



AUI's Contribution to the Economy of Ifrane
SSK 1202
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Abstract

This study was conducted in order to investigate whether or not Ifrane inhabitants appreciate the economic contribution of AUI to the economy of Ifrane. The literature review revealed that universities around the world have direct economic relationships with the local community in terms of employing local people, buying food and other materials from the region. The data collection tools used to lead the research project were 40 questionnaires handed out to AUI population, 20 oral questionnaires for the outsiders, and an interview with a restaurant manager. The team found that AUI does not contribute sufficiently to the economy of Ifrane, and people of the town partially appreciate it but they think that it should be enhanced. Some possible solutions are suggested to solve the problem of the lack of contribution of AUI population. The main solutions are that more money should be spent on education, on investments, an advertising tourism, and finally on employing more local people.

Introduction

Ifrane is one of the most beautiful and visited cities in Morocco. It is located in the Middle Atlas between the two imperial cities of Meknes and Fez. It has a mountainous nature and weather, a various fauna, and a specific architecture based on the European style with high-pitched roofs. Because of all these natural features, its economy is mainly based on tourism and agriculture. In 1995, Al Akhawayn University was inaugurated, and now, it is a very huge institution of higher education that has a lot of inputs which contribute greatly to the development not only of the town of Ifrane, but also of its surrounding as students and staff members are looking for extra services that are not found inside the university. The purpose of this paper is to explore and report what people of Ifrane think about the contribution of AUI to the economy of Ifrane in order to enhance the help that it gives to this small town.

This investigation will therefore provide AUI with some precious information that will help to improve the relationship between the university and Ifrane's population. Also, it will ameliorate effectively the contribution of AUI to the development of the economy of Ifrane so that the local businesses can benefit from it. Thus, this research will enhance the reputation of AUI university not only among the local people, but also at the national and international levels for the participation of AUI to the economy and the development of the regions nearby.

This research paper will take in consideration the following assumptions that will be helpful to solve the problem:

- Many local Businesses make considerable profits from the students of AUI
Example: Hotels, night clubs, restaurants, hairdresser and other businesses.
- Faculty and Staff participate also in the economy of the town since they are considered as good consumers.

- Humanitarian clubs such as Hand In Hand association and Rotaract Club collect huge charity donations to provide public schools in the town with elementary needs such as electricity, heating and scholar materials.
- Different people of different businesses may have a bad point of view of the help provided by AUI. Example: Night clubs complain that some AUI students drink too much and then they behave inappropriately
- AUI is a considerable source of employment in Ifrane because it hires a big number of staff working in different departments such as in the catering company, security, cleaning, and gardening.

There is a considerable body of research questions that need to be answered, therefore our project will try to:

- See how foreign universities contribute into the local economy and how humanitarian organizations of AUI can build associations with the international ones.
- See what are some examples of helps provided by AUI's organizations and clubs for Ifrane and its region.
- Which kind of local businesses take advantage from AUI
- Whether people of the town appreciate this contribution and consider it as a help and why
- Check out what possible solutions can be made to improve this contribution and make the economy of Ifrane better.

Literature review

AUI has been for the last ten years a very useful booster to the economy of Ifrane since it is a touristic symbol and an educational institution that contributes to the economic development of the town. Many investigations have been made for the purpose of reporting all the contributions of the university to the town of Ifrane and its surroundings.

Illiteracy is one of the most serious problems that the region of the Middle Atlas faces especially among women. According to Mjahed (1994), “among the total population of about 14,000, 55% of females and 41% of males are illiterate,” (P. 26). This high rate of illiteracy is due to the low incomes of Ifranians, they say that they don't have enough money to spend on studies. It should also be noted that with 60,000 annual tourist and some temporary residents such as AUI students and faculty, Ifrane makes some important incomes. An interesting issue to consider would be to report what do people of Ifrane think about the role played by AUI in their town. Therefore, this is going to be the main purpose of this research.

There are lots of research papers done in Alakhawayn University dealing with the issue of economic and social development of the region of the Middle Atlas which discussed the positive changes on the economy of Ifrane since the establishment of AUI in 1995. According to Madiha Beloula (1998), “The objective of charitable associations in AUI is to participate actively in helping the needy population of Ifrane and neighboring villages with money, clothes and all other forms of material and moral support” (P. 36) . Because the region of the Middle Atlas has a high rate of poverty, unemployment and illiteracy, AUI takes a part of the responsibility to develop this region, and to help its local people.

Many universities around the world contributed to the local economy of their regions. An investigation of the literature illustrates that each member inside a university participated to improve their local economies. Dennis K. Winters et al (August 2004) in a study of the

contribution of Wisconsin University in the United States argued that “the financial amount of contributions of what is called ‘the principal contributors in this university’ can be divided in four groups: The Institution’s contribution, the employee’s contribution, and finally the students’ and the visitors’ contribution,” All of them pay state income taxes and sales taxes on their purchases which increases the total income of the university.

Oxford University is the second example chosen which represents a European university method that contributes to the economic development of the Oxford local communities. It employs more than 8% of the local workforce. Besides, some four million tourists visit the Oxford area each year, spending £250 million and creating some 5300 jobs.

The third case study chosen concerns Auckland University in New Zealand which basically focuses its study on the contribution of students which, according to Mark Walton et al (April 2006), “are divided into three categories: part-time students, full-time students, and overseas students” besides, the university’s annual economic contribution is about 4.4\$ billion.

Georgia University is another relevant case study that illustrates the contribution of this university to the economy of the state of Georgia in the United States. The Georgia’s Intellectual Capital Partnership Program (ICAPP) et al (2004) have made a study about the Economic Impact of University System of Georgia Institutions on Their Regional Economies. This case is very important since Georgia University is not a very rich state. Thus, it is very interesting to discover how much they contribute to the economy of their local communities and how they manage to make their participation effective. In this study, the ICAPP reported that Georgia’s University contribution is about \$9.7 billion and provides 107,202 full and part-time jobs where 2.8% of all jobs are held by Georgians.

The University of Hawaii is another example of an efficient economic contribution. James Mark and Ping Sun Leung, (2004) argued “The University of Hawaii generates economic contribution in the community through its purchases from local businesses, its payment to its employees and retirees, and spending by its students and visitors,”(p.12) Moreover, the agriculture takes a big benefit from the scientific studies that the university does. Researchers provide farmers with the latest scientific advice. Moreover, they give them chemical products and fertilizers that will increase their harvest.

Besides, universities all over the world employ a big number of people to work in different departments. For example, Arizona State University employs more than 16,000 faculty, staff, and students to work on either a full-time or part-time basis. Another way in which the University of Arizona contributes directly into the economy of Arizona is according to William Seidman (2003), “by purchasing goods and services that are necessary for University operations. These purchases totaled \$249 and accounted for 1,800 jobs and \$65 million in earnings in Arizona businesses that supply goods and services to the university,” (p. 26).

The last relevant example of the economic impact of universities to the development of their local areas is the one of Lancaster University. According to Harvey W. Armstrong, “it offered 1352 job opportunities in 1987/88 to the local population of Lancaster, and in 1987, Lancaster university spent 18.36 £ million on only wages and salaries and about 19.35 £ million on other activities such as purchasing equipment and student expenditures. In comparison with two other local manufacturing firms and a nuclear power station, this university was ranked first concerning the effectiveness on the contribution to the local economy.

Design

In order to explore the issue of what people of Ifrane think about the economic contribution of AUI, this research paper includes both quantitative and qualitative methods. The quantitative method provides precise and objective data that can answer the research question and the assumptions that can help infer a conclusion about whether the assumptions made about the subject are true or false. In other words, these results provide details about what people outside the university think about the contribution of AUI to the local economy. In addition, the qualitative method would be very useful to evaluate the reliability and relevance of the data collected. For instance, the interview that we will do outside the university will provide the team with a different set of data that reveals better what the outsiders think about this contribution. This is important because it will help AUI community to improve its material and moral support for the region.

The research project is mostly descriptive. It illustrates people's points of view and compares them in a significant way in order to show the connection between the subjects and the results. For example, surveying people of different genders, backgrounds, ages and levels of education gave different results, so the analysis and summary of these different results are beneficial for the research.

Procedure

In order to make sure that the data collected through surveys and interviews in this research project is reliable and credible, the team of three students that conducted the study tried not to influence the interviews. Before giving the surveys and doing the interviews we explained to the subjects that his or her answers will not be identified as individuals and that the team will keep the answers confidential. The team also avoided the bias as much as possible by making the

questions in the survey and in the interview as objective as possible. This was done by not making any judgment or personal opinions about the economic contribution of AUI in Ifrane.

Subjects

The objective of this research project is to know how AUI contributes to the economy of Ifrane and its surrounding. The population under study is AUI and the population of the Middle Atlas. This parent population is very large, and it is almost impossible to study the whole population. Therefore, the team selected a sample size that is representative of this large population in order to make the study easier. The sample size is 70 people. This sample is divided into two sub samples, 40 from inside the campus and 30 external people who represent each category that has an economic role in Ifrane. The team has chosen 40 people from inside the campus because the population of AUI in this summer session is about 400, so the team applied the rule that the sample size can be 10% which is 40 in order to have an acceptable rate of error. The team could not survey a big number of people off campus because it was time consuming. Moreover, it is not always easy to get interesting answers from those people as many of them do not show any interest in answering these questions. Thus, the team of three people was more interested to survey the people who own small businesses like restaurants and hotels because they were directly related with the impact of AUI contribution on the town of Ifrane. These people are both males and females, from different ages. They are rental agents, shopkeepers, waiters, taxi drivers, hairdressers, restaurant managers

Data Gathering tools

The team did two surveys, one inside the university in English and an oral one outside. Both of these surveys are composed of 10 questions. There are some closed questions which are yes no questions, and others are multiple choice questions where the person surveyed can choose an answer or can give other responses that are not included in the multiple choices.

One member of the team distributed the survey on campus in the afternoon in different places such as lab 11, and library. This member gave the survey to students, faculty and staff from both genders and different ages. In the same day, the two other members went off campus to do the oral survey in the *marché* and in the center of the town.

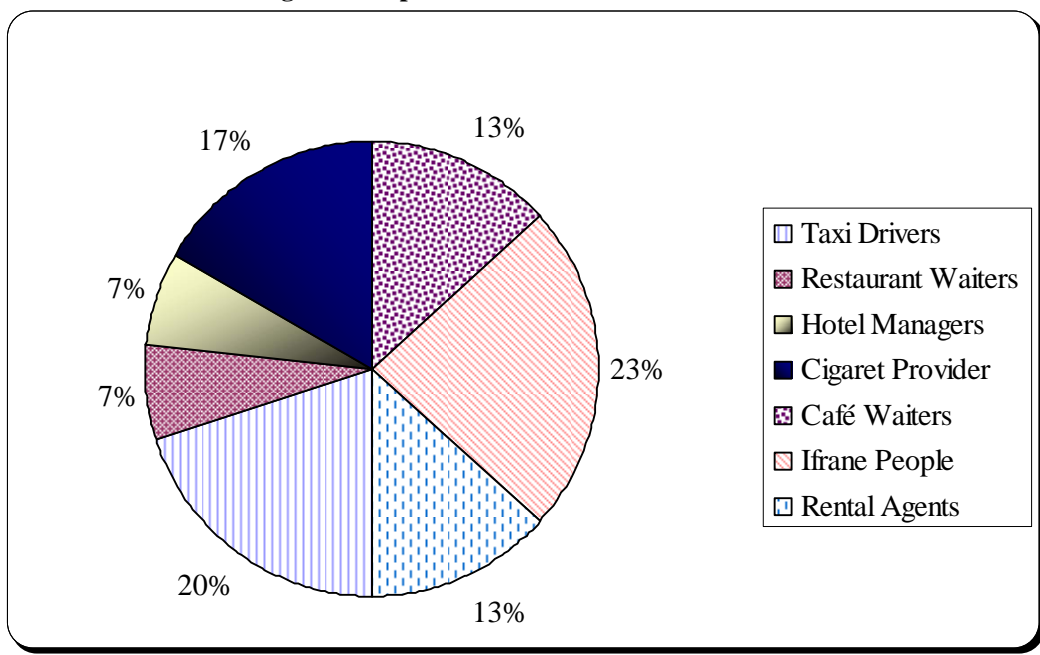
A group interview was also conducted by the team. It concerned some members of the staff working at the restaurants and also the manager of AUI restaurant. Several questions were asked to them in direct relation with the main assumption. For example they were asked whether the majority of employees in the university are Ifranian, Middle Atlas people or from other regions, where do the vegetables, fruits, and meat come from, do they plan to employ more local people as the number of students is increasing.

Results

It is certain that studying an entire population is extremely difficult if not impossible, for this reason, the team chose a sample that can represent the whole student population of AUI. In this research project, the team was interested in verifying the assumptions made about whether AUI contributes effectively or inefficiently in the economy of Ifrane, and what efforts are made to improve and increase this contribution. After studying the sample, the group was able to find the following about the sample.

Since people from different educational levels can judge the effectiveness of AUI economic contribution in the region of Ifrane, the team decided to include in the sample under study people from different educational levels. Respondents who are illiterate represent 11.43% of the sample, those who have some elementary or secondary school constitute 10% and 17.14%. AUI students represent the biggest part which is 41.42%, and some faculty members who have an advanced degree constitute only 7.14%.

Figure 1: Repondents' Different Jobs in Ifrane

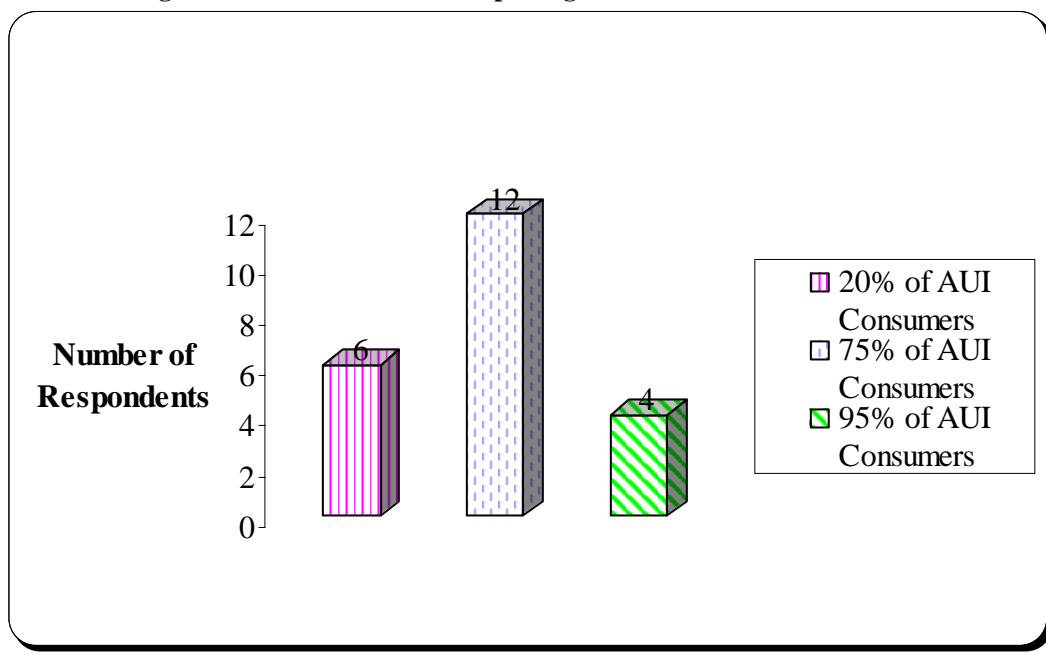


N=30

As the team mentioned, the sub sample that represents the Ifrane population is constituted from people who have different jobs in this small town. It is clear from the chart that the majority of these people have unskilled jobs and they constitute the principle economic source in the town.

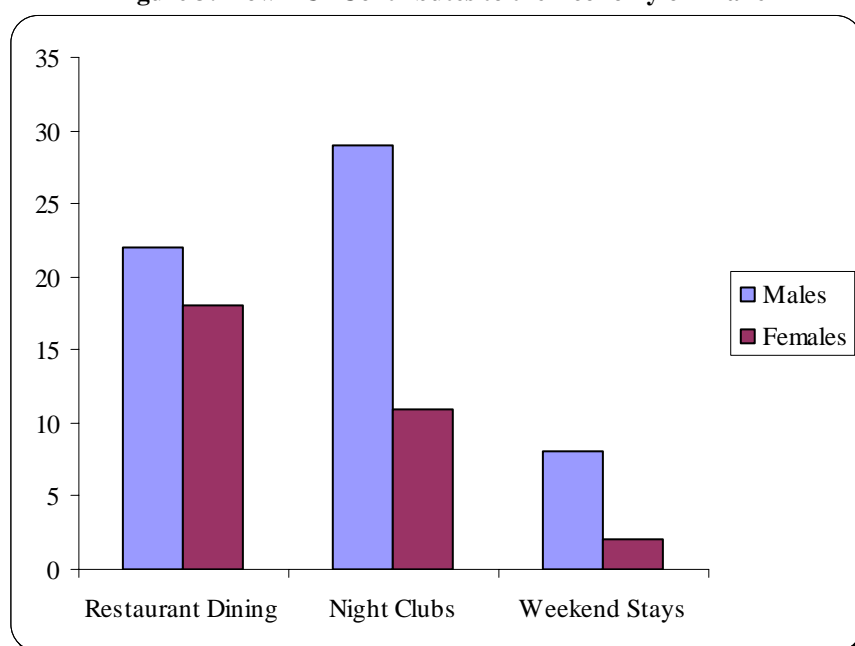
Another relevant result obtained from the outside survey supports the assumption that AUI economic contribution in Ifrane is not sufficient because 42% say it not sufficient while 58% say it is sufficient.

Figure 2: Economic Relationship Range with AUI Customers



N=30

Figure 2 directly states that there is a strong connection between Ifrane’s economy and AUI as it is considered an important source of customers. In fact, 6 people said that 20% of their customers were from AUI, 12 of them said that 75% of the customers are especially AUI students, and 4 of the respondents stated that almost 95% of the customers were from AUI. However it is important to mention that the small business owners noted differing degrees of contribution to their businesses by people from AUI, whereas others did not mention the contribution because they could not estimate it or they did not simply receive AUI customers.

Figure 3: How AUI Contributes to the Economy of Ifrane

N=40

Figure 2 shows that the most important economic activities that AUI people do in the small town of Ifrane are limited to eating at the *marché* or in other restaurants, going to night clubs, and spending weekends off campus in Ifrane. What is interesting about this chart is that the contribution of AUI males is bigger than the contribution of females.

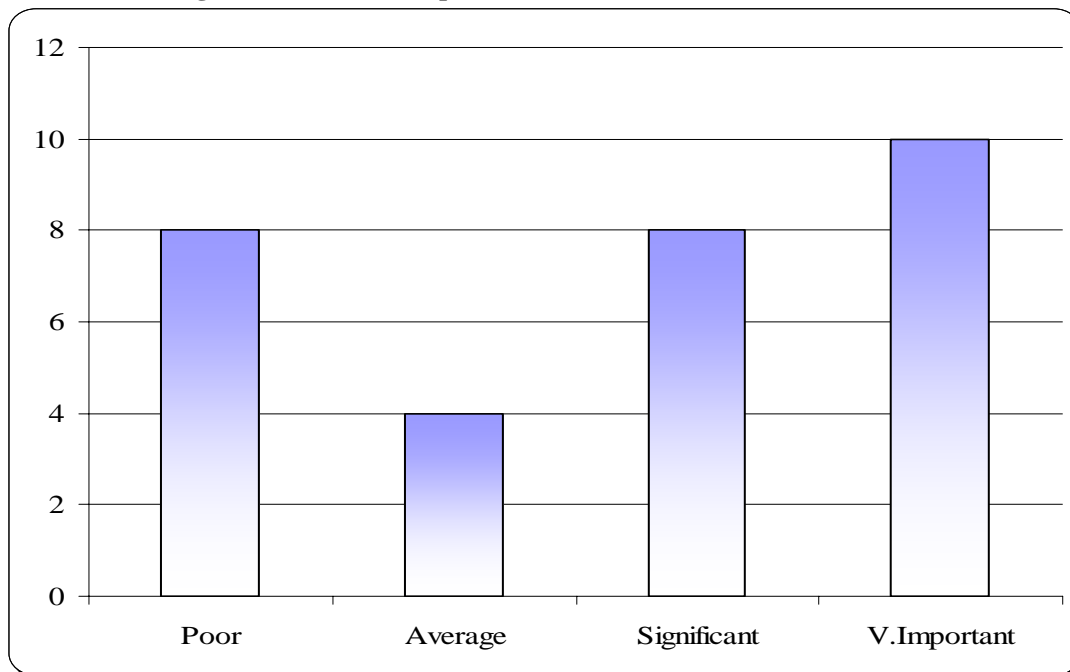
Table 1: How can AUI improve its economic contribution?

<i>Contributions</i>	<i>Answers</i>
Investing money on education	18
Investing money on employment in the town	13
Advertising tourism at international levels	9

The proposals that AUI students and faculty suggested to improve the economic contribution of AUI is an important measure to verify the assumption that AUI should make additional efforts in order to help the region of Ifrane. It is clear from table 1 that more than the half of the sample proposed that more money and effort should be spent in order to develop education in this region

as the rate of illiteracy is relatively high in this region of Morocco especially among females. Another important part of this sample proposed that money should be spent on employment.

Figure 4: The Local People Point of View About AUI Contribution



N=30

After seeing how much AUI's contribution is important, this chart shows that the majority of Ifranian people appreciate the economic contribution of AUI, but there is also a significant number of people that find it poor or average.

The interview with the manager of AUI restaurants done by the team disconfirmed the assumptions that had been made. The interview showed that admittedly AUI gave many job opportunities to Ifranian population. However, the most important part, which is about purchasing materials such as vegetables and meat, influence neither Ifranian population, nor its economical activities as these foods are bought elsewhere. Therefore, AUI's contribution to the economy of Ifrane cannot be said to be totally helpful.

Discussion and conclusion

The goal of this research project is to identify whether Ifranians and Middle Atlas people appreciate the economic contribution of AUI or not, and to interpret the results. Some assumptions were confirmed and verified in the section of results that were drawn from different data gathering tools. This allowed the group to answer the research question and to state that people from Ifrane and the Middle Atlas appreciate the economic contribution of AUI in this region. In addition, the team found that this contribution is not sufficient as the region of Ifrane is still suffering from some problems such as unemployment, illiteracy, and lack of investments. Therefore, Ifrane needs additional help from the government because AUI cannot do everything. The team suggested some solutions that can enhance the economic contribution of AUI in Ifrane. The results that the team found are relevant and they are as follows.

After surveying people from outside and inside the campus, the team found that 58% say that the economic contribution of AUI is sufficient, but 42% say that it is not sufficient. That means that AUI tries to enhance the local economy because Ifranians consider it as the major source of customers, but this contribution needs to be improved.

It was also found that these local people have different opinions about how helpful this contribution is. The percentages presented a different and large range of information, for example, 10 people from 12 find this contribution very important while 8 from 12 find the opposite.

It is sure that AUI population especially students contributes efficiently to the economy of Ifrane, but it is limited to three major contributions which are eating in the *marché* or in other restaurants, going to night clubs and spending weekends off campus by renting apartments. This contribution is limited because Ifrane is a small, quiet, and boring town that is not suitable for young people to live in because there are very few activities which implies few investments.

Thus, more and more students prefer to travel back to their hometowns where they can find other activities and services.

According to figure 2, AUI constitutes the biggest part of consumers in the different small businesses that were surveyed. The results section showed that there were mixed opinions about the economic contribution of the AUI consumers to these different businesses. Some, located in the town, profit more from this contribution than the ones located in the *marché* because in the center of the town, there are hotels, good restaurants, supermarkets, apartments for rent and night clubs while in the *marché* there are only fast food restaurants and small shops.

Most of the surveyed people from Ifrane have different unskilled jobs. According to figure 2, many of them are taxi drivers, waiters, and rental agents. The economy of Ifrane relies mainly on tourism which is an activity that occurs only in specific periods of the year, so in the rest of the year when this small town is empty, the customers that remain are mostly from AUI. That means students and staff of AUI go to restaurants, use taxis as a mean of transportation, and rent apartments especially on weekends.

After conducting this research project, the team succeeded to identify the origin of this problem. The cause of this problem is related to the ignorance shown by the university about whether the town appreciates this contribution or not since no deep studies or investigations have been done. This shows how this research will be beneficial to solve this problem. The team came up with some solutions that can enhance the economy of Ifrane.

More money should be invested on education in order to reduce the rate of illiteracy in the town. In fact, the charitable organization of Hand in Hand have already given some help to public schools in Ifrane and also to Dar Attalib in Azrou. Some members of this organization distribute book bags and scholar material to needy students at the beginning of each school year.

However, these schools need more help and more public schools should be established. AUI can not do all that, so the Minister of Education should think about that. In addition, more money should be spent on advertising tourism at national and international levels in order to attract as many tourists as possible. Also, building more hotels and more restaurants will increase job opportunities and increase the average income.

AUI catering company should think about buying farm lands from local people so that it will generate its own alimentary products such as vegetables and fruits or it can buy these products from the region of the Middle Atlas rather than bringing it from other places. Therefore, this is going to be beneficial for both the restaurant manager as the transportation costs will decrease, and the local farmers will sell their products.

This research product involves a general approach and some possible solutions of the situation of AUI contribution to the economy of Ifrane because it contains statistical information that can be used as a starting tool to lead a deeper study about the subject.

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Appendix I



SSK 1202 outside survey: "AUI economic contribution to Ifrane city"

This survey is conducted to you as an Ifrane citizen in order to evaluate your opinion about the contribution of Al Akhawayn University to the economy of Ifrane.

N.B: your participation is not compulsory and your answers will be anonymous.

1) What is your nationality?

Moroccan Others:.....

2) Are you native of Ifrane?

Yes No

3) What is your job?

.....

4) Do you have any direct economic relationship with AUI students, faculty, or administration?

Yes No

5) If yes, what relationship?

Ordinary consumers

First range consumers

You essentially depend on them in your business

6) Do you think that AUI contributes to Ifrane's economy?

Yes No

7) If no, why doesn't it contribute?

.....

8) If yes, how would you describe this contribution?

Poor

Average

Significant

Very important

9) If yes, Can you provide us with approximate percentages or numbers of AUI's contribution to your particular business?

.....;

10) Suppose that AUI wasn't built in Ifrane, how would the city of Ifrane be economically?

Poorer

Better

As it is now

Appendix II

AUI Contribution to the Economy of Ifrane

This questionnaire is part of a study of the economical contribution of Al Akhawayn University to the economy of Ifrane Your participation in this study is voluntary, and your answers will form part of a statistical study and will not identify you as an individual.

Please first answer these background questions, and then complete the rest of the survey.

Sex: Male Female

Age: 18-28 29-39 40-50 More than 51

Which of the following best describes your educational level?

- None
- Some elementary school
- Some secondary school
- Some university
- Advanced degree

Do you think AUI contributes sufficiently and effectively to the economy of Ifrane?

- Yes
- No

If you don't think so, what are some possible solutions that you think can improve this contribution:

- Investing money on employment in the town
- Investing more money on education
- Advertizing tourism in Ifrane at international levels to attract investors
- Other:.....

From your personal experience, what is AUI's reputation among the people of Ifrane.

- Positive
- Negative

How do you contribute to the economy of the town

- Eating at the "marché" or in other restaurants
- Going to night clubs
- Spending Weekends off campus in Ifrane
- Other:.....

How often do you take taxis to go to the town?

- Number of times:
- Never, I prefer walking or taking the University Bus (Van)

What kind of services do you want to get in the town?

- Fast-food restaurants such as Mc Donald's.
- Cinema
- Shops
- other:.....

Do you think AUI should subsidize Ifrane businesses to give reductions?

- Yes
- No

What kind of facilities do you think are useful for you:

- Reduction of tickets on night clubs
- Reduction in hotels
- Reduction in restaurants
- other

Thank you for your participation

Appendix III

The interview

1) As an Ifranian or as someone who has been living in Ifrane for a long time), do you think that AUI has an influence on the economy of Ifrane? How would you describe this influence?

The AUI restaurant manager: well, since the beginning of Al Akhwayn University many things have changed in Ifrane. As a result, AUI has influenced the economy of Ifrane.

Concerning the description of this influence, I can say it is very positive because many new activities such as restaurants and hotels opened their doors. In fact, AUI has changed the lives of many Ifranians.

Can you give some information concerning the AUI restaurant?

For example:

2) Are all workers of the restaurant from Ifrane population or not?

Mm yes, the great majorities are Ifranians; however, there are some others from different cities.

3) Are you expecting some new personnel these days? If yes, from where would you pick them?

Yes, during next semesters we will certainly need more personnel because the number of students is getting higher and higher. About where are we going to choose them, I truly have no idea.

4) From where do you bring your raw materials such as vegetables, meat, and bread and so on?

Concerning bread, we bring it from a bakery in Azrou and for other things like meat and vegetables we essentially depend on our providers that are not from Ifrane.

5) If you do not bring them from Ifrane city or suburbs, where are your providers located?

Well, our providers are essentially located in big cities like Fes and Casablanca.

6) Suppose you find an adequate provider from the city of Ifrane, would you buy from him or not?

In fact, finding a reliable provider from Ifrane is not likely to happen because Ifranian sellers are not very qualified or equipped; they work essentially in small shops and sell small quantities. However, those from whom we buy are very professional; they generally provide us with about 40,000 Dirhams of materials every time and we simply pay them by cheques. Moreover, the quality of materials that we buy from our actual providers cannot be guaranteed by Ifranian sellers.

Thank for your collaboration.

N.B: this interview has been done in Arabic and was recorded using a mobile phone.

According to our own translation from Arabic to English, this is the result of our Interview.