

# **Global Perspectives in Personal Financial Literacy:**

**Morocco**

- List 5 things you want.
- List 5 things you need.
- Do you talk about money with your parents?  
If so, what?
- Do you talk about money with your friends?  
If so, what?
- What are you taught about money at school?

**WARM UP**

**Need**



**Want**



**How did you decide what was a "need" and what was a "want"?**

- **Parents, friends, and school are all agents of financial socialization.**

**Financial Socialization**

- Parents, friends, and school are all agents of financial socialization.
- **Socialization: social process by which norms, attitudes, motivations, and behaviors are transmitted from specific sources [agents] to the learner.**

**Financial Socialization**

- **Parents, friends, and school are all agents of financial socialization.**
- **Socialization: social process by which norms, attitudes, motivations, and behaviors are transmitted from specific sources [agents] to the learner.**
- **How we learn money attitudes and consumer behavior.**

## **Financial Socialization**

Agents

Financial  
Socialization

Consumer  
Behavior



Agents

Financial  
Socialization

Consumer  
Behavior

**GLOBALIZATION**



**How do we become the kind of consumers that we are? Is this process the same around the world?**



*Morocco 2010*

How does globalization affect financial socialization?

Globalization implies opening out beyond local and nationalistic perspectives to a broader outlook of an interconnected and interdependent world with free transfer of capital, goods, and services across national frontiers.



*Tomb of Hassan II, Rabat*

# Globalization



“If we want to understand the dynamics of “globalization”, we need to assess places that we believe are freshly globalized....a place newly, differently, and more intensively engaged with the wage labor economy”.

## Globalization

Crawford, David. 2008. *Moroccan Households in the World Economy*. Baton Rouge: Louisiana State University Press.



**Morocco**



Howe, Marvine. *Morocco: the Islamist Awakening and Other Challenges*. p.224



# Economy

General macroeconomic stability

A "middle income country"

GDP per capita: \$4,600\*

## GDP by sector:

agriculture:	19.2%
--------------	-------

industry:	31.3%
-----------	-------

services:	49.4%
-----------	-------

*\* All figures are 2009 estimates*



## Economy

Unemployment: 9.6%

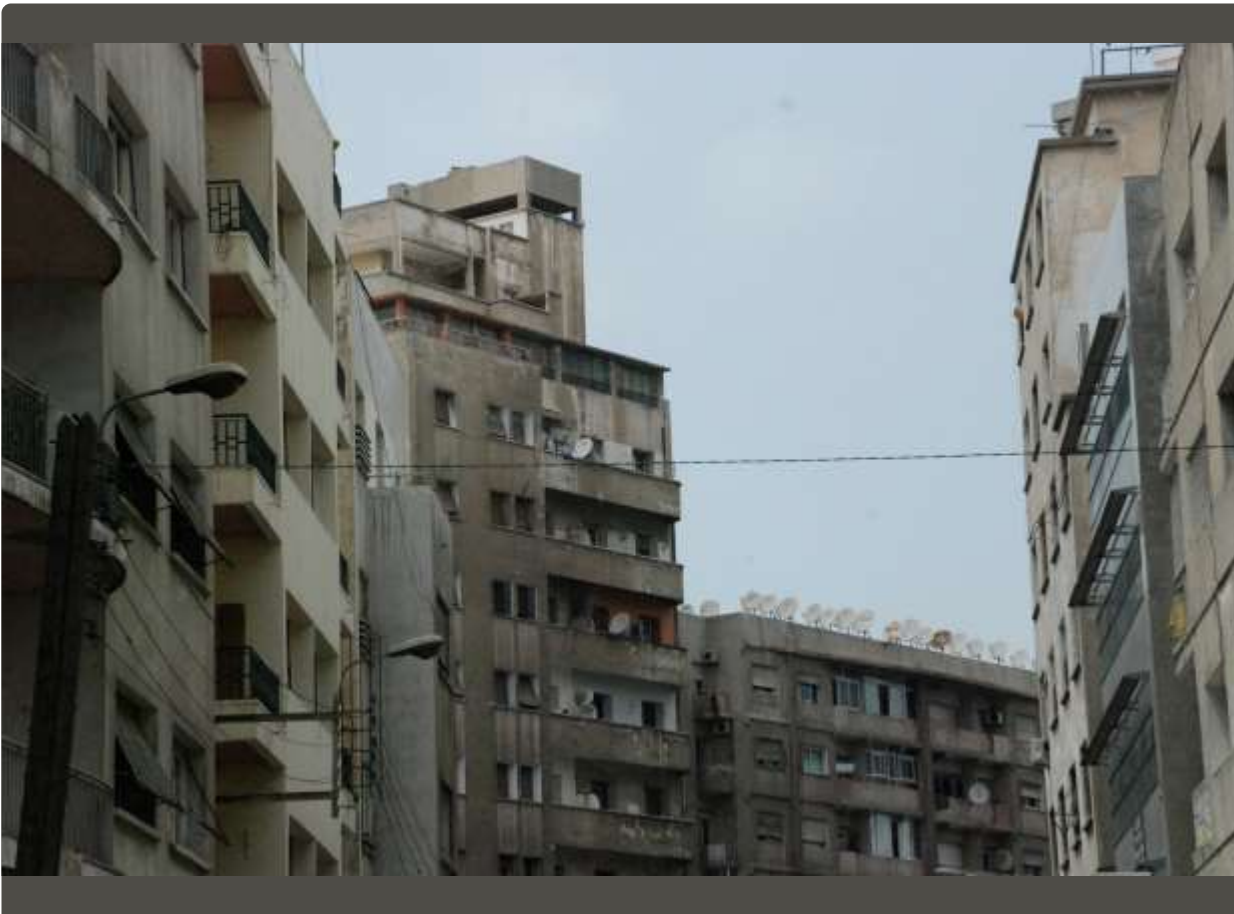
### Labor Force:

agriculture: 44.6%

industry: 19.8%

services: 35.5%

*\* All figures are 2009 estimates*



The  
unemployment  
rate for  
young people  
in urban areas:

30%

# Closer Look at Unemployment



# Economy

## Household Income:

GDP per capita: \$4,600

## Consumption:

Household income by  
percentage shares

- lowest 10%: 2.7%
- highest 10%: 33.2%



1/3 of the  
wealth in  
Morocco is held  
by the top 1/10  
of the  
population.

# Closer look at Consumption



## Demographics

Population: 31.6 million

Ethnic Groups:

Arab-Berber 99.1%

Other 0.7%

Jewish 0.2%

Religion:

Muslim 98.7%

Christian 1.1%

Jewish 0.2%



# Demographics

## Education:

Free and compulsory through age 15.

## Literacy Rates:

Overall	52.3%
Male	65.7%
Women	39.4%



The literacy  
rate for  
females in rural  
areas:

10-12%

## Closer Look at Literacy



## Demographics

### Women's Rights:

Reform of the Family Code, or *Moudawana*, has been a serious debate between women's groups and Islamic traditionalists.

# Government

## Constitutional Monarchy

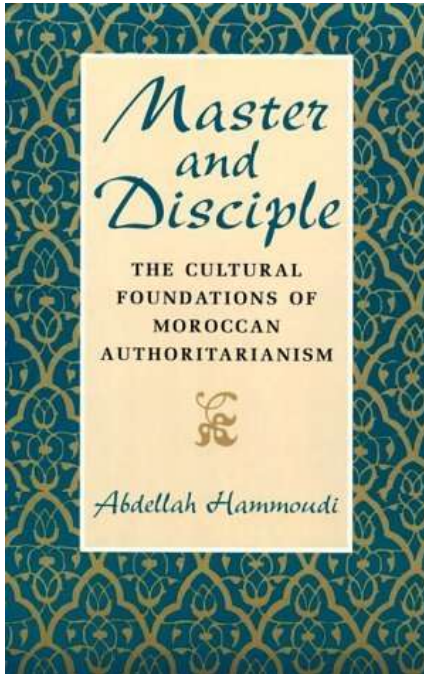
King Mohammed VI

Prime minister appointed by the king

Bicameral legislature

Legal system based on Islamic law and on the civil codes of the French and Spanish legal systems





Moroccan anthropologist Hammoudi identifies three other “crucial” factors:

- Apparatus of coercion devoted to the monarch
- Divide-and-rule concept
- Alliance with rural notables

## Preserving the political system

- Omnium Nord Africain
  - Morocco's largest conglomerate
  - Over 100 enterprises, including mining and agriculture
  - CEO named by the king
  - Royal family known to be largest shareholder

## The King and the Economy



**Globalization** implies opening out beyond local and nationalistic perspectives to a broader outlook of an interconnected and inter-dependent world with free transfer of capital, goods, and services across national frontiers.

...what about culture?

- **Homogenization**
- **Hybridization**
- **Polarization**

...what about culture?



# Cultural Homogenization

“McDonaldization”

Convergence towards a common set of cultural norms and practices.

Closely linked with the globalization of the market economy and multinational corporations.

## Cultural Hybridization

“mesh of civilizations”

An interconnection of cultural influences that creates a new view of culture.



# Q&A with Shereen El Feki: A glimpse of Arab society in a globalizing world



That's a real challenge for Westerners to accustom themselves to – that not everyone wants to live the way that Westerners do.

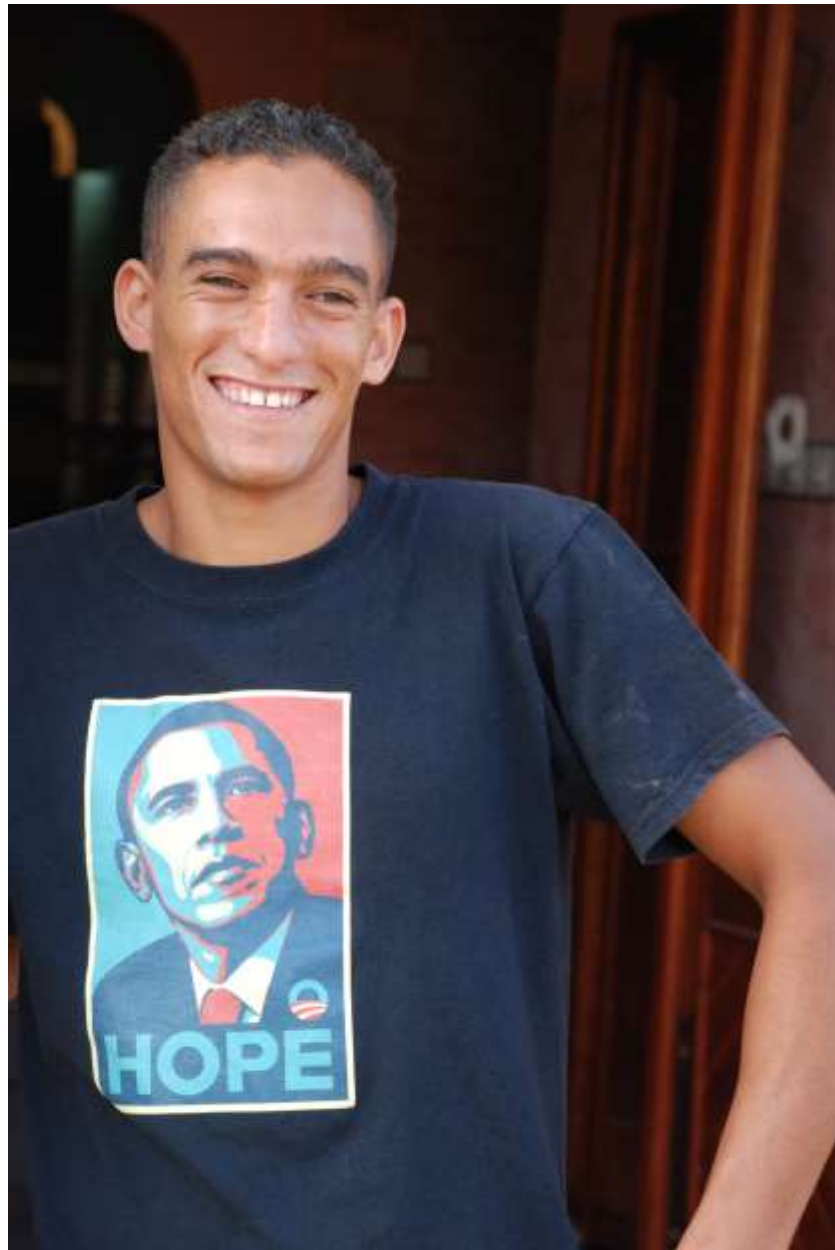


## Cultural polarization

“culture clash”

A conflict arising from the interaction of people with different cultural values.

When one or more cultures are integrated into the same environment, causing disruption and challenging traditions.







# The Economist

Groups will cooperatively  
analyze recent articles from  
the perspective of our  
essential question:

**How does globalization affect  
financial socialization?**

# **What is traditional?**

# **What is modern?**

defining agents of financial socialization







**Who are the young  
people experiencing  
globalization and the  
tension between  
“traditional and  
“modern” in Morocco?**









- List 5 things you want.
- List 5 things you need.
- Do you talk about money with your parents?  
If so, what?
- Do you talk about money with your friends?  
If so, what?
- What are you taught about money at school?

**Needs vs. Wants**



## Letters to Morocco