular budget allocation of the *Hacienda Española* remained virtually unchanged, while the contribution to the *Hacienda del Protectorado* fell to between 20% and 30%.¹¹ However, in varying proportions over time, "the Spanish Hacienda paid indirectly for Spanish exports to its own Protectorate."¹² Yet with no protective tariffs, Morocco was far from constituting a privileged market for the products of the mother country, and its economy was "oriented towards supplying the metropolis with raw materials rather than developing productive industry for the needs of the indigenous population."¹³ The protectorate therefore ran a "permanent trade deficit" as a consequence of the international agreements at the Algeciras Conference in 1906 to guarantee free trade.¹⁴ In short, Spanish companies could not compete with French, English or even Italian firms.

The Spanish Civil War produced a change "in the trade balance compared to the previous period; [...] and Spain became the leading

¹⁰ F. Carnero Lorenzo, "Algunos aspectos de la economía del Protectorado Español en Marruecos", in P. Folguera, J.C. Pereira Castañares, C. García García, J. Izquierdo Martín, R. Pallol Trigueros, R. Sánchez García, C. Sanz Díaz, P. Toboso Sánchez (eds.), *Pensar con la historia desde el siglo XXI: Actas del XII Congreso de la Asociación de Historia Contemporánea*, Madrid, 2015, p. 2420.

¹¹ Ivi, p. 2427.

¹² J.A. Salueña, "La economía del Protectorado durante la Guerra Civil", p. 9.

¹³ Mohameed Kably, *Histoire du Maroc. Rèactualisation et synthèse*, Rabat, 2011, p. 587.

¹⁴ J.A. Salueña, "La economía del Protectorado durante la Guerra Civil", p. 5.

customer and supplier” of its Moroccan Zone.¹⁵ A considerable portion of mainland Spain’s productive agricultural land was under Francoist control, and a large fraction of the population was divided between the territories controlled by the two sides. This resulted in an agricultural surplus in Francoist Spain that was promptly sold in the Protectorate, reducing imports of goods from third countries. Thus for the first time there was a substantial economic return from the colonial occupation of Morocco. However, the primacy of Spanish products and companies in the Protectorate’s market was not due to better quality or more competitive prices but to the lack of currency to buy on the international market and Franco’s new policies of economic planning and autarky. In a word, “the Protectorate had thus become a good business.”¹⁶ In addition to increasing industrialisation under the direction of Spain’s Central Economic Committee, established in 1937, the regime also initiated a series of public works in connection with the favourable economic situation. The Francoist authorities also began to study the possible introduction of their own currency in the Spanish Zone, but this was not done owing to limited support from the Bank of Spain and the fact that this would violate the Act of Algeciras.¹⁷

The settlers – Spaniards who emigrated to Africa to support agricultural colonisation – were undoubtedly among the beneficiaries of Spanish economic policies in Morocco. Spanish residents in Morocco increased in number from 10,000 in 1910 to over 40,000 in 1935 and 70,000 in 1955.¹⁸ The main agricultural districts were Tetouan, Larache and Ksar al-Kebir, where private capital disinvested from Central America funded a system of capitalist agriculture in which the workers were poor Spaniards, not African subjects.¹⁹ This system

¹⁵ F. Carnero Lorenzo, “Algunos aspectos de la economía del Protectorado Español en Marruecos”, p. 2423.

¹⁶ J.A. Salueña, “La economía del Protectorado durante la Guerra Civil”, p. 16.

¹⁷ F. Carnero Lorenzo, “Algunos aspectos de la economía del Protectorado Español en Marruecos”, p. 2434.

¹⁸ Ivi, p. 2419.

¹⁹ Mimoun Aziza, “La sociedad marroquí bajo el Protectorado español 1912-1956”, in

was certainly designed to favour “the Spanish settlers more than the Moroccan population.”²⁰ However, “the overall failure in economic development left many Spanish colonists so poor that it minimised the economic inequity between the colonists and the colonised.”²¹ A further key element was that Franco’s colonialism merged autarky with “a markedly liberal economic character not unlike that associated with the ‘modernisation theory’ movement that gained popularity during the 1950s and thereafter.”²² This affected the shape of the relationship between the colonised subjects and the colonisers and implied a certain notion of Moroccan development. In practice, Spain followed the path of reforming the colonial system like the other main European countries, which were progressively relinquishing the notion of a “civilising mission” in favour of the new idea of economic development: “Without an evangelical mission or a strong argument of ethnic superiority, the Francoist imperialists had to point increasingly to the modern economic development that their presence in North Africa supposedly fostered.”²³

To implement their colonial policy, the Francoist authorities made significant efforts to investigate not only the geographic and ethnic-racial data of Moroccan society but also the economic and human dimension of their subjects’ development. In 1952, an information-gathering campaign was launched to analyse the socio-economic condition of the *qabila-s*, who constituted the main referent for the Spanish local colonial administration. Despite their “poor knowledge of the languages, Koranic law or legal customs” of the country,²⁴ the *interventores* (Spanish colonial officials) developed a

M. Aragon Reyes (ed.), *El Protectorado Español en Marruecos. La historia trascendida*, vol. 1, Bilbao, 2013.

²⁰ J. Marchán Gustems, “Las instituciones agrarias del Protectorado español en el Norte de Marruecos y los primeros pasos de la colonización agrícola”, in P. Folguera, J.C. Pereira Castañares, C. García García, J. Izquierdo Martín, R. Pallol Trigueros, R. Sánchez García, C. Sanz Díaz, P. Toboso Sánchez (eds.), *Pensar con la historia desde el siglo XXI: Actas del XII Congreso de la Asociación de Historia Contemporánea*, Madrid, 2015, p. 2451.

²¹ G. Jensen, “The Peculiarities of ‘Spanish Morocco’: Imperial Ideology and Economic Development”, in *Mediterranean Historical Review*, vol. 20, no. 1, 2005, p. 96.

²² Ivi, p. 82.

²³ Ivi, p. 93.

²⁴ Letter from the Consulate General of Italy in Tetouan to the Italian Ministry of Foreign

series of strategies for “the improvement of living conditions” among colonial subjects.²⁵ Francoist politics embraced the previous Spanish political discourse of *hermandad* (brotherhood) between colonisers and colonised subjects. To foster this idea, Spanish colonial knowledge stressed and underlined the supposed physical and cultural similarities between Spaniards and Moroccans. Tomás García Figueras, appointed head of the Indigenous Affairs Office (*Delegación de Asuntos Indígenas*) in 1952, was the main architect of the Francoist colonial policy. According to him, “the Protectorate is not utility, it is sacrifice” due to the supposed proximity between Spaniards and Moroccans.²⁶ However, as Mateo Dieste pointed out, “talking about brotherhood is an indirect way of talking about differences between two blocs, which do not exist as such.”²⁷ The notion of brotherhood between colonisers and colonised consolidated the myth of the exceptionalism of Spanish rule, which would persist both in historiography and in public memory, despite the fact that there was nothing exceptional about it.²⁸ The proceedings of the international conference held in Tetouan in 1998 and sponsored by the Association Tetouan Asmir (founded in 1995 to promote work on social, cultural and economic issues related to Tetouan history) show how Moroccan and Spanish authors continue to share a vision of the colonial history imbued with the notion of peaceful coexistence among two peoples.²⁹

Affairs (MAE), 22 March 1934: Archivio Storico Diplomatico del Ministero degli Affari Esteri (ASDMAE), Affari Politici (AP), 1931-45, box 5.

²⁵ J.L. Mateo Dieste, J.L. Villanova, “Les interveniores du protectorat espagnol au Maroc”, p. 94.

²⁶ T. García Figueras, *Marruecos. La acción de España en el norte de África*, Madrid, 1944, p. 289.

²⁷ J.L. Mateo Dieste, “Una hermandad en tensión. Ideología colonial, barreras e intersecciones hispano-marroquíes en el Protectorado”, in *Awraq: Estudios sobre el mundo árabe e islámico contemporáneo*, no. 5-6, 2012, p. 16.

²⁸ G. Fernández Parilla, C. Cañete, “Spanish-Maghribi (Moroccan) relations beyond exceptionalism: A postcolonial perspective”, in *The Journal of North African Studies*, vol. 24, no. 1, 2019, pp. 111-133.

²⁹ *Dialogo y convivencia. Actas del Encuentro España - Marruecos del 23-15 de octubre de 1998 en Tetuan y Chauen*, Tetouan, 1999, p. 55.

The thesis of T. García Figueras is that the economic development of the colonised subjects had to be pursued with reference above all to the rural areas, in order to reconcile economic modernisation with a “tradition” built around ethnic-racial and folkloric identities. The need to construct a “rationalised economy” as the “primary, essential necessity of the people” relates to the corresponding need for the “restoration” of Moroccan culture by “harmonising it with modern thought, but without disconnecting it from the traditions that came to fruition so beautifully during the Middle Ages.”³⁰ In actuality, Franco’s ideologues did not see tradition and reform as inherently incompatible; some held that “tradition could be a vehicle of reform” and that, for example, “the teaching of traditional, ‘true’ Islam to Moroccans aimed, in part, to convince them that Muhammed’s teachings allowed for modern economic development without feeling compelled to abandon their traditionalist world-view.”³¹ Apart from the theorists, this form of human development was intended to counteract the urban elites’ model of development and their nationalist political connections.³² The story of the Spanish-Moroccan Industrial (or Electric) Cooperative is a perfect demonstration that this policy was not always successful and instead created cases in which the balance of power was inverted.

The political side of an economic enterprise

The Spanish-Moroccan Industrial (or Electric) Cooperative (CIHM) was founded in Tetouan on 1 March 1928 by an alliance of mixed capital to produce and supply electricity. The shareholders were 2,300 Muslims, 306 Spaniards and 274 Jews.³³ The founding

³⁰ T. García Figueras, R. de Roda Jiménez, *Economía Social de Marruecos*, vol. 1, Madrid, 1950, pp. 18-19.

³¹ G. Jensen, “The Peculiarities of ‘Spanish Morocco’”, p. 97.

³² J.L. Mateo Dieste, J.L. Villanova, “Les intervenors du protectorat espagnol au Maroc”, p. 615.

³³ J. Wolf, *Maroc: La vérité sur le protectorat franco-espagnol. L'épopée d'Abd-el-Khaleq Torrès*, Paris, 1994, p. 153.

charter provided for a General Meeting of Shareholders, a Board of Directors and a Managing Director (Director Gerente).³⁴ The Shareholders' Meeting was supposed to be convened annually to "examine, discuss and approve the financial report, accounts and records." Each shareholder had one vote, but those with shares exceeding 5,000 pesetas had one vote for every 5,000 pesetas, giving them more of a voice in the company's decisions. The Board of Directors was composed of eleven members, "five Muslims, three Jews and three Spaniards," elected respectively by the shareholders of each of the three communities. The Board of Directors (Chairman, Vice Chairman and Secretary) were assigned to deal with the "management, administration and governance of the company."³⁵ The Managing Director, appointed by the Board of Directors, actively managed the company, directing its activities and carrying out the instructions of the Board of Directors. Muslim shareholders participated in the company with 962,700 pesetas' worth of shares, Spanish shareholders with 156,200 pesetas and Jewish shareholders with 155,800 pesetas. Significantly, the total number of Moroccan shareholders (i.e., Muslim and Jewish) and their capital were far greater than the number and share capital of the Spanish shareholders. In 1938, Spanish colonial documents recorded "a systematic marginalisation of the Spaniards and Jews and the consequent predominance of Muslims" in the management of the company.³⁶ The Cooperative survived as an autonomous business entity until its nationalisation in 1977³⁷ and then became part of the Moroccan national electricity company.³⁸

³⁴ Biblioteca Nacional de España (BNE), Statutes of the *Cooperativa Industrial Hispano-Marroquí S.A.* granted before the Consul of Spain acting as a notary, 1 March 1928 - Domiciled in Tetouan, Morocco.

³⁵ *Ibidem*.

³⁶ Archivo General de la Administración Española (AGA), África (15), Administración central, Marruecos (Grupo de fondos I), 81 / 12149, Dirección General de Marruecos y Colonias, file 38 / 1, *Antecedentes de la C.I.H.M.*, Tetouan, April 1938.

³⁷ Umar Ryad, "New episodes in Moroccan nationalism under colonial rule: Reconsideration of Shakib Arslan centrality in light of unpublished materials", in *The Journal of North African Studies*, vol. 16, no. 1, 2011, p. 121.

³⁸ Interview of the author with Abu Bakr Bennouna, one of the Abd al-Salam Bennouna's youngest sons, Tetouan, February 26, 2020.

According to Spanish archival sources, the Cooperative only began to function effectively in June 1933, “after five years of preparation spent in lengthy vicissitudes of various kinds,” owing to “the almost total lack of technical and above all administrative direction,” which led the Cooperative to “ask for economic help” from the colonial administration.³⁹ A number of documents dating from 1933 to 1943 report formal requests for subsidies from the Cooperative to various colonial institutions. In 1934 it requested a loan of one million pesetas from the Spanish High Commissioner (*Alta Comisaría*),⁴⁰ the central body of the colonial administration in Morocco. In 1939, an additional contribution was requested to fund a trip to Madrid by the Muslim heads of the Cooperative for the purpose of “asking the government to grant resources.”⁴¹ The colonial administration contributed to the survival of Cooperative. For example: “The resources of the Spanish government [as well as those of the colonial administration itself] were used to pay off a loan to a bankrupt company,”⁴² a status that the Cooperative “enjoyed” for most of its time in operation. The CIHM was also “in direct competition with the pre-existing and powerful Spanish *Eléctras Marroquíes* Company,”⁴³ whose charter (dated November 1914)⁴⁴ provided for business activity very similar to that of the Cooperative:⁴⁵ the production of electricity and the exploitation of all the complementary industries related to electricity production. As Fadma Ait Mous suggested, “the

³⁹ AGA, África (15), Administración central, Marruecos (Grupo de fondos I), 81 / 12149, Dirección General de Marruecos y Colonias, file 38/1, *Antecedentes de la C.I.H.M.*, Tetouan, April 1938.

⁴⁰ *Ibidem*.

⁴¹ AGA, África (15)013.001, Organismos territoriales, Marruecos (Grupo de fondos II), 81 / 02377, Delegación de Asuntos Indígenas, personal file of Abdeljalak Torres, 1947.

⁴² AGA, África (15), Administración central, Marruecos (Grupo de fondos I), 81 / 12149, Dirección General de Marruecos y Colonias, file 38/1, *Antecedentes de la C.I.H.M.*, Tetouan, April 1938.

⁴³ Fadma Ait Mous, “The Moroccan nationalist movement: From local to international networks” in *The Journal of North African Studies*, vol. 18, no. 5, 2013, p. 741.

⁴⁴ Eléctras Marroquí, in *El Protectorado español en Marruecos: la historia trascendida*: <http://www.lahistoriatrascendida.es/electras-marroquies/>.

⁴⁵ BNE, Statutes of the *Cooperativa Industrial Hispano-Marroquí S.A.*, 1 March 1928.

logic of the colonial relationship seems to be deficient here, in the sense that the authorities of the protectorate would normally defend the monopoly of Spanish companies, especially against a Moroccan company.”⁴⁶ Instead, in our case the colonial authorities not only tolerated the Cooperative but effectively contributed to its economic survival. The balance of power between colonisers and colonised was inverted with respect to the general path of subordination.

One possible explanation why the colonial authorities subsidised a company made up largely of Moroccans involves the notion of *hermandad*, around which the colonial policy revolved. In the name of brotherhood, the Spanish administration had to allow some autonomy for their colonial subjects, and the Cooperative was a good example. At the same time, the other side of this history highlights the capacity of the Moroccan managers to negotiate their economic and political compliance with the colonial authorities for their true aim of using the Cooperative for their own political designs. Some of these men were members of the leading elite of the colonial capital and also leaders of the reformist – and later nationalist – movement. The reformist movement – founded in 1913 and led by Abd al-Salam Bennouna (1888-1935), who was also appointed the colony’s Minister of Finance (Ministro de Hacienda Makhzen) in 1922 – marked the furrow in which the first Moroccan nationalist party germinated in 1936, when the Hizb al-İslâh al-watanî (Party of National Reform, PNR) was founded in Tetouan under the leadership of Abd al-Khalil Torres (1910-1970). This was the first political organisation to be recognised in colonial Morocco. However, over time, the main Moroccan political party came to be the Hizb al-İstiqlâl al-watanî (Party of the National Independence) – formed in 1943 in Fez, in the French Zone of the Protectorate. As Mateo Dieste noted, Spanish Morocco was marked by “an incoherent, unstable and constantly changing process of struggles and negotiations between colonial authorities and the colonised, driven by a complex

⁴⁶ Fadma Ait Mous, “The Moroccan nationalist movement”, p. 741.

network of material interests, local socio-political structures and reciprocal cultural assumptions.”⁴⁷ Like the other colonial powers, Spain too employed intermediaries to impose its domination.⁴⁸ Being such an intermediary meant investing in relations with the colonial power to pursue one’s own agenda while negotiating compliance in exchange for positions of political power, social prestige and economic well-being.⁴⁹ The first Tetouani reformists devoted themselves mainly to economic and social issues, demanding more rights in the field of education, freedom of thought and press, and broader economic and administrative participation in the Protectorate on the basis of their Muslim faith.

The Cooperative was established at a time of vibrant socio-cultural ferment in urban areas, especially in Tetouan. In this context, the Tetouani elite played a leading role in the economic modernisation of the Protectorate by participating in a number of different economic and entrepreneurial activities and in the society’s cultural revival. Abd al-Salam Bennouna was among the signatories of the charter of the Cooperative and was appointed to the Board of Directors among the *vocales* (voting members). Fadma Ait Mous suggested that “for Bennouna, the decline of the country was caused by economic stagnation: the solution was thus to become economically stronger through the creation of a national economy.”⁵⁰ However, the question remains whether “Bennouna’s various initiatives were part of a general vision aimed at setting up a Moroccan national bourgeoisie in the northern zone, whose strategy would have been to counter Spanish capitalist penetration.”⁵¹ According to Mehdi

⁴⁷ J.L. Mateo Dieste, *La hermandad hispano-marroquí. Política y religión bajo el Protectorado español en Marruecos* (1912-1956), Barcelona, 2003, p. 22.

⁴⁸ J. Burbank, F. Cooper, *Empires in World History: Power and the Politics of Difference*, Princeton, 2010; E.L. Osborn, B. Lawrence, R.L. Roberts (eds.), *Intermediaries, interpreters and clerks: African employees in the making of colonial Africa*, Madison, 2006.

⁴⁹ E.L. Osborn, B. Lawrence, R.L. Roberts (eds.), *Intermediaries, interpreters and clerks: African employees in the making of colonial Africa*, Madison, 2006.

⁵⁰ Fadma Ait Mous, “The Moroccan nationalist movement”, p. 741.

⁵¹ *Ibidem*.

Bennouna, one of the elder sons of Abd al-Salam, the idea of the electric cooperative was dictated by the fact that “electricity supplies other industries.”⁵² Also, according to María Rosa de Madariaga, Bennouna’s numerous economic initiatives were intended to promote the development “of Tetouan and its surroundings, as well as to exploit the opportunities in this area to counter the Spaniards.”⁵³ Bennouna’s plans are also confirmed by Spanish colonial records. For example, according to a study on Moroccan nationalism in 1955 by the Territorial District of Yebala (*Intervención Territorial de Yebala*), in the administrative region where Tetouan was located, Abd al-Salam Bennouna “was convinced that there is no political freedom without economic independence and sought to create small industries, like the cotton mills that produced the *gorros grises* [grey caps] that later became the badge of those who supported the nationalist movement; he also sponsored the creation of the CIHM to create a ‘national industry.’”⁵⁴

The Cooperative was only one of Bennouna’s economic development projects. For example, he was involved in a Spanish ceramic company in 1917,⁵⁵ was part of a German import company in 1923,⁵⁶ and established a commercial company with other Tetouanis in 1928 that operated in Larache and Seville as well as Tetouan.⁵⁷ In 1931, a textile industry was founded in Tetouan “with the aim of boosting the national industry and limiting imports of European fabrics.”⁵⁸ This business soon went bankrupt, however, “through a lack of capital and Spanish competition.”⁵⁹ Some projects remained unrealised,

⁵² *Ibidem*.

⁵³ M.R. De Madariaga, *Marruecos ese gran desconocido. Breve historia del Protectorado español*, Madrid, 2013, p. 220.

⁵⁴ AGA, África (15) 013.001, Organismos territoriales, Marruecos (Grupo de fondos II), 81/02367, Intervención Territorial de Yebala, *Memoria sobre el nacimiento y el desarrollo del nacionalismo marroquí*, Tetouan, July 1955.

⁵⁵ J. Wolf, *Maroc: la vérité sur le protectorat franco-espagnol*, p. 153.

⁵⁶ *Ibidem*.

⁵⁷ *Ibidem*.

⁵⁸ M.R. De Madariaga, *Marruecos ese gran desconocido*, p. 220.

⁵⁹ Fadma Ait Mous, “The Moroccan nationalist movement”, p. 741.

such as the plan to establish a sugar refinery in collaboration with Spaniards and Cubans⁶⁰ and that for a national bank on the model of the Misr Bank. The national bank plan was promoted by Talaat Harb Pasha who, in the words of Mehdi Bennouna, “advised my father [Abd al-Salam] to start by creating a bank because it is the bank that finances other industrial projects.”⁶¹ In conclusion, for Bennouna, the Cooperative could be a driving force for other industries, not only in the urban environment.

The advent of the Francoist regime in Spain and the passage from reformism to nationalism in the Moroccan movement complicated the framework but did not revolutionise it. A few days after the *Levantamiento Nacional* in July of 1936, the Delegate for Indigenous Affairs wrote to Abd al-Khalil Torres several times. Torres invited the Delegate to his house to discuss the terms of the relationship between the colonial authorities and nationalist movement. The nationalists should “remain neutral in the conflict between the new regime and the Republic”⁶² and, in exchange, the Francoist colonial authorities would grant political and social freedoms. In reality, the Francoist colonial administration granted significant areas of cultural and political freedom to Moroccan nationalism to justify its claim of being a defender of Islam and conservator of the Andalusian cultural heritage, from which the notion of *hermandad* descended.⁶³ So the continued existence of the Cooperative was guaranteed for precisely the same reason that had underlain its foundation: the intermediation process with the reformist and nationalist elite in Tetouan required it. According to Tomás García Figueras, the main ideologist of the Francoist colonial develop-

⁶⁰ Fadma Ait Mous, “The Moroccan nationalist movement”, p. 741; M.R. De Madariaga, *Marruecos ese gran desconocido*, p. 221; J. Wolf, *Maroc: La vérité sur le protectorat franco-espagnol*, p. 154.

⁶¹ Fadma Ait Mous, “The Moroccan nationalist movement”, p. 741.

⁶² Bennouna Archive, Delegación de Asuntos Indígenas, Report on the meeting between the Delegate for Indigenous Affairs and Torres, July 1936.

⁶³ E.J. Calderwood, *Colonial Al-Andalus. Spain and the Making of Modern Moroccan Culture*, Cambridge, 2018, p. 269.

mental policy – i.e., the goal of “improving the material and social living conditions” of Moroccans⁶⁴ – was to be implemented through five institutions, the so-called “social pentagram.”⁶⁵ Cooperation, “or the action of cooperating that is understood as a condition or property that characterises social life,” was one of these institutions and understood in a broader sense as cooperativism, “i.e., the social movement in favour of cooperative societies” and hence “an economic-social doctrine that elevates the cooperative organisation to the category of a true system of social palingenesis.”⁶⁶ In other words, the theoretical model for the industrial development of Spanish Morocco was cooperativism, seen as a counterpart to capitalism in which the social classes (owners and workers) were to unite rather than fight one another. Therefore, we can argue that the survival of the CIHM as an economic entity in the final years of the Protectorate depended in part on this new approach to socio-economic policy. However, it is important to note that the case of the Cooperative differed greatly from García Figueras’ theoretical construct. Above all, Figueras’ notion of the cooperative was the “one man, one vote” principle.⁶⁷ In the Francoist version, “a cooperative society is based on the equality of the members,”⁶⁸ which is tantamount to saying that the different amounts of capital invested do not correspond to different voting rights of shareholders. Yet in the Electric Cooperative voting rights depended on the number of shares held.

The continued existence of the Cooperative during the last two decades of Spanish rule overlapped with the transition from the reformist to the nationalist movement as well as the turnover between Abd al-Salam Bennouna (who died in 1935) and Abd al-Khalil Torres. Until the 1930s, the Moroccan reformist movement criticised France as the sole colonial power. Spain was not a major point in

⁶⁴ T. García Figueras, R. De Roda Jiménez, *Economía social de Marruecos*, vol. 2, Madrid, 1955, p. 475.

⁶⁵ Ivi, p. 488.

⁶⁶ Ivi, p. 497.

⁶⁷ Ivi, p. 499.

⁶⁸ *Ibidem*.

anti-colonial propaganda, since it was an interlocutor of whom political and social demands could be made. In the 1930s, however, the anti-colonial campaign began to turn against Spain as well, as the movement's demands were slow to be accepted by the colonial authorities. Except for a period of repression between 1948 and 1952, the nationalist elite maintained their social and political role as the intermediaries of colonial power from the end of the Civil War in 1939 to Moroccan independence in 1956, but – significantly – at the same time they raised the nationalist claims for emancipation and the independence of Morocco. During this period, the Cooperative served as a financing instrument for the *al-Islāḥ* party and its leadership and, broadly speaking, as a negotiating player with the colonial authority. Intermediation passed through individuals who held positions within the Cooperative, not only as managers but also as officials, employees or workers who were members or supporters of the nationalist party or who belonged to cultural associations in which the party was involved. Financial support for nationalist activities was equally varied, including such items as donations, the payment of fines imposed on the party by the colonial authorities, and financing of travel and foreign missions of party members. For example, on 3 December 1946 the colonial authorities fined the periodical *Hurriya*, the press service of the *al-Islāḥ* party. The funds needed to pay the penalty were taken from the wages of Cooperative employees, whose pay fell by "an average of 50 pesetas."⁶⁹ The Cooperative's employees visited Torres to assure him that they would be willing "to use violence with demonstrations and strikes, if necessary."⁷⁰ The officials who drafted the bulletin on this episode used the term "employees" without specifying what kind of employees they were. However, some documents dated from the mid-1940s to 1956 reported that party members were sent to "the construction

⁶⁹ AGA, África (15)013, Organismos territoriales, Marruecos (Grupos de fondos II), 81/1898, Delegación de Asuntos Indígenas, Boletín de Información Marroquí no. 91, 3 December 1946.

⁷⁰ *Ibidem*.

sites and factories where Moroccan workers worked⁷¹ with the aim of “attracting workers”⁷² to the political organisation. In this specific case, we can assume that the employees agreed to give part of their wages to the party. Although there was a social and economic hierarchy that shaped the relations among different groups of intermediaries, managers, employees and workers, nationalist solidarity was also shared by workers, not only by the top-ranking Muslims of the Cooperative. An even more meaningful example involved a party meeting on 24 February 1953, at which Torres highlighted the organisation’s economic difficulties. In his view members and supporters were not contributing as much as they should, and accordingly the party leadership decided to cut the salaries of the Cooperative’s employees, allocating this money “to the party’s treasury.”⁷³ The clearest evidence of the strong connection between the party leadership and the management of the Cooperative is the overlap between the two hierarchies: Abd al-Khalilq Torres was both president of the party and vice chairman of the Cooperative, and he made decisions for the Cooperative not in the latter capacity but as president of the PNR. Ultimately, that is, economic decisions on the company’s operations were made by the leaders of the party.

Conclusions

The Cooperative profited from the support and benevolence of the Spanish authorities under colonial rule. The nationalist struggle in Spanish Morocco did not develop as a direct and open confrontation with colonialism, as in the French Protectorate. Instead, it was structured along the lines of intermediation with the Spanish colo-

⁷¹ AGA, África (15) 013.001, Organismos territoriales, Marruecos (Grupo de fondos II), 81/02367, Intervención Territorial de Yebala, *Memoria sobre el nacimiento y el desarrollo del nacionalismo marroquí*, Tetouan, July 1955.

⁷² *Ibidem*.

⁷³ AGA, África (15)013.001, Organismos territoriales, Marruecos (Grupo de fondos II), 81/02380, Delegación de Asuntos Indígenas, Sección 2^a, Boletín de Información Marroquí no. 15, 24 February 1953.

nial administration, one major product of which was the Cooperative. Even in times of troubled relations between Spain and the PNR, the Cooperative remained open. When Abd al-Khalil Torres and Taieb and Mehdi Bennouna, sons of Abd al-Salam, were exiled to Tangier (1948-1952), the Cooperative supported them financially. The Cooperative “sent money to Torres monthly,” continuing to pay his remuneration as chairman of the company.⁷⁴ Since most of the party’s members were arrested after the events of February 1948 and the party itself was temporarily outlawed, the Spanish colonial functionaries (*interventores*) in the region of Tetouan could only wonder: “How is it possible that the authorities regularly allowed [the Cooperative] to send money to Torres?”⁷⁵ Paradoxically, the answer lies in the Spanish colonial policy of co-opting the nationalists into the administrative system, whereas “Spaniards were prohibited from all political activity.”⁷⁶ High Commissioner Manuel Rico Avello (1886-1936) once said that “nationalism does not constitute a danger, it is a Muslim idealist movement fomented most of the time by intellectual youth and [...] will certainly not go very far, since it is burdened with a heavy weight: the Koran.”⁷⁷ However, emerging local and international contingencies led the colonisers to rethink the role of nationalism in Moroccan society. Essentially, the regime changes in Spain did not produce any substantial change in the strategy of co-opting the nationalist elite but led instead to evolving nationalist demands for progressive change in the role of the Cooperative. If the Spanish colonial authorities intended to use economic development as an instrument to bind colonial subjects perpetually to their masters, the story of the Cooperative demonstrated that Moroccans were

⁷⁴ AGA, África (15)013.001, Organismos territoriales, Marruecos (Grupo de fondos II), 81/02377, Intervención Territorial de Yebala, Boletín de Información no. 87, Tetouan, 27 July 1948.

⁷⁵ *Ibidem*.

⁷⁶ ASDMAE, AP, 1931-45, box 5, letter from the Consulate General of Italy in Tetouan to the MAE, 11 December 1934.

⁷⁷ ASDMAE, AP, 1931-45, box 5, letter from the Consulate General of Italy in Tetouan to the MAE, 8 September 1934.

able – under certain conditions – to reinterpret development as a real instrument of political competition and liberation, if not necessarily social emancipation for all Moroccans.

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