Economic integration in the Maghreb region: Willpower in the face of obstruction

التكامل الاقتصادي في منطقة المغرب العربي: الإرادة في مواجهة العقبات

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Abstract:

Maghreb economic integration is a key focus for researchers in the field of international economics, given the potential benefits and gains that such a process could bring to the countries in the region. For that reason, this article aims to examine the reality of economic integration in the Maghreb region, while highlighting the various obstacles it faces, despite all the integration efforts made by Maghreb countries. Indeed, an assessment of the current situation in the Maghreb countries shows that they face political obstacles that hinder the development of a more rigorous institutional framework than that achieved within the Arab Maghreb Union (AMU), which remains paralysed due to a lack of political will to revitalise economic integration efforts in the region. Furthermore, the absence of a clearly defined institutional framework has created structural obstacles that result in inadequate infrastructure connecting the countries of the region, the closure of intra-Maghreb borders in some cases, and inequalities in economic, social and cultural development within the countries of the region.

Keywords: Regional economic integration, Arab Maghreb Union, intra-Maghreb trade, Obstacles to Economic Integration in the Maghreb, geopolitical conflicts.

Jel Classification Codes : F15 ; O55 ; D74 ; F13 ; O18.

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I- Introduction :

Currently, the dominant global economic structure is the organization of countries into economic blocs, which result from nations' efforts to unite in order to strengthen their influence on the international stage. This can be achieved through the adoption of various arrangements that lead to economic rapprochement by removing or reducing all types of barriers to economic and financial transactions.

Thus, several countries around the world are making real efforts towards partial or total integration in order to benefit from the advantages of these processes. Indeed, several unions and other forms of economic and monetary integration exist around the world, such as the European Union (EU) and the West African Economic and Monetary Union (WAEMU). This has enabled these regions to strengthen their position and benefit from these closer ties.

However, the process of economic integration presents several obstacles and challenges that make this type of process difficult to implement on the ground, namely political and historical tensions, and economic, cultural and developmental differences between the countries making up a region, which can hinder economic cooperation and prevent these countries from achieving their objectives.

As a result, like all regions of the world, the Maghreb region, comprising Algeria, Tunisia, Morocco, Libya and Mauritania, would benefit from unifying in order to improve its economic performance and strengthen its position on the world stage. Moreover, efforts towards economic integration in the region have been evident, notably with the creation of the Arab Maghreb Union (AMU) and various cooperation agreements between the countries in the region. Nevertheless, despite the region's strong economic potential and significant cultural diversity, economic integration between the Maghreb countries remains tentative and continues to be hampered by political conflicts and historical rivalries between certain countries in the region.

I.1. Aim and research question

The main objective of this article is therefore to highlight the reality of economic integration in the Maghreb countries, while emphasizing the economic, political and social characteristics of this region, and underlining the importance of the economic integration process in enabling sustainable development. Accordingly, this paper aims to address the following question:

Given the economic, political, and social contexts and their evolution in the world, particularly in the Maghreb, what factors constitute obstacles to the effective implementation of regional integration in the Maghreb?

I.2. Research methodology

To answer this question, we have adopted a mixed methodological approach, combining qualitative analysis tools, drawing on various classical and contemporary theories to understand the process of economic integration, as well as the various institutional reports framing the reality of Maghreb economic integration, with quantitative tools to assess the various measurable economic indicators from reports and statistics provided by international institutions such as the World Bank, and the International Monetary Fund, regional institutions (the Arab Maghreb Union) and national institutions in Maghreb countries, such as the National Statistics Office (ONS) in Algeria and the National Institute of Statistics (INS) in Tunisia.

II- Theoretical and conceptual foundations of the economic integration process

Economic integration has existed for centuries in the form of regional agreements (the customs union of the provinces of France in 1664, the Zollverein customs union in Germany in 1834, etc.).However, the concept of economic integration developed after the Second World War in response to the context of reconstruction and the search for economic and political stability in the world in order to improve cooperation between countries by gradually

eliminating trade barriers to ensure mutual prosperity. Thus, the main experience of regional integration was the European Coal and Steel Community (ECSC) created in 1951, which was preceded by the Benelux customs union (between Belgium, the Netherlands and Luxembourg), and followed by the European Economic Community (EEC) in 1957, which has now become the European Union (EU) **(Schiff & Winters, 2004, p. 5)**. The latter has served as an example for several economic integrations in various regions around the world.

II.1. Definitions related to concepts of economic integration

The term 'integration' comes from the Latin 'integratio', derived from the verb 'integrare', meaning 'to make whole, to reconstitute, to restore, to complete', itself coming from 'integer', meaning 'intact, whole' **(Le Robert, n.d.)**. Thus, the term 'integration' refers to 'the action of incorporating one or more foreign elements into an established whole, of assembling various elements to form a whole' **(CNRTL, n.d.)**. Applied to political economy, the term "economic integration" refers to "the process by which states decide to relinquish some of their prerogatives in favor of common economic sovereignty through the removal of customs barriers, the free movement of people and goods, and the adoption of a common economic policy" **(CNRTL, n.d.)**.
According to Balassa B., in his book "The Theory of Economic Integration" in 1961, economic integration takes two forms. It is a process whereby several countries decide to form a single economic area in which barriers to trade tend to disappear or be reduced, often accompanied by the establishment of common institutions, and it is considered to be a given state of a system that indicates a high degree of social, political and economic cohesion. These economic integration efforts are made in order to promote trade and economic development.
Economic integration rests on two pillars: economic and institutional. The economic pillar refers to the process of "regionalization", whereby geographical regions organize themselves to adopt common policies and practices while retaining their identities and autonomy. The institutional pillar refers to the concept of 'regionalism', which represents a political or cultural movement aimed at promoting the interests of a specific region **(Hugon, 2005, p.5)**.
Balassa **(1976, p.17)** indicates that in order to qualify economic integration as a "regional process", it is imperative to bring together the economic and institutional pillars within the same geographical area. This is referred to as "Regional Economic Integration" (REI), which can be achieved according to the objectives and expectations of each region at three levels:

- Level 1: Surface REI, which involves a concentration of flows and coordination.
- Level 2: In-depth REI, which, in addition to being surface-level REI, aims to harmonise practices.
- Level 3: Supranational REE, which is in-depth REE that organizes the transfer of some state prerogatives to a supranational body. This involves a total or partial loss of national economic sovereignty[†] for the countries involved in this process.

At each level of the regional economic integration process, the economies of the different countries involved achieve a certain degree of economic convergence, with similar levels of economic development, such as GDP per capita.
Thus, the interconnection between regionalization, regionalism, and regional integration clearly shows that regionalization can promote regionalism, and that regional integration emerges as the outcome of these processes.
Together, they make it possible to structure relations between regions and states, thereby contributing to global development and national cooperation.
The process of advanced economic integration involves the integration of a third pillar, which is 'monetary'. According to Balassa, the final stage of economic integration before complete integration is the 'Economic and Monetary Union' (EMU), for which Mundell developed the Theory of Optimal Currency Areas (OCA) in 1961, which served as the platform for the creation of the euro in 1999.

[†] The concept of "national economic sovereignty" refers to a state's ability to control its economic policies, whether monetary, fiscal or trade-related, without significant external constraints.

II.2. Main theories of economic integration

The complexity of the economic integration process, particularly in the context of the reconstruction of the global economy after the Second World War, has led many economists to develop theories to explain this phenomenon. The following table presents the main theories related to economic integration in chronological order.

Table 1: Chronological overview of the main theories related to economic integration

Theories	Contents of the theories
Jacob Viner's theory (1950)	Customs Union Theory : - Increased trade between member countries with the removal of trade barriers; - Diversion of trade from more competitive partners outside the zone to less competitive members; - Ambivalent effects depending on the structure of - Trade and relative competitiveness.
Ernst Haas' theory (1958)	Neo-functionalism theory: - Spillover effect: sectoral cooperation systematically leads to other forms of cooperation; - Important role of technocratic elites, supranational institutions and sectoral interests in the dynamics of integration.
Bela Balassa's theory (1961)	Theory of economic integration: - Economic integration is a gradual and cumulative process; - Need for increasing coordination mechanisms at each stage.
Robert A. Mundell's theory (1961)	Optimal Currency Area (OCA) theory: - Identifying the economic and structural conditions that must be met for a group of countries to adopt a single currency: Mundell's incompatibility triangle. - Theory developed by other authors: R.I. McKinnon (1963) and P.B. Kenen (1969).
Theory of the Economic Commission for Latin America and the Caribbean (ECLAC) (1994) (Main author: José Antonio Ocampo)	Theory of open regionalism: - Regional integration compatible with openness to the rest of the world. - Gradual harmonisation of economic policies with openness to global competition. - Voluntary participation and respect for national specificities.

Source : compiled by authors from relevant information

The evolution of the economic integration process and its adoption by several regions around the world has led to the development of several theories that have enriched economic literature and served as a standard theoretical framework for several regional arrangements.

Indeed, B. Balassa's theory of economic integration proposes different stages of economic integration based on convergence criteria, and the expectations of the parties involved in these processes. Balassa distinguished five levels of economic integration, from the least integrated to the most integrated (**Siroën, 2000, pp.13-16)**:

- Free Trade Area (FTA);
- Customs Union (CU);
- The Common Market (CM);
- The Economic Union (EU);
- The Economic and Monetary Union (EMU).

II.3. Classification of stages of economic integration (Bela Balassa's typology proposed in 1961)

Balassa proposes different stages of economic integration, arguing that this process is gradual and cumulative, requiring the adoption of increasingly sophisticated coordination mechanisms at each stage. This classification has served as the standard theoretical framework for several regional constructions around the world. Attached are the five stages of economic integration as seen by Balassa.

Table 2: Typology of economic integration according to Balassa (1961)

Stage of integration	Identification	Characteristics
Free Trade Area (FTA)	Removal of all barriers to trade in goods (tariff and non-tariff) between member countries.	- Each member country maintains its trade policy with the rest of the world. - Example: USMCA in 2020, replacing NAFTA, which was created in 1994 between the United States, Canada and Mexico.
Customs Union (CU)	Free Trade Area + common customs tariffs for member countries with the rest of the world.	- Common external trade policy of member countries. - Example: The EU-Turkey - Customs Union on industrial products created in 1995.
Common Market (CM)	Customs Union + free movement of production factors (people, services and capital) between member countries.	- Harmonisation of national economic policies (fiscal policies, labor law, etc.). - Example: The MERCOSUR Common Market (between Argentina, Brazil, Paraguay and Uruguay) signed in 1991 and partially implemented from the 2000s onwards.
Economic Union (EU)	Common Market + coordination of economic and institutional policies.	- Greater economic and institutional harmonisation. - Example: The European Union, currently comprising 27 countries.
Economic and Monetary Union (EMU)	Economic Union + adoption of a common monetary policy and a common currency or single currency	- Existence of a common or single central bank. - Example: the Eurozone, established in 1999 and currently comprising 20 countries.

Source : compiled by authors (based on CEA / UNECA, Comprendre les indices de l'intégration régionale, 2016).

This classification does not necessarily imply that these stages of economic integration will be adopted in a linear or strictly progressive manner. As a result, any regional economic construction may stagnate, regress or advance, depending on political will.

II.4. Advantages and disadvantages of Economic Integration

The economic and empirical literature indicates that, although the process of economic integration offers several advantages for member countries, it may also entail disadvantages that discourage certain regions from engaging in such a process.

II.4.1. Advantages of Economic Integration

The first advantage of economic integration is the strengthening of political and diplomatic relations between member countries. This is achieved through cooperation between states thanks to the creation of common institutions that regulate disputes and reduce the risk of conflict. This advantage leads to several economic benefits. First, economic integration allows for the development of trade and the achievement of economies of scale. According to Paul Krugman's new theory of international trade (1980), integration allows for market expansion, which leads to economies of scale through cost reduction, intra-industry competition and innovation. This process also maximizes economic efficiency for member states by allowing them to specialize in areas of high productivity, as explained by Ricardo's theory of comparative advantage. Such specialization increases overall well-being and improves leads to a more efficient allocation of resources. A high level of economic integration allows for the free movement of goods, services, people and capital, which leads to greater economic flexibility, better use of labor and significant attractiveness for foreign direct investment. Furthermore, according to neoclassical growth theory, the mobility of production factors in a region accelerates the convergence process (**Kouadio, 2008, p. 6)**.

II.4.2. Disadvantages of Economic Integration

Economic integration often leads to a loss of economic sovereignty, which may be partial or total depending on the stage of economic integration adopted. This results in member countries renouncing national economic policies, which can lead to internal political tensions and anti-integration movements, as this integration could be perceived as an injustice or a threat to national identity.

Furthermore, the degree of economic divergence among members of the zone can have negative consequences for the most vulnerable and create risks of asymmetric shocks not being offset, as was the case with the budgetary crisis experienced by Greece in the Eurozone in 2010. It should also be noted that economic integration is likely to cause or increase regional inequalities. Indeed, with the elimination of trade barriers and the mobility of production factors, more economically competitive areas attract more labor and capital, which would lead to greater development gaps between them and less productive areas, which would then become marginalized or dependent. This could also lead to increased competition for local businesses, particularly those that do not have the necessary resources to cope. As a result, some sectors may experience deindustrialization, which could be accompanied by interruptions in economic activity or the disappearance of local businesses.

From all of the above, it seems clear that regional economic integration is beneficial for member countries, but there are several conditions and constraints to its implementation. Indeed, the political will of the participating states is a prerequisite for any regional economic construction, without which no integration project can be realized, as it enables the implementation of the first pillar essential to the regional integration process, which is the institutional pillar. In addition to this political constraint, there are economic conditions that must be met, such as structural economic similarities among the participating countries in the region and the development of compensation mechanisms to avoid the negative effects of economic integration on regions or countries.

III- State of play of economic integration in the Maghreb:

The Maghreb countries, comprising Algeria, Tunisia, Libya, Morocco and Mauritania, share many social and cultural characteristics, but have varied economic characteristics. The geographical proximity of these five countries is also an asset, enabling them to form a very influential economic bloc on the African continent and in the world.

Efforts towards Maghreb integration have been made since the early years following national independence through various bilateral economic agreements between Maghreb countries, notably with the creation of the Arab Maghreb Union (AMU) in 1989, which hoped to turn the region into a free trade area. Despite all this, today this region remains the least

economically integrated in the world, according to various reports by international institutions such as the IMF and the World Bank. This situation may be due to various political conflicts between countries in the region, but also to internal political instability.

III.1. Overview of the Maghreb economies

The Maghreb countries share both common and varied economic, monetary, social and cultural characteristics. This may indicate the usefulness of adopting a process of regional economic integration, but it also shows that there are constraints and challenges to be overcome in order to make such a process feasible.

III.1.1. Social characteristics of the Maghreb region

The Maghreb region covers a total area of approximately six million square kilometres and has a population of nearly 109 million, concentrated mainly on the Mediterranean and Atlantic coasts. The Maghreb population is predominantly young, consisting mainly of young adults, which is reflected in the reality of unemployment in the **region (Banque Africaine de Développement, n.d.)**. Indeed, the Maghreb region has one of the highest unemployment rates in the world, with a weighted rate for the region of 13.9% for the end of 2024 to the first quarter of 2025.

In terms of education and health, Maghreb countries have made significant progress, with a noticeable improvement in adult literacy rates in all countries in the region, estimated at around 82% for the region in recent years, and an average life expectancy in the region estimated at around 73 years. Nevertheless, there are social inequalities and disparities between rural and urban areas. The demographics of this region are mainly composed of the Algerian and Moroccan populations, owing to the favorable climate in these two countries and their large surface area, particularly in the case of Algeria.

Table 3: Social characteristics of Maghreb countries

Country	Algeria	Libya	Morocco	Mauritania	Tunisia
Area (km^2)	2,381,741	1,759,540	446,300	1,030,700	155,360
Population (millions)	46,814	7,381	38,081	5,169	12,277
Percentage aged 15-64	62.3	62.8	65.9	59.9	65.2
Unemployment rate (%)	11.4	18.6	13.3	10.4	15.7
GDP (2024, current USD)	265,597	40,588	154,617	154,617	154,617
Adult literacy rate (%)	92.1	91	75.2	67	85.2
Life expectancy (years)	76	69	75.3	68	77

Source: compiled by us (based on http://unctadstat.unctad.org , accessed on 25/12/2025)

III.1.2. Economic characteristics of the Maghreb region

The Maghreb economies are characterized by their specialization, which is specific to each country. The economies of Algeria and Libya are heavily dependent on the hydrocarbon sector, while Morocco and Tunisia's economies focus on agriculture, textiles and services, with the development of tourism. Mauritania's economy is mainly oriented towards the mining sector **(International Monetary Fund (IMF), 2019, p.01)**.

Table 4: GDP of Maghreb countries in 2024 with the contribution of key sectors

	GDP (2024, millions of current USD)	Key sectors (% of GDP)
Algeria	265,597	Hydrocarbons: 30-35%
Libya	40,588	Hydrocarbons: 60-65%
Morocco	154,617	Services and agriculture: ~ 56%
Mauritania	154,617	Mining: ~ 30%
Tunisia	154,617	Services: ~ 60%

Source: http://unctadstat.unctad.org (accessed on 25/12/2025) and (IMF, 2024);

This structural configuration of the Maghreb economies is directly reflected in the composition of their foreign trade. Indeed, their high degree of specialization in a few key sectors implies increased dependence on imports to meet needs that are not satisfied by local production.

Table 5: Maghreb foreign trade, by country
(Average from 2020 to 2024 in thousands of US dollars)

Maghreb countries	Maghreb	Algeria	Libya	Morocco	Mauritania	Tunisia
Exports	137,265,781.4	46,533,885.4	29,684,465.2	39,508,563	3,642,592.2	17,896,275.6
Imports	146,467,863	38,688,237.8	18,783,442.2	62,040,588	4,294,842	22,660,753
Trade balance ‡	- 9,202,081.6	7,845,647.6	10,901,023	-22,532,025	- 652,249.8	- 4,764,477.4

Source: compiled by authors from (ITC, https://www.trademap.org , Accessed 16 July 2025)

This lack of economic diversification also pushes these countries to trade mainly with other external partners, particularly Europe and China.

‡ Trade balance = Exports– Imports

Table 6: The five (05) main trading partners of Maghreb countries in 2024 (in %)

		1st	2nd	3rd	4th	5th
Algeria	Exports	Italy: 24.2	France: 13.6	Spain: 12.1	Republic of Korea: 7.3	United States of America: 5
	Imports	China: 25.4	France: 11.3	Italy: 6.8	Turkey: 6.3	Brazil: 5.6
Libya	Exports	Italy: 21.7	Germany: 14.9	United Kingdom: 8.8	Greece: 8.2	Spain: 8
	Imports	United Arab Emirates: 15.7	China: 14.2	Turkey: 11.1	Italy: 9.8	Egypt: 7.7
Morocco	Exports	Spain: 22.1	France: 19.3	Italy: 5.2	Germany: 5.1	United Kingdom: 4.5
	Imports	Spain: 15.6	China: 11.9	France: 9.4	USA: 9.3	Germany: 5.2
Mauritania	Exports	Canada: 27	China: 25.2	Switzerland: 8.9	Spain: 8	United Arab Emirates: 3.5
	Imports	United Arab Emirates: 17.4	Spain: 13.5	China: 10.1	Belgium: 9.8	Brazil: 6.5
Tunisia	Exports	France: 21.7	Italy: 18.8	Germany: 13.3	Areas not defined elsewhere: 7.1	Spain: 5.3
	Imports	Italy: 12	China: 11.4	France: 10.3	Algeria: 7.5	Germany: 7.3

Source: compiled by authors from (ITC, https://www.trademap.org, Accessed 20 January 2026).

This dependence on external markets reflects the region's vulnerability to price fluctuations on global markets and implies weak intraregional trade, which accounts for less than 5% of their foreign trade **(International Monetary Fund (IMF), 2019, p.07)**.

Table 7: Characteristics of intra-Maghreb trade in 2024

Maghreb countries		Total exports (in thousands of USD)	Ranking of Maghreb countries (from 1 to 4) in the country's foreign trade	Amounts traded (in thousands of USD)	Share in the country's total trade (in %)
Algeria	Exports	49,523,967	1. Tunisia (6th)	1,943,563	3.9
			2. Mauritania (32nd)	81,585	0.2
			3. Morocco (33rd)	81,499	0.2
			4. Libya (136th)	--	--
	Imports	45,975,409	1. Tunisia (19th)	545,407	1.
			2. Mauritania (40th)	134,218	0.3
			3. Morocco (66th)	6,730	0
			4. Libya (134th)	--	--
Libya	Exports	31,821,287	1. Morocco (22nd)	102,834	0.3
			2. Tunisia (30th)	47,800	0.2
			3. Mauritania (50th)	499	0
			4. Algeria (116th)	--	--
	Imports	25,269,554	1. Tunisia (8th)	790,378	3.1
			2. Morocco (29th)	88,247	0.3
			3. Algeria (117th)	--	--
			--	--	--
Morocco	Exports	45,918,428	1. Mauritania (25th)	333,821	0.7
			2. Tunisia (40th)	143,938	0.3
			3. Libya (51st)	88,247	0.2
			4. Algeria (108th)	6,730	0
	Imports	76,601,485	1. Tunisia (40th)	284,133	0.4
			2. Libya (53rd)	102,834	0.1
			3. Algeria (56th)	81,499	0.1
			4. Mauritania (122nd)	1,630	0
Mauritania	Exports	4,149,553	1. Algeria (6th)	134,218	3.
			2. Morocco (35th)	4,117	0.1

			3. Tunisia (45th)	1,403	0
			4. Libya (58th)	209	0
	Imports	4,817,890	1. Morocco (7th)	177,508	3.
			2. Algeria (14th)	81,585	1.
			3. Tunisia (35th)	12,479	0.3
			4. Libya (79th)	449	0
Tunisia	Exports	19,931,403	1. Libya (6th)	790,378	4
			2. Algeria (8th)	545,407	2.
			3. Morocco (14th)	249,987	1.
			4. Mauritania (54th)	18,305	0.1
	Imports	25,881,341	1. Algeria (4th)	1,943,563	7.5
			2. Morocco (27th)	1,639,942	0.6
			3. Libya (48th)	47,800	0.2
			4. Mauritania (97th)	1,898	0

Source: compiled by authors from (ITC,https://www.trademap.org, Accessed 20 January 2026).

With regard to macroeconomic indicators, the Maghreb region experiences variations in growth rates from one country to another due to their aforementioned economic characteristics. Indeed, the level of economic growth, which has been estimated at a regional average of 1.92% in 2024 according to data extracted from **UNCTA Data (2025)**, is due to the degree of chronic political instability in the countries making up the region (particularly in Libya and Tunisia, which have seen their economic growth negatively affected), climate change (for Morocco and Tunisia, whose economies are mainly based on services and agriculture) and dependence on external factors (this is particularly the case for Algeria, Libya and Mauritania, whose economic growth is determined by fuel prices and the mining industry).

This economic reality in the Maghreb clearly shows that economic growth in the region comes from sectors that create few jobs, resulting in high and recurring unemployment rates in all countries in the region, with an average in 2024 of over 13% of the total working population in the Maghreb **(UNCTAD, 2025)**, This average is significantly higher than the global average (estimated at around 4.9% in 2024 according to the International Labor Organization). This situation of underemployment in the Maghreb region is a major problem for all countries in the region and particularly affects young graduates.

The Maghreb countries' dependence on other countries is also reflected in their inflation rates. Algeria, Mauritania and Tunisia have high inflation rates due to their dependence on food imports and a certain economic rigidity. However, Libya and Morocco have maintained moderate inflation in recent years by controlling their monetary policies.

The level of inflation across the Maghreb is mainly driven by the weight of the budget deficits of countries in the region, which are common, particularly in Algeria, Tunisia and Morocco, and unstable in Libya. This situation increases inflation through rising public debt, high wage bills, reduced productive investment capacity and the adoption of austerity programs.

Table 8: Main macroeconomic indicators in the Maghreb region, by country, 2015-2025[§]

(As a percentage of GDP)

Elements	Algeria	Libya	Morocco	Mauritania	Tunisia
GDP growth	3.36	2.42	2.70	2.82	1.44
Inflation	6.54	4.56	3.38	4.74	7.40
Budget balance	-9.86	0.48	-4.34	-1.90	- 6.24
Current accoun balance	0.28	1.38	- 1.94	-11.00	- 5.00
Total external debt [**]	1.80	0.00	46.37	52.30	62.03

Source: compiled by us (based on Banque africaine de développement (BAD), (2024).

III.2. Regional integration initiatives in the Maghreb

The idea of regional integration between Maghreb countries is a very old one, dating back to their independence, with the aim of strengthening regional cooperation, developing national economies, building a regional common market and reducing their dependence on Europe. This initially resulted in the creation of the Permanent Consultative Council of the Maghreb (CPCM) in 1964 between the three countries of the Central Maghreb (Algeria, Morocco and Tunisia), but without any concrete results on the ground. Subsequently, this desire for Maghreb integration grew considerably with the creation of the Arab Maghreb Union.

(AMU) in 1989 as part of the Marrakesh agreements between all the Maghreb countries (Algeria, Libya, Morocco, Mauritania and Tunisia), which aims to coordinate national economic and customs policies, establish a common market and facilitate the free movement of goods and people **(Balta, 1993, p.58)**. Once again, this action has not led to any progress in intra-Maghreb relations **(International Monetary Fund (IMF), 2019, p.05)**. Indeed, the last summit of heads of state dates back to 1994, and the creation of the Maghreb Bank for Investment and Foreign Trade (BMICE), whose founding treaty was signed in March 1991 in Ras Lanouf, did not officially come to fruition until December 2015.

This paralysis of the AMU stems primarily from various political conflicts between member countries, notably the Algerian-Moroccan conflict, which began in 1994, the year of the last summit of heads of state, and which continues to this day, slowing down any collective regional agreement. As a result of these conflicts, several infrastructure and energy projects, among others, have been frozen or suspended, such as the Trans-Maghreb rail link project dating back to the 1980s, which planned to connect Tunisia, Algeria and Morocco by train and has been completely frozen due to the closure of the land borders between Algeria and Morocco. Another example is the Maghreb-Europe Gas Pipeline (GME) agreement, which was an energy cooperation agreement between Algeria, Morocco and Europe to transport Algerian gas to Europe via Morocco and Spain for a period of 25 years from 1 November 1996 to the end of October 2021 **(Mahmah, 2022, pp.185-187)**. When the agreement expired, Algeria refused to renew the GME contract due to the breakdown in diplomatic relations between Algeria and Morocco.

Nevertheless, it should be noted that despite these political conflicts between Algeria and Morocco, attempts at bilateral integration between these two countries and other countries in the Maghreb region have been made, namely the various partial free trade and industrial cooperation agreements signed between Morocco and Tunisia since 1999 and, more recently,

[§] Statistics for 2023 are estimates, while those for 2024 and 2025 are forecasts.

[**] Statistics are calculated for the period 2017–2023.

the sectoral agreements between Algeria and Tunisia covering joint infrastructure projects in transport, energy and trade. Several cooperation agreements have also been established between Libya, Tunisia and Algeria, as well as sectoral agreements between Mauritania and Algeria and between Mauritania and Morocco (**Mahmah, 2022, p.187)**.

All these bilateral agreements enable targeted cooperation but remain insufficient to overcome the weakness of regional integration in the Maghreb. To this end, the central Maghreb countries (Algeria, Morocco and Tunisia) are members of the Greater Arab Free Trade Area (GAFTA) in order to gradually remove tariff and non-tariff barriers between member countries with the aim of developing intra-Arab trade (International Monetary Fund, 2019, p.06) and, as a result, increase the importance of intra-Maghreb trade. However, this initiative remains very modest in terms of its contribution to Maghreb integration, as each Maghreb country acts alone within GAFTA, prioritising national interests and favouring bilateral agreements between themselves and Europe, which is the Maghreb region's main trading partner.

Finally, it is worth highlighting a few regional private economic initiatives, environmental and climate cooperation initiatives, and academic and scientific collaboration initiatives **(Banque africaine de développement, 2019, p. 238)**. Nevertheless, these initiatives are poorly coordinated, lack a real institutional framework, and depend on the national will of the countries from which they originate.

III.3. Maghreb integration compared to the main institutional economic integration initiatives around the world

Comparing the Maghreb with other regions around the world helps to identify the obstacles and future prospects for the Maghreb region. Indeed, the example of the European Union, which seems to be the most successful model, shows us that economic and monetary integration must be achieved in stages, first by bringing together the political will for unity, which will enable the development of an institutional framework at each level of integration. This framework will serve as a platform for structural development through the harmonisation of different economic policies. Today, the European Union is a major economic bloc in the international economy.

In the same vein, the experience of NAFTA (North American Free Trade Agreement), which was in force from 1994 to 2020 and was replaced at the end of the contract by CUSMA (Canada-United States-Mexico Agreement) **(Ouellet & Savoie, 2021, p.343)** teaches us about the importance of establishing solid institutional measures that enable effective coordination between participants and efficient monitoring of the various commitments. This has made it possible to achieve functional integration that respects the agreement's commitments in terms of reducing customs barriers and boosting interregional trade. Once again, the success of this agreement is the result of the individual political will of each of the three countries in the region to comply with its requirements, even though NAFTA does not have a supranational institution similar to the European Union.

Another example of successful regional integration is ASEAN (Association of South East Asian Nations), an association of Southeast Asian nations that aims to promote political, cultural, social and economic cooperation, as well as to ensure development and stability in the region (**Chaponnière, 1992, p.42)**. Since its creation in 1967, ASEAN has succeeded in maintaining functional integration focused on trade and investment and in ensuring that commitments are followed up by establishing political consultation mechanisms that ensure political stability in the area. Here again, the political will of ASEAN member states has driven its institutional development.

The importance of political commitment to real and permanent economic integration is evident in the case of MERCOSUR (Mercado Comùn del Sur in Spanish), which is a South American Common Market. This economic bloc has made significant progress in economic and diplomatic terms **(Dabène, 1997, p.13)**, but this progress is often slowed down by political disagreements between its member countries. The same political constraints are felt in ECOWAS (Economic Community of West African States), but to a greater extent because,

as a free trade area with the objective of achieving a customs union with the intention of establishing a single currency **(Commission économique pour l'Afrique (CEA / UNECA), 2015, p. 15)**, this community faces political challenges, which can be summarised as internal political instability in certain member countries (such as the coup d'état in Sierra Leone in 1997, the failure to respect the electoral process in 2017 and, more recently, a series of coups d'état in Mali, Burkina Faso, Niger and Guinea) and disagreements among certain member states with ECOWAS policy on the management of these political conflicts. As a result, ECOWAS is currently experiencing disruptions in its functioning, notably with the temporary withdrawal of certain countries in 2025 (Mali, Niger and Burkina Faso) from this community, accusing it of not serving the economic interests of the region **(Sow & Li, 2025, p.3)**.

All these experiences of economic integration in different regions of the world provide a better understanding of the reality of Maghreb integration and strongly express the economic role of political engagement in this type of process. Indeed, as we have shown previously, intra- Maghreb trade remains modest compared to trade with the rest of the world. While intra- Maghreb trade accounts for less than 5% of total trade, the share of intraregional trade is around 16% in Africa, 19% in Latin America, 51% in Asia, 54% in North America and 70% in Europe **(International Monetary Fund (IMF), 2019, p.10)**.

III.4. Obstacles to Maghreb economic integration

By studying the economic, political and social characteristics of the Maghreb region and drawing on various experiences of economic integration around the world, we can identify the factors hindering the construction of genuine economic integration in the Maghreb (**International Monetary Fund (IMF), 2019, pp. 14-18)**, which we classify into three categories: political, structural and institutional.

III.4.1. Political obstacles

Since the creation of the AMU, the main obstacle to its development has always been political. Indeed, throughout the region and at different times, internal political and security problems in each country have slowed down the process of Maghreb integration. To cite a few examples, the dark decade that Algeria experienced throughout the 1990s and the Arab Spring in 2011, which affected Tunisia, Libya and Morocco, were all factors that hindered regional integration, as the main interest of each member state was to restore national order. This national priority gave rise to competitive regional actions rather than a complementary regional approach, which did not allow for regional dialogue.

Furthermore, political conflicts between Maghreb countries, notably the Algerian- Moroccan conflict over Western Sahara and Morocco's accusations that Algeria poses a threat to its internal security, led to the closure of land borders between the two countries and the imposition of reciprocal travel visas for both populations in 1994, five years after the creation of the AMU. This political tension between these two prominent countries in the Maghreb region has been the major obstacle to regional economic integration as envisaged by the 1989 Marrakesh Treaty establishing the AMU.

Finally, it is important to highlight the influence of external powers on the willingness of Maghreb countries to truly integrate. Indeed, the countries in the region have divergent geostrategic choices and close ties with different international partners, which slows down or even hinders intra-Maghreb relations.

III.4.2. Institutional obstacles

As we pointed out earlier, what hinders effective regional integration in the Maghreb is the lack of a real institution promoting integration. Indeed, the AMU, the main institution supposed to carry out the Maghreb economic integration project, has been paralyzed and virtually inactive since 1994, and no regional policy has been implemented due to the lack of AMU summit meetings or supervisory bodies to enforce joint decisions. This situation stems from the political obstacles mentioned above. Thus, the lack of a real institutional framework to regulate and supervise intra-Maghreb relations is reflected in weak inter-governmental

cooperation, which makes it impossible to allocate an operational budget and implement a binding roadmap for the regional grouping. Furthermore, the divergence in the national policies of each member country leads to a lack of harmonization of regulatory and legal frameworks, particularly in terms of customs, investment and industrial and commercial standards, which is a barrier to the development of a Maghreb economic zone. Not to mention that tariff and non- tariff barriers still exist between countries in the region and are a determining factor.

III.4.3. Structural obstacles

Political and institutional obstacles to Maghreb integration have resulted in structural problems. The Maghreb region suffers from economic development inequalities between countries, the existence of an informal economy, weak economic complementarity and high unemployment rates in all countries in the region. These difficulties hinder the development of a structural framework conducive to regional integration. It is also worth highlighting the closure of land borders between Algeria and Morocco and the lack of cross-border infrastructure in terms of roads, rail links and energy networks between all countries in the region as obstacles to intra-Maghreb cooperation and trade.

As a direct measure of structural barriers to integration, we also observe the persistent existence of tariff and non-tariff barriers to trade between Maghreb countries, as well as the absence of a single market for goods, services, people and capital. This situation has led to the conclusion of bilateral agreements to overcome the difficulty of formulating regional agreements involving all countries in the region. However, it should be noted that all these structural obstacles weaken the logic of multilateral economic integration and move away from the objectives initially set by the AMU.

IV- Maghreb integration and prospects

Despite their geographical proximity and potential for complementarity, the Maghreb countries have still not managed to achieve real regional economic integration that meets the expectations and objectives set out when the AMU was created. Indeed, the Maghreb region still suffers from a lack of multilateral cooperation, which hinders the development of economic relations in the region and has led to the abandonment or suspension of certain regional projects. To begin with, the AMU has been inactive for several years because, due to political conflicts in the region, there has been no summit of AMU Heads of State since 1994. This has blocked the creation of a Maghreb common market provided for in the Marrakesh Treaty, which was scheduled to be implemented in the 2000s. Similarly, the Maghreb-Europe Gas Pipeline (GME) program was not renewed after its expiry in 2021 due to political conflicts between Algeria and Morocco. For the same reasons, the Trans-Maghreb motorway project (Algiers- Casablanca-Tunis) remains unfinished, with the section between Algeria and Morocco still blocked.

In order to take advantage of the region's potential for economic integration, it would be possible to achieve this integration in stages, bringing together the necessary conditions for its success at each stage of integration and establishing gradual integration between the countries of the region with the possibility of joining the zone at a later date. This proposal is inspired by the European experience, which was built in stages over several decades before achieving monetary union and which continued to expand by allowing each European country to join the European Union after fulfilling the conditions for integration.

Therefore, given the multidimensional potential of the Maghreb, priority must be given to the economic aspect. Indeed, despite the significant political obstacles to real integration in the Maghreb, it seems appropriate to achieve real 'de facto' integration before establishing 'de jure' institutional integration. This is based on the experience of East Asia, where the AFTA (ASEAN Free Trade Area), created in 1992, was the result of various commitments made since the 1970s by certain multinationals in the region to an international structure for their production processes. Although ASEAN was founded in 1967 with an official economic- al objective, the initial priorities of its members were primarily political (development as a defence against the communist threat). This behavior contributed to passivity on the economic

front, leaving the group without a formal institutional steering mechanism. In the absence of real government initiatives, it was private actors who drove regional integration by engaging in intra-industry trade, thereby promoting diversification and complementarity of trade in the region **(Nicolas, 2016, pp. 28-30)**. This microeconomic integration process led to institutionalisation in the form of the creation of AFTA to oversee and structure the initiative launched by multinationals **(Baldwin & Wyplosz , 2016, p. 23)**.

V- Conclusion*:*

Regional economic integration is an imminent strategic driver for economic development, transforming often narrow national markets into a large economic area that promotes economies of scale and better resource allocation. The removal of tariff and non-tariff barriers stimulates intraregional trade and productive specialisation, but also enhances the region's attractiveness to Foreign Direct Investment (FDI) thanks to the regulatory stability that such a process provides. Economic integration also strengthens the political weight of member states on the international stage and helps to establish a peaceful political climate within the region, as economic interdependence prevents diplomatic tensions due to the need for ongoing institutional dialogue.

Like all regions of the world, the Maghreb region expressed a genuine desire to form an economic bloc with a strong presence in international trade in the wake of the national independence of its constituent countries, through the creation of the CPCM in 1964 and subsequently the AMU in 1989. However, this region is far from achieving the objectives set out in the 1989 Marrakesh agreements on the creation of the AMU, which aimed to establish a free trade area in the Maghreb. A free trade area involves removing all tariff and non-tariff barriers to trade in goods between member countries. However, in the case of the Maghreb, the reality is that this objective has still not been achieved, particularly with the maintenance of national barriers to intra-Maghreb trade and the closure of land borders between Algeria and Morocco.

This contradictory duality between member countries' desire for integration and the economic reality observed in the region stems from various obstacles, primarily political, which then translate into institutional and structural obstacles, which together impact the economic development of the Maghreb. Moreover, all these obstacles mean that today, this region remains one of the least integrated areas in the world. Indeed, Maghreb countries often promote their national policies at the expense of a collective regional approach, which leads to imminent national divergences and slows down the development of a regional institutional framework that would allow for coordination and coherence between the different national structures.

The lessons learned from various regional integration initiatives around the world suggest that the Maghreb region could overcome political obstacles by adopting an operational approach. This could be achieved either through partial integration limited to states that maintain healthy political relations, with the possibility of gradual integration for other countries in the region, as seen in the European experience, or through functional integration, as demonstrated by the AFTA region, guided by the private sector, enabling the development of a real economic interdependence through regional agreements among different economic actors, such as multinational corporations, ultimately leading to the institutionalization of the desired level of integration that is beneficial to the countries of the region.

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