The Maghreb Area Development. Threats and Opportunities for Italian Companies' Investment Strategies

Francesco Scalera *roby_sca@virgilio.it*
Department Economic and Finance
University of Bari "Aldo Moro"
Bari, 70122, Italy

Abstract

The current highly competitive international scenario is characterised by increasingly keen players (Chinese in particular) gaining significant shares in the western markets, so as to induce companies in the most industrialised countries to invest in emerging areas (Maghreb for example), thus reducing management costs relating to raw materials, capital, energy, as well as labour, in order to preserve their competitiveness.

In particular, the choice of international operators, above all the Italian ones, seems to fall, on Morocco and Tunisia both for their geographical proximity and a better business climate compared to the neighbouring countries. However, following the Arab Spring, the Italian leadership and the main EU operators seem to have been challenged by the Gulf countries, that, through massive direct investments, have gained significant market shares in the area.

Thus, the research, moving from the current competitive scenario, intends to investigate, first of all, the reasons for the increased interest in the area by the Gulf Countries and the sectors they are investing in, to understand which are the best strategic choices to be adopted by Western companies (primarily Italian) in a rapidly changing competitive environment, even in the light of the political, social and operational choices made by local governments.

The analysis of macroeconomic data and the current business climate will highlight the fairness of the governmental choices implemented. Moreover, through a questionnaire submitted to the main Italian operators in the area, it will allow careful examination of their difficulties in doing business over the last five years.

Keywords: Maghreb Area, Gulf Countries, Strategies, Business Climate, SME.

1. INTRODUCTION

The ongoing internationalisation process of multinationals and SMEs (Small and Medium Enterprises), both from the EU and from the American countries, sees the Maghreb area as one of the most interesting among the transition countries, because of the investments that have consolidated over time both in the traditional economic sectors (banking, energy, real estate, mining, telecommunications and tourism), and in the most innovative ones such as renewable energy, thanks to the undoubted economic advantages from which Western companies have always benefited in terms of energy costs, raw materials, tax relief, etc.

However, starting from 2011, following the Arab Spring, the competitors acting in such a context, namely the Countries of the Persian Gulf Cooperation Council (GCC) have become more and more relevant today, identifying, more than in the past, such areas as Morocco and Tunisia as the most attractive destinations for their investments, starting, in fact, to question the leadership of EU countries as the major investors [1]; [2].

The reasons for this over-exposure of the GCC countries in the aforementioned areas are manifold.

First of all, the excellent relations with the European Union, in addition to the business climate offered by these countries that attract capital from the Persian Gulf in a long-term perspective [3]; [4].

Another reason concerns the GCCs' intention to diversify investments, increasingly focusing on innovative sectors such as renewable energy, agro-food and new technologies, in order to avoid heavy dependence on revenues from hydrocarbons [5]; [6].

Following the Arab revolution, the decision of the GCC countries to strengthen their presence among the indigenous population, due to strategic and political interests, has also led them to invest in less tangible sectors such as education, culture and humanitarian aid, that have always been typical of the EU economies.

The GCC countries' competitive role is therefore multisectoral, covering traditional and innovative materials, as well as the intangible sectors, perhaps creating investment difficulties for European and American companies, due to the influence that the GCC countries could have on behaviours within the Moroccan and Tunisian civil society, thus also changing the business climate in the two countries and reducing, therefore, their interest in Western investors.

In order to understand the context described above, the research, starting from the analysis of the current macroeconomic scenario in these countries, focused on the results obtained thanks to the economic policies adopted by local governments, as well as on the current business climate of these economies [7]; [8]; [9].

On this basis and after framing the main strategic approaches aimed at businesses' internationalisation, the companies' strategies adopted in the past, particularly Italian companies, to gain significant market shares in the area were considered.

Besides, the present research investigated the choices to be made to fit the evolution of the current competitive scenario of the two countries mentioned above, in order to preserve, in the medium and long term, the competitiveness of those businesses that have been operating in the area for some time, but are now challenged by the GCC countries.

In addition, the analysis also focused on data resulting from the survey involving Italian companies operating in the territory, as to the difficulties to be faced concerning mainly the company start-up in the current business climate, due to both the economic, social and operational policies implemented by the Moroccan and Tunisian Governments and to the consolidation of the CCG countries in the area.

These factors could, in fact, lead, in the future, to an effective distortion of the forces acting in the field from a commercial and industrial point of view.

2. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

The process of internationalisation of Western companies is today a common occurrence in an economic scenario in which they see their national leadership undermined by entrepreneurs from countries in transition that, thanks to very low management costs, are able to offer products at competitive prices, gaining, in fact, increasingly significant market shares in the Old Continent's markets.

As a consequence, all sectors are increasingly witnessing the outsourcing process by multinationals, as well as European and American SMEs, in order to preserve competitiveness through lower labour, energy and raw materials costs [10]; [11].

The ongoing financial crisis of the world's major economies, including the Italian one, has led many entrepreneurs to take the path of internationalisation, which is felt, at the time, as the only alternative solution to the failure of indigenous businesses. The reduction in the cost of labour, energy, raw material supplies, as well as the cost of money are just some of the reasons leading, for example, Italian companies like ENEL, Fiat, Danone, etc., to partially outsource their manufacturing process abroad or to settle on the spot [10]; [11]; [12].

This need is increasingly pushing both the business world and the academic one to explore new competitive markets in which to relocate the production process or to establish a branch of one's own business.

Thus, in a highly globalised world, the companies' decision-making in the current international context shows, more than in the past, characteristics of complexity, conciseness and probability [13], which are needed to enable them to create value for the customer. Therefore, the analysis of the degree of attractiveness of the above-mentioned countries, considering such variables as physical-geographic, demographic, economic, technological, socio-cultural ones and so on [14]; [15], becomes crucial for the businesses, to establish, first of all, the right approach to be developed, (naïf, pragmatic or strategic), [16], to identify the most appropriate entry strategies (Flanking attack, Leapfrog strategy, Frontal attack, Encirclement, Guerrilla), [17], as well as the entry mode (direct and indirect export, international partnership, foreign direct investment), related to the degree of risk that the entrepreneur intends to run in the competitive environment in which he must operate [18]; [19]; [20]; [21]; [22]; [23]; [24]; [25].

From the in-depth literature review examined, three main approaches emerged that describe the businesses' internationalisation processes. The first approach is economic, analysing the internationalisation of businesses in general, the second is a stepwise approach, which is adapted to the context of internationalisation of SMEs in particular, and the third and the most recent is the network-based approach, explaining the internationalisation process of businesses by their development through the Network. Although appearing successively, the three approaches do not replace one another, but focus on the process of internationalisation from different angles of analysis [26]; [27].

2.1 The Economic Approach

The pioneering work on international business development is economic science, focusing on the global process of internationalisation of businesses in general.

Penrose [28], one the first authors of this approach, established that the indivisibility of productive resources explains their under-exploitation, which encourages companies to internationalise.

Montgomery and Wernefelt [29] completed this analysis, noting that the resources are specific to the nature of the activity. Thus, the lack of financial, physical or technological resources, the lack of opportunities and the insufficiency of certain skills can hinder the international activity of SMEs [30]; [27] identifying the three main theoretical contributions of the economic approaches.

According to Vernon [31], companies internationalise when their products reach maturity and their markets are saturated, in order to capture new foreign market shares. Therefore, he highlights four macroeconomic behaviours of businesses: production, consumption, exchange and foreign investment.

The theory of transaction costs considers the internationalisation of businesses as the result of a choice between internalisation and outsourcing of activities. When the internal transaction costs are lower than the external transaction costs, the business chooses to internalise its transactions.

This theory is an extension of the theory of internalisation [32].

According to it, companies can develop internationally through vertical integration strategies Buckley and Casson [33], bringing businesses to develop internationally through direct investment abroad to the detriment of exporting, when it generates higher transaction costs.

The eclectic paradigm is based on the theory of internalisation. Dunning [34] distinguishes three types of benefits to explain internationalisation: the company-specific Ownership Advantage and the accumulation of intangible assets (technological capabilities, experience, etc.); the advantage of localisation according to the comparative advantages of host countries, the advantage of internalisation related to the ability of the company to manage and coordinate activities internally, in terms of production costs, transport and distribution. These advantages give rise to three alternative ways of penetrating foreign markets: first, direct investment in the case of simultaneous existence of the three types of benefits. Secondly, exporting and establishing a proper sale network when the firm has both specific advantage and advantage in internalisation and finally, the sale of license if the firm has only a specific advantage.

The synthetic paradigm of the multinational business is an extension of the OLI model that synthesises the company's internationalisation advantages in two main ways: the competitive advantages of the multinational company and the comparative advantages of its target countries [35]. According to Porter [36], the company’s competitiveness is linked to its production costs and its products. This paradigm includes location advantages in the comparative advantages of countries, considering the comparative advantages of sizes and dynamics of domestic and foreign applications. Thus, the concordance or the discordance of the competitive and comparative advantages determines the strategic orientations of internationalisation of businesses in terms of direct foreign investment, of import, export, of either national or foreign production.

This approach is criticised for ignoring the role of social relations in international transactions [37]; [38], the difficulty of analysing the internationalisation of SMEs, and the lack of social relations in transactions.

2.2 The Stepwise Approach

This approach was based on the analysis of SMEs. In particular, the authors of the stepwise approach consider the internationalisation of businesses as a process composed of several consecutive stages, called chains of establishment [39].

The Uppsala model is based on two main concepts, namely the learning process and the psychological distance [40].

By analysing internationalisation as a learning process, this model considers the experience progressively acquired in foreign markets as the key to international development.

As the company improves its decision-making process and international presence, it evolves in its learning process and incorporates knowledge of its foreign market experience.

Internationalisation then becomes the result of a series of chronological decisions.

Based on the study conducted on Swedish companies, the model describes the internationalisation of businesses as a sequential process composed of four stages: irregular and opportunistic export, export via an independent agent, the establishment of sale subsidiaries, and production in the foreign country.

The second main contribution of this model is related to psychological distance, which also has a significant impact on the process of internationalisation of businesses. In fact, when the international experience of companies increases, the psychological distance separating them from new foreign territories diminishes. This favours wider foreign development and a more complete exploitation of the opportunities offered by the different countries served.

Even the internationalisation model linked to innovation is based on the concepts of the learning process and psychological distance.

The authors of this model conceive of internationalisation as a process whose stages can be comparable to those of the adoption of new products [26]; [37].

Each stage of international development is considered as an innovation for the company. Differences persist in the choice of stages, their number and the initiating mechanism of internationalisation [41]; [42]; [26]; [37]; [43].

Three stages of internationalisation of businesses exist according to the model of innovation related to internationalisation:
- pre-commitment concerning the companies established only on their national market, but having already previous experience in exporting, or being strongly interested in exporting in the future;
- the initial phase, in which companies are irregularly involved in exporting while having the potential to expand their foreign operations;
- and the advanced stage, when companies regularly export and have considerable foreign experience while considering other forms of international engagement [44].

This model states that the internationalisation steps listed by the previous models are not necessarily respected. Some companies have been expanding internationally since their creation, others are internationalising directly through subsidiaries [45]; [46]; [47]; [48]. Some of them can move faster in their process of internationalisation, for example, from direct export to the creation of subsidiaries [24], other companies can stop their internationalisation process before reaching the last stage [26].

Several reasons can explain these modes of international development: notably the reduction in transport costs, the growing importance of information and communication technologies [47], the international experience of managers [49], the capitalisation on certain skills [48], the development of intangible resources related to network relations and the desire to seize opportunities.

Some authors have questioned this approach, stressing its inability to explain certain behaviours of businesses' internationalisation related to specific factors concerning the company and its environment [37].

Some SMEs' internationalisation behaviour remains difficult to be explained according to the stepwise approach, hence the emergence of the network approach [39]; [37].

2.3 Knight's Theory of Higher Education Internationalisation
This theory has been developed as part of the Organisation of Economic Cooperation and Development's work on the internationalisation of higher education, and is the only reference in terms of quality and process of internationalisation in the higher education field.

According to Knight [50], the internationalisation of higher education is determined by two main components: home based internationalisation, through the mobility of students, teachers and academic programs and internationalisation abroad, through foreign establishment of higher education institutions.

This theory is part of a process-based approach to internationalisation. It requires the higher education institution to consider the international dimension in the various stages of its international development. Key actors in any process of internationalisation of higher education are the state, the university and the private sector [50].

In conclusion, in the light of the competitive scenario described above, it is evident, therefore, that the analysis of the business climate of these economies can, on the one hand, paradoxically implement, within the economic policies of the countries under recession, those positive elements arising from the government actions, put in place by these emerging countries and, on the other one, facilitate the investment strategies of international competitors.

In fact, for the latter, in order to set consistent and effective competitive strategies, it becomes essential to understand whether facilities are granted in the process of start-up company, as well as which is the movement of labour and capital from one sector to another that, particularly in times of financial crisis, tends to increase significantly due both to the simplification of the formal procedures and to the reduction in costs associated with business creation [51]; to verify the existence of a Public Credit Registry, enabling the transition countries' companies to have access twice as faster as larger firms [52]; [53]; to check the existence of a state guarantee that protects the investors' property [54] or, finally, to inquire about the opportunity of profiting from a lower internal revenue than in Italy for example, together with simplified procedures for tax payment [55].

3. RESEARCH METHOD

The present research was developed in three phases.

The first one, which is of a descriptive character was intended to assess the degree of attractiveness of Maghreb economies to international entrepreneurs, providing a short description of the economic situation in the Maghreb countries examined (Morocco and Tunisia), with the support of macroeconomic indicators, the index of Global Competitiveness, openness to international trade as well as those of Doing Business concerning the degree of ease through which the business start-up can be carried out in those countries.

Furthermore, the study took into consideration the analysis of the political, economic and operational risks that influence the strategic choices of those operating in these markets.

Afterwards, the attention was focused on the economic policies implemented by the above-mentioned countries, evaluating the competitive advantage arising from a location of companies in these markets and the opportunity for Italian companies to invest in these areas.

The second and third phase of the research followed one another chronologically and were both of a quantitative nature.

In detail, the investigation, started in March 2017, was carried out through a questionnaire sent to a sample of 80 companies and drawn up by Italian entrepreneurs, managing directors, marketing managers operating in the above-mentioned countries, to understand the features of their internationalisation process.

The investigation, ended in July 2017, highlighted the reasons that led Italian companies to operate in the Maghreb area and the main operational practices.

The last phase of the research, which lasted three months starting from September 2017, was based on a survey consisting in interviewing top managers and employees, as well as collecting their testimonies with the aim of identifying the main problems to be overcome to start a business in the above-mentioned economies.

In particular, 12 issues were identified that represent a potential obstacle to business start-up. Each interviewee pointed out the four major issues (given a score ranging from 1 for the less important to 4 for the most important), summarised, afterwards, in a separate table in which the answers were weighed according to their position in the overall ranking.

Finally, all the data collected made it possible to draw up a summary SWOT analysis showing the main features characterising the Maghreb area competitive scenario, thus allowing some final reflections about the possible evolution of the region in the international competitive scene, as well as about the prospects for future development for the Italian businesses operating in it.

4. THE MAGHREB AREA DEVELOPMENT: MOROCCO AND TUNISIA

From the analysis of the macroeconomic indicators of the countries of the Maghreb area analysed, it can be seen that the Moroccan economy shows a marked increase in GDP, which grew from 1.2% in 2016 to 4.4% in 2017. This positive performance is mainly due to the driving effect of the emerging countries growth that have increased their imports, thus increasing the exports of the agro-food, textile, aeronautic, automotive and phosphate sectors of Morocco up to 11% overall compared to the contraction, 1.6%, occurred in 2016**.**

The other indicators are also extremely encouraging when considering their stability in recent years with an unemployment rate of about 10% in 2017, as well as a public debt of 76.1%. As for inflation, it has more than halved compared to 2017, falling to 0.7% in 2017 compared to 1.6% in 2016 (Table 1).

As far as the Tunisian economy is concerned, it is going through a transition phase which is made even more difficult by the evident social tensions related to 15.3% unemployment rate in 2017, by the marked growth of public debt passed from 44.7% in 2012 to almost 70% in 2017, as well as by the rising inflation rate, having increased from 4% in 2016 to 5.3% in 2017, mainly due to the devaluation of the Dinar (the local currency), which lost about 23% of its real value from 2016 to the present day because of increased consumption inflated by wage increases.

The only encouraging result is the GDP recovery which has more than doubled from 2015 to 2017, reaching almost 2%, with growth estimates for the next two years which should take it well beyond the 3% threshold, exploiting the expansion of agricultural exports, the recovery of tourism, of the mining sector (especially phosphates) and of the manufacturing industry.

Countries	Real GDP Variat. (%)	Unemployment	Public Debt (GDP%)	Inflation
Morocco	4.4	10	76.1	0.7
Tunisia	1.9	15.3	69.5	5.3

TABLE 1: Macroeconomic Indicators Year 2017.

4.1 Other Indexes of Attractiveness

In addition to the macroeconomic data already highlighted, the present work aimed at analysing the values of other indices that can provide useful guidance to those entrepreneurs wishing to evaluate the possibility of starting their productive activity in the countries mentioned above. In particular, with reference to the Global Competitiveness Index, for the sake of brevity, only the position of the two countries under study (Morocco and Tunisia) has been reported (in the Table 2) with reference to the last three-year period showing a substantial stability of the two countries.

To go deeper into the analysis, it is possible to disaggregate this result in three groups of factors: the basic requirements (Institutions, Infrastructures, Macroeconomic Environment, Health and Education), the factors stimulating efficiency (High Education and Vocational training, goods and labour market Efficiency, Development of the financial market, Spreading of technology and market Size) and finally the innovation and sophistication factors (Development of the production context and Innovation).

In particular, the group of factors highlighting the greatest improvement is the last one, relating to the factors of innovation and sophistication allowing Morocco to significantly improve its position in the ranking of the countries examined, moving from 92nd in 2015 to 74th in 2107 together with Tunisia that moved from 110th to 97th.

Index	2015	Pos. on 140 Countries	2016	Pos. on 138 countries	2017	Pos. on 137 countries
GCI Morocco	4.2	72	4.2	70	4.2	71
GCI Tunisia	3.9	92	3.9	95	3.9	95

TABLE 2: Global Competitiveness Index.

Assessing the degree of openness to international trade of a country is another important aspect that an entrepreneur should consider in order to understand whether the policies adopted will be able to attract FDI (Foreign Direct Investment). It is clear that protectionist measures (such as the adoption of tariffs and non-tariff barriers) adopted by Governments to support the production of local businesses in crisis in particular product sectors, or, instead, openness to privatisation of sectors that the Government considered as strategic in the past, tax abatement on profits over a certain period of time, as well as unsecured grants provided by the State to guide the settlement of foreign enterprises in particular depressed areas of the country, in order to rebalance its internal development, represent some key factors that can influence the choice of the country to invest in.

The analysis of the Openness to International Trade Indices shows a contradictory situation. If, in fact, Tunisia suffers a drop of 6 positions in the ranking of the132 countries examined, Morocco shows quite evident improvement that is equivalent to as many as 11 positions recovered in 2012 (Table 3).

This positive trend in Morocco is confirmed by the absolute leadership achieved in 2017 by the country on the African continent, due to the greater flow of foreign direct investments according to2018 Africa Investment Index (AII), a continental index that is calculated considering the macroeconomic and financial indicators.

In particular, in 2018 foreign investments brought Morocco a total of 2.57 billion dollars, an increase of 12% compared to 2016. This result is the effect of sustained economic growth, a favourable business climate, careful management of the macroeconomic risk by the Moroccan Authorities, a strategic geographical position of the country considered as a real "Gateway to Africa", as well as of an increase in Moroccan investments abroad.

The process of choosing the country in which to carry out one's own business activities must also take into account its level of bureaucracy, which, depending on the case, can either simplify or make the start of the activity almost impossible.

Countries	2010 Value from (0 to 7)	2010 Pos. on 132 countries	2012 Value from (0 to 7)	2012 Pos. on 132 countries
ETI Morocco	3.9	75	4.1	64
ETI Tunisia	4.6	38	4.4	44

TABLE 3: Global Enabling Trade Index.

In particular, taking into account 2018 Doing Business ranking, it can be seen that Morocco is in a remarkable position, i.e. 68th out of the 190 economies examined (Table 4).

In detail, the country ranks 1st in North Africa and 3rd among African countries with regard to "the degree of ease in starting a company", considering a series of indicators related to the regulatory and tax regulations applicable to businesses during their life cycle.

In particular, as far as the degree of ease in starting a company is concerned, the country ranks 35th out of the 190 economies examined, mainly due to the limited number of procedures to be carried out, the time needed to complete bureaucratic procedures, as well as to bureaucratic costs that are about half those in the Middle East and North Africa countries. These data confirm a positive business climate, as well as an opening up of the economy both in terms of trade and investment.

The position of Tunisia is different, despite ranking 88th out of the 190 economies examined. However, this result is mainly due to heavier bureaucracy with a number of procedures higher than the average of the Middle East area and of North Africa countries, although the number of days needed to complete procedures and the related costs are well below the average of the aforementioned area.

Index - Year 2018	**Morocco**		**Tunisia**		**M.E.N.A**
	Pos. on 190 countries	**Value**	**Pos. on 190 countries**	**Value**	**Value**
Position in the global ranking	69		88		
Starting a Business (Pos. rankings)	35		100		
Procedures - (number)		4		9	7.7
Time (days)		9		11	1.6
Cost (% of income per capita)		8		4.6	18.7

TABLE 4: Doing Business Index – Starting a Business 2018.

5. THE POLITICAL, ECONOMIC AND OPERATIONAL THREATS IN THE MAGHREB COUNTRIES

The analysis of the existing political threats in Morocco shows a public debt of approximately 76%, which is considered as the main political and social risk, being high compared to that of the countries of the area, considering that Tunisia has a public debt lower than 70% and, above all, that Algeria has a debt that is around 10%.

For this reason, the Government tries to reduce the budget deficit, in order to stabilise public debt weight, despite 5% reduction in the Kingdom's currency reserves at the beginning of 2017, which nevertheless allowed the country risk to be kept steady at B level [56].

As for the risks of an economic nature, these are strongly linked to the Dirham (the local currency), which is dependent on the dollar and the euro fluctuations for 40% and 60% respectively. Here too the Government is trying to make the exchange rate regime more flexible, bringing the fluctuation rate from 0.3% to 0.5% following the IMF (International Monetary Fund). This attitude can be also explained by the fact that one of the most profitable activities of the entire Moroccan economy is represented by agriculture and the export of its raw materials which, being strongly influenced by weather conditions, are highly uncertain.

Among other things, the increasingly evident external exposure of Morocco (with 55 free trade agreements) has made the country more vulnerable to external shocks, considering above all the numerous political and economic problems afflicting many African partners.

Lastly, as regards the main operational risks, it is convenient that foreign entrepreneurs and operators in general make use of indigenous legal and tax consultants and experts, in order to be guaranteed in their contracts and to benefit by the arbitration clause and bank guarantees to avoid long disputes.

As for Tunisia, the risks of a political and social nature are mainly related to political instability, the fight against terrorism after the 2015 attacks and in general to security on the territory, especially at the border with Algeria and Libya.

For these reasons, the State is adopting a policy of greater cooperation between the parties for the sake of national unity which, over the last year, has made it possible to recover about 3% of international investors' trust concerning the above-mentioned problem.

As to the problems of an economic nature, they are, instead, mainly linked to the still high dependence of the country on international aid and loans, which, in the long run, is likely to weigh on public debt.

In addition, the high rate of smuggling, that still accounts for about 50% of the economy, together with still heavy bureaucracy, the delays in assigning orders, problems linked to transparency and to works implementation are some factors that unfortunately affect the development of the country.

Furthermore, the infrastructural deficiencies of the main port of Tunis, Radès port, cause many logistic and transport problems, due to its obsolescence.

Lastly, as regards the operational issues, these concern both the management of liquidity by the Tunisian Central Bank, which slows down the repatriation of capital and the opposition between the State and trade unions, concerning economic and social reforms.

6. THE MAGHREB'S COUNTRIES ECONOMIC POLICY

The analysis of the economic policies of the Maghreb countries under study is useful to frame both the current and future scenario in which foreign entrepreneurs are going to operate and, mainly, to understand the economic advantage that they will be able to take from direct investments in the Maghreb area.

Starting from the analysis of the internal politics of Morocco, it can be stated that the country represents a positive exception to the evolution of the 2011 Arab Spring, having achieved a constitutional reform that has favoured both democracy and internal order (almost without any accidents or violence), strengthened the State and created a certain stability that the reduction in the number of parties has helped.

This encouraged the current Government to adopt an economic policy in line with that of the previous ones, setting as its main objectives the modernisation of industry, the promotion of private investments and the support of local SMEs, in addition to the diversification of commercial partners, trying, at the same time, to enhance those productive sectors whose supply chains are aimed at exporting and creating added value.

To achieve these objectives, the local administration has launched the Industrial Acceleration Plan (PAI, Plan d'Accélération Industrielle), aiming at increasing the industry's contribution to national GDP from 14% to 23% by 2020, through the operation of several strategic plans: the "Maroc Vert" Plan (to streamline and improve agricultural production with the financial support of the African Bank), the "Plan National" (National Plan) aimed at implementing the objectives set by the COP22 (greenhouse gas emissions reduction and renewable energy development), "la Vision 2020" Plan (tourism development) and the "Plan Haulieutis" (Halieutis Programme, improving the fishing sector).

In particular, the development of the extractive industry is of vital importance, so that the Government are seeking an alternative to phosphate extraction, through a double-sided approach: firstly, by entering into an agreement with over 30 companies in the energy sector to search for oil and natural gas through on-shore and off-shore explorations; secondly, by developing renewable energy, in order to gain 6000 MW of additional capacity, through the implementation of the Wind-Hydro and Rural Electrification Programme (to promote energy security, electricity production and distribution, Co2 emissions reduction), as well as of the "Solar Plan" (aimed at the creation of numerous photovoltaic plants, thanks to the financial support of both the International Bank for Reconstruction and Development and the World Bank Global Environmental Facility Fund, allocating 200 million and 97 million US dollars respectively).

The Government are also planning to build large infrastructural works in Casablanca to guarantee the creation of a Business Exchange which, from a financial point of view, is likely to be the reference market for the whole African continent.

The growth of tourism linked to the simultaneous decline of other countries in the Maghreb area such as Tunisia and Egypt, due to the recent attacks, has led the administration to enhance the enormous cultural heritage of the country.

The 2018 financial law has identified the key sectors of the economy for the management of public spending: education, health, habitat, employment, investment support and the private sector.

Finally, the ambitious goal that the Othmani Government has set itself is to permanently place the country among the "best 50 of the Doing Business ranking" (it is currently ranked 68th), improving the business climate and paying particular attention to the shortening of payment delays by public bodies, the effectiveness of funding mechanisms, the dematerialisation of business creation procedures and the transparency and clarity of the legal framework.

From what has just been analysed, it is clear that Morocco has adopted a policy that tends to develop relations with international investors, primarily European ones, thanks to the Advanced Association Statute and the Partnership on Mobility, as well as through the American Free Trade Agreement on Fishing.

Among other things, in 2012, the King's visit to the Gulf countries strengthened relations, giving Morocco considerable financial support, with investors from the Persian Gulf being attracted by entering as competitors both the traditional economy sectors (banking, energy, real estate, mining, telecommunications and tourism), and the most innovative ones, such as the renewable energy sector, bearing high potential for development.

In addition, in 2017, as a country of the African continent, Morocco officially advanced the request to become part of the Economic Community of West African States (ECOWAS) and obtained, after 33 years, the readmission in the African Union, which brought enormous benefits in terms of both its image, with over 500 agreements of cooperation stipulated and of business, with the presence of its companies in 25 countries of the continent.

In particular, the commercial operations on the territory have been favoured by two main elements: firstly, the support of its banks (BMCE, Banque Centrale Populaire and Attijariwafa Bank) which have opened branches in 10 countries in the area and secondly, direct investments in 13 sub-Saharan African countries and in West Africa, in particular the predominantly Francophone area (Gabon, Mali, Ivory Coast and Benin).

As for Tunisia, even though the country was the architect of the Arab Spring, the Government have been able to control the period of democratic transition, even if the economy has suffered a severe blow due to the 2015 terrorist attacks which, in fact, stopped the flow of tourists in the country, that was almost regularly resumed only in 2016. The current Government of National Unity chaired by Youssef Chahed is ensuring ambitious reforms in the fields of investment, employment, public function and the fight against corruption, in addition to restoring stability to the country.

In particular, the Government's view is to restore the economy of the country by increasing exports and attracting new foreign direct investments, thus recovering investors' confidence after the terrorist acts.

The objective of improving the business climate in the country coincided with the new Investment Law which allowed new incentives to be identified, together with the liberalised sectors, the time of granting authorizations and the establishment of expert teams with the function of supporting and accompanying investors.

With this in mind, the Tunisia 2020 Economic Emergency Law was devised based on the principles of inclusive growth and sustainable development, which provided a budget of 60 million dollars and raised funding for about 14 billion euros from private investors, international organisations and foreign governments to simplify, from an administrative point of view, within the next three years, those projects deemed as strategic in terms of the financial dimensions of an investment of not less than 25 million euros, together with at least 500 new jobs created, in order to continue fighting inflation which is currently exceeding 15%. These reforms are endorsed by the IMF (the International Monetary Fund), which calls for maximum speed in reforms, in order to contain public debt that currently stands at 70% and guarantee sustainable growth in the country.

In this context, the EU has also made its contribution. In fact, as part of the 2016-2020 Development Plan, it has increased financial resources to help the country with the aim of combating its economic crisis, allocating resources in particular to fight against smuggling and corruption, to help businesses in crisis, to reduce unemployment, to promote investment in youth training and socio-economic development. In the light of the Full and Comprehensive Free Trade Agreement (ALECA, *Accord de Libre Echange Complet et Approfondi*), the Tunisian Government tends more and more to integrate into the European Economic Area, thus strengthening relations with the EU, the first commercial partner, to which it directs about 75% of exports and from which about 55% of the products are imported. Moreover, within the framework of the Arab Maghreb Union (UMA, *Union du Maghreb Arabe*), Tunisia, thanks to its strategic position, plays a fundamental role in the context of sub-regional integration, for reasons of security and collaboration with the EU, as well as with the American government that finances the democratic transition, in order to guarantee greater stability in the Maghreb area.

7. THE PROBLEMS HINDERING THE STRATEGIC DEVELOPMENT OF COMPANIES IN THE MAGHREB AREA

At this point, after having made it clear that a significant Italian presence has settled within the competitive scene of the Maghreb area (Morocco and Tunisia), the research focuses on the major obstacles that international competitors had to overcome to set up a business.

To achieve this purpose, as previously highlighted, the last phase of the investigation, started in September 2017 and lasted three months, provided for the elaboration of a questionnaire focusing on 12 possible issues representing an obstacle not only for the business start-up, but also for its subsequent development. The questionnaire was submitted to the 80 Italian companies chosen as a sample for the survey and operating, as already mentioned, in different fields. The work of gathering and processing information was hard because of the difficulty in creating a feed-back with the management.

Nevertheless, without pretending to be exhaustive and apart from official data, it allowed an accurate and deep understanding of the real environmental and competitive context with which Italian companies have to be faced to achieve satisfactory competitive advantages [57].

More specifically, the managers contacted were asked to indicate, in the list supplied, the four issues which, according to them, represented a real obstacle to the development of their business in these countries (giving a score from 1, the most important, to 4).

The results given below (Table 5) show that corruption and lack of access to funding represent, despite the reforms, some obstacles to be reduced as soon as possible to encourage foreign direct investment and to allow the area to grow faster.

Countries	Morocco	Tunisia	Morocco	Tunisia
Factors	**2016-2017 (%)**	**2016-2017 (%)**	**2017-2018 (%)**	**2017-2018 (%)**
Corruption	11.5	12.9	15.5	13.1
Inefficient state bureaucracy	12.9	19.1	14.7	19.6
Access to funding	15.8	7.8	12.6	8.1
Inadequate infrastructure	5.9	5.9	5.9	7.8
Crimes and Theft	0.6	0.8	1.8	1.9
Unskilled labour	13.7	4.8	11.3	5.1
Tax rates	11.9	7.5	10.8	7.3
Tax regulations	6.6	6.9	6.3	6.5
Political instability	0.5	14.9	3.5	11.7
Poor ethical sensitivity by the local labour	5.8	6.9	6.1	5.6
Insufficient talent for innovation	11.9	5.8	8.6	5.8
Regulations on foreign currency	2.9	6.7	2.9	7.5

TABLE 5: Factors Hindering The Business In The Maghreb Countries.

8. CONCLUSIONS AND IMPLICATIONS

The research highlighted the increasingly evident need for multinational companies and for Western and American SMEs to guarantee competitiveness in the current era of globalisation, through the search for investment areas outside the national borders that would allow a marked reduction in management costs, in order to cope with competition from those players coming mainly from the countries of Southeast Asia (China in the lead), that are increasingly gaining market shares in all sectors due to highly competitive consumer prices.

The attention of international operators has focused, in particular, on the Maghreb area (mainly Morocco and Tunisia), i.e. on those countries that, as a result of the Arab Spring, have shown, through their reforms, greater openness towards Foreign Direct Investments, by improving the business climate in the territory that qualifies them as the markets with the highest development potential for the near future.

However, the analysis carried out has also shown that for some years, Western interlocutors have not been the only ones operating in the above-mentioned countries, because of the growing presence of other players coming from the Persian Gulf countries, due to political and economic reasons: avoiding heavy dependence on hydrocarbons by investing in innovative sectors such as renewable energy, agro-food and new technologies, as well as in less tangible sectors such as humanitarian aid, culture and education. This evolution in the current competitive scenario is influencing the strategic choices of Western (primarily Italian) and American companies, that, in order to be competitive even in the intangible investments just described, should perhaps operate in line with Knight's theoretical approach on higher education at global level.

The evident improvement of the business climate in the analysed countries leads international and Italian entrepreneurs to consider, in a future perspective, the two countries that are highly attractive for their investments, in the presence of important strategic factors to be exploited that are essential to preserve company's competitiveness. These factors can be listed as follows: the sourcing costs of raw materials and labour at the most competitive prices, the possibility of profiting from the experience gained by Italian companies because of their massive presence in these areas, the penetration of the "Made in Italy" product in those countries, the geographic location that, in some cases, is considered strategic to serve the entire macro-area (Morocco, Tunisia).

The remarks that have just been reported are also the result of the analysis of findings arising not only from secondary sources of the two countries concerned, but also from the questionnaire submitted to business executives with reference to the major problems encountered in the development of their business in these countries. This allowed the development and drafting of the SWOT Analysis, which highlighted the main factors of attractiveness of these economies and the elements that political reforms should improve, as well as the opportunities that entrepreneurs should seize to develop their business and the possible threats that may jeopardize the penetration of businesses in these markets (Table 6).

As a conclusion, which strategies should entrepreneurs adopt today in these countries?

The analysis suggests, especially for multinational companies wishing to operate simultaneously in these markets, to follow a polycentric approach, decentralising in these countries the primary activities of the value chain, and centralising, instead, in the country of origin, the management of financial and human resources, research and development. It is evident that such an approach requires the adoption of a strategy aiming at providing a variety of products that are able to meet the diverse needs of customers in the areas mentioned above. For what concerns SMEs, if it is true that their entry into those markets would certainly be favoured by the degree of facilitation of business start-up, it is also true that there would be obvious unhomogeneity between them as regards the consumer’s demand; this would suggest that the entrepreneurs should adopt a sequential approach in line with the Stepwise Approach based on the Uppsala model analysed, in order to allow full penetration into a market before moving to the next, so as to limit investments in human and financial resources, to exploit the experience already gained in a given geographical area and to make profits arising from the different degrees of the countries’ development.

STRENGTHS	**WEAKNESSES**
- Economic and social political stability - International level infrastructures - Proximity to Italy - Easy approach to neighbouring markets - Opening to world trade - Free access to the European Union market - Competitive cost of production factors and labour	- Inefficient state bureaucracy - Access to funding
OPPORTUNITIES	**THREATS**
Where to invest - Transport and storage - Agricultural products, fishery, forestry - Building - Products from other manufacturing industries - Motor vehicles, trailers and semi-trailers - Products of mines and quarries **What to sell** - Electrical equipment and for non-electric domestic use - Electric energy, gas, steam, air conditioning - Textiles - Wholesale and retail trade and car and motorbike repair - Metal products excluding machinery and equipment - Metallurgy products	- Trade union activities - Operational risk - Internal political stability - Exchange rate risk - Economic transition in progress - Social and political risks

TABLE 6: Personal elaboration Maghreb area (Morocco and Tunisia) aggregate SWOT Analysis.

9. CRITICAL DISCUSSION AND FUTURE RESEARCH DIRECTION

The aim of the research carried out, without the presumption of being exhaustive, is to represent, on the one hand, a guide for international operators, Italian species operating in the Maghreb area, in order to make them aware of some aspects of environmental and social dynamics of the territory, useful for adapting, with a view to competitiveness, the corporate strategy to local policies and, on the other, to represent an analysis tool for the governmental authorities of the territories to develop policies capable of minimizing entrepreneurial problems and to promote in an intelligent and sustainable way the revival of the economy of these countries in transition.

Thus, in the light of what has emerged in the present work, the spillovers represented by the research conducted primarily concern the strategy of opening up the internal market implemented by the political power of the two countries thanks to the conclusion of various free trade agreements that had from on the other hand the negative effect of aggravating the already suffering trade balance of the country, above all against the euro zone, but which also allowed the other side to have a beneficial effect in terms of countries' attractiveness for foreign direct investments.

The protectionist logics of the past to maintain control over the trade balance have been overcome in recent years by a fair liberalization which, if on the one hand has meant entry of foreign products in the areas analyzed, nevertheless also allowed the exportation of local products to those countries like the United States, the Euro zone, and Turkey where these agreements are in force.

Probably, the competitive advantages deriving from the geographical position, from the lower cost of labor and from production costs in general, could guarantee the two countries, in a medium-term economic scenario, a rebalancing of the trade balance thanks to exports.

This forecast is confirmed by the growth of Italian companies operating in the aforementioned countries. In fact, in Morocco, trade grew in 2018 by 9.5%, while in Tunisia the market share reached 15.5%.

The proposed dynamic analysis has allowed the collection of results that can be analyzed according to two interpretations [58].

One linked to the corporate governance model of our businesses and the other to the policy adopted by local governments.

With regard to the first point, it was noted that the application of the sequential approach was different depending on the governance model adopted. In fact, for those companies that have adopted the Latin model (typical of small businesses in southern Italy, where the figure of the entrepreneur is predominant, power is concentrated in the members of the family, the risk orientation is almost nil and the capital available is often limited) entrepreneurs did not go far beyond the export of products, also because, the main objective is that of business continuity and entrepreneurs often have not gained an experience for cultural and linguistic problems international enough to force them to develop their business in a foreign context.

On the contrary, companies that have adopted an Anglo-Saxon or German governance model, or (the typical companies of Central-Northern Italy with a power divided into many shareholders and with large capital endowments, managed by capable and trained management and with 'main objective represented by the profit, typical of large companies, have had the economic strength and the courage to set up branches or make direct foreign investments in these countries [59].

In fact, in the two countries analyzed, around 90% of Italian companies are medium-large, in line with what has just been highlighted and of geographical extraction in Northern Italy.

However, it can be appreciated from the analysis carried out that Italian companies present in the area for years have been able to implement a coherent market strategy, to the point of strengthening their competitive position “vis-à-vis” foreign competitors operating in these areas.

The other important point is the continuity of the policies adopted by the countries to guarantee attractiveness to the territories.

To confirm what has been stated previously, the Tunisian Government has just announced a measure that favors the entry of foreign investors who want to enter the market through six new online services that will allow them to obtain a residence card that will facilitate their activity. The services will cover the investment declaration, the legal constitution of the companies, the requests to obtain an authorization, tax and financial advantages and the presentation of priority projects [60]; [61].

As for the Moroccan Government, there is instead a recent meeting of the Central Bank's Monetary Policy Council (Bank Al-Maghrib - BAM), during which the will to leave the official discount rate unchanged and to introduce liquidity that could lead banks to grant more credit to businesses. This policy is to be considered slightly expansive, prudent and responsible and has as main objective precisely that of reducing the liquidity deficit to 77.6 million dirhams (about 7 billion euros) by the end of 2019, with cuts in public spending and with an estimated growth of around + 0.3%, thanks to the latest social dialogue agreement [62].

Another positive aspect linked to the proposed research is that linked to the reduction of the unemployment rate in the areas examined, thanks to the recruitment of the local population by foreign companies operating in the territories. However, there is an increasing need to train on-site staff with courses organized by local universities in partnership with European universities that can not only refine and homogenize the business management techniques of local operators, allowing them to become new managers Maghrebi of tomorrow, but also to create joint degree courses that allow students, if they decide to emigrate to Europe, not to increase the number of unemployed, but to find work more easily thanks to a recognized title in the EU.

A future research direction that would represent an extension of the newly proposed work could be conducted with the analysis of another Maghreb country, Algeria, which represents the 2nd world country from which Italy imports hydrocarbons.

Considering that the Algerian government has just approved the new draft hydrocarbons law, which provides numerous advantages for foreign investors (such as reducing the tax burden up to 65%), in order to relaunch the partnership with international energy companies, the positioning of Italian companies in the aforementioned sector and in the Algerian economy in general could make it possible to understand whether the problems already examined for Morocco and Tunisia are also confirmed in this country which has great potential for development in the future, but which are still strongly conditioned by local policy [63].

10. REFERENCES

[1] T. Kuran. "*The Long Divergence: How Islamic Law Held Back the Middle East"*, Cambridge Mass, Princeton University Press, 2012.

[2] M.B. Ltaifa, W. Khoufi. "Book to Market and Size as Determinants of Stock Returns of Banks: An Empirical Investigation from MENA Countries", *International Journal of Academic Research in Accounting, Finance and Management Sciences* vol. 6, no. 4, pp. 142–16, 2016.

[3] R. Hamaui and M. Mauri. "Islamic Economy and Finance", Bologna: il Mulino, 2009.

[4] A.H. Rehman. "*Gulf Capital and Islamic Finance. The Rise of the New Global Players"*, New York: Mc Graw Hill, 2010, p. 241.

[5] M. Monzer. *"Oil and Development in the Arab World: a Chain of Revolutions"*, Paris: L'Harmattan, 2011.

[6] K. Pfeifer. “*Petrodollars at Work and in Play in the Post-September 11 Decade”*, in “Merip”, vol. 41, p. 260, 2011.

[7] World Bank. *“World Development Indicators”,* p. 52. 2003.

[8] World Bank. *”Speeding Recovery: Tertiary Education for Growth in Sub-Saharan Africa”,* p.26. 2008.

[9] World Bank. “*Economic Integration in the Mashreq*, and *Economic Integration in the Maghreb”*, Washington, October, 2010.

[10] S. Mariotti and M. Mutinelli. *“International Growth for SMEs”,* Milan: Il Sole 24Ore, 2003.

[11] G. Bertoli and E. Valdani. “International Markets and Marketing”, Milan: Egea, 2006.

[12] C. Dematté, F. Perretti and E. Marafioti. ”*Internationalisation Strategise”*, Milan: Egea, 2013.

[13] P. Miolo Vitali. *“The Corporate Decision-Making System”,* Turin: Giappichelli Editore, 1993.

[14] S.P. Douglas, C.S. Craig, and W.J. Keegan. “Approaches to Assesing International Marketing Opportunities for Small and Medium-Sized Business”, *Columbia Journal of World Business*, Fall, 1982.

[15] G. Invernizzi. *“Business Strategy and Policy”,* Milan: McGraw-Hill, 2004.

[16] F.R. Root. “*Entry Strategies for International Markets”*, Lexington, Lexington Books, II ed., 1994.

[17] P. Kotler, L. Fahey and S. Jatusripitak. *“The New Competition”*, Prentice Hall. 1985. (trad. It. Judo Marketing), Milan: Ipsoa, 1987.

[18] S. Vaccà. “*Science and Technology in the Business Economy”*, Milan: Franco Angeli, 1989.

[19] G. Cuomo. “*Distribution Channel”s*, edited by Valdani E., Marketing, 5th vol. of The Business Encyclopaedia, Turin: Utet, 1995.

[20] V. Nanut. “*The Role of Commercial Brockers in the SMEs Process of Internationalization and in the Development of International Trade”*, with the Contribution of Various Authors, Writings in Memory of Carlo Fabrizi, Padova: Vedam, 1995.

[21] R. Fiocca and S. Vicari. *“Intercompany Coalitions to Implement Combined Business Strategies”*, edited by R. Fiocca, Businesses without Borders, Milan: Etas, 1997.

[22] A. Marcati, P. De Luca and G. Galli. “Role and Strategies of Commercial Brockers in the Business Internationalization Process”, *Sinergie*, no. 47, 1998.

[23] L. Ferrucci. *“Competitive Strategies and the Business Growth Process”*, Milan: Franco Angeli, 2000.

[24] J.A. Wolff and T.L. Pett. “Internationalisation of Small Firms: An Examination of Export Competitive Patterns. Firm Size and Export Performance”, *Journal Of Small Business Management*, vol. 38, pp. 34-47, 2000.

[25] G. Albaum, J. Strandskov, E. Duerr and L. Dowd. “International Marketing and Export Management”, Addison Wesley, II ed., 2005.

[26] H.G. Gankema, H.R. Snuif and P.S. Zwart. “The Internationalisation Process of Small and Medium-Sized Enterprises: an Evaluation of Stage Theory”, *Journal of Small Business Management*, 38 (4), pp. 15-27, 2000.

[27] M.R. Ruzzier, D. Hisrich and B. Antoncic. “SME Internationalisation Research: Past, Present and Future”, *Journal of Small Business Enterprise Development,* vol. 13, pp. 476-497, 2006.

[28] E. Penrose. *“Theory of the Growth of the Firm”,* New York, John Wiley & Sons, 1959.

[29] C.A. Montgomery, B. Wernefelt. “The Link Between Resources and Type of Diversification: Theory and Evidence”, *Strategic Management Journal*, vol. 12, pp. 33-48, 1991.

[30] A. Madhok. “Cost Value and Foreign Make Entry: the Transaction and the Firms”, *Strategic Management Journal*, 18, pp. 39-61, 1997.

[31] R. Vernon. “International Investment and International Trade in the Product Cycle”, *Journal of Economies,* 1966.

[32] O. Willamson. “*Markets and Hierarchies”,* New York, NY., Free Press, 1975.

[33] P.J. Buckley and M. Casson. “*The Economic Theory of Multinational Enterprise*”, St-Martins Press, New York, 1995.

[34] J.H. Dunning. “The Eclectic Paradigm of International Production: a Restatement and Some Possible Extension”, *Journal of Small Business Studies*, vol. 19, pp. 1-31, 1988.

[35] J.L. Mucchielli. “Strategic Partnerships and Multinationals: a New Theory for New Forms of Multinationalisation”, *Revue D'économie Industrielle*, vol. 55, pp. 118-134, 1991.

[36] M. Porter. “*Competition in Global Industries”*, Boston, Harvard Business School Press, 1986.

[37] G. Gemser, M.J. Brand and A. Sorge. ”Exploring the Internationalisation Process of Small Businesses: a Study of Dutch old and New Economy Firms”, *Management International Review*, vol. 44 (2), pp. 127-150, 2004.

[38] J. Johanson and L.G. Mattson. “*Internationalisation in Industrial Systems - A Network Approach, in* Hood N., Vahlne, J*. Eds., Strategies in Global Competition”,* New York, Crom Helm, pp. 287-314, 1988.

[39] N.E. Coviello and A. McAuley. “Internationalisation and the Small Firm, A Review of Contemporary Empirical Research”, *Management International Review*, vol. 39, pp. 223-237, 1999.

[40] J. Johanson and J.E. Vahlne. “The Internationalisation Process of the Firm: a Model Knowledge Development and Increasing Foreign Market Commitments”, *Journal of International Business Studies,* vol. 8, pp. 23-32, 1977.

[41] W. Bilkey and G. Tesar. ”The Export Behaviour of Smaller Sized Wisconsin Manufacturing Firms”, Journal of International Business Studies, vol. 8, pp. 93-98, 1977.

[42] S.T. Cavusgil. “On the Internationalisation Process of Firms”, *European Research*, vol. 8, pp. 273-280, 1980.

[43] S. Reid. “The Decision-Maker and Export Entry and Expansion”, *Journal of International Business Studies*, vol. 12, no. 2, pp. 101-111, 1981.

[44] L.C. Leonidou and C.S. Katsikeas. "The Export Development Process: an Integrative Review of Empirical Models", *Journal of International Business Studies,* vol. 27, no. 3, pp. 517-551, 1996.

[45] C. Etrillard. *"The Internationalisation of SMEs: a Retellling in Terms of Business Strategies",* in 7th Entrepreuneurs and SMEs, International Francophone Conference, Paris, October, 2004.

[46] P.A. Julien, P.Y. Léo, and J. Philippe. *"SMEs and Big Markets",* Paris: L' Harmattan, 1995.

[47] P.P. McDougall and B.M. Oviatt. "Toward A Theory Of International New Ventures", *Journal of International Business Studies*, vol. 25, pp. 45-64, 1994.

[48] P. McDougall and B.M. Oviatt. "International Entrepreneurship: the Intersection of Two Research Paths", *Journal of Small Business Management,* vol. 43, pp. 902-909, 2000.

[49] A. Fischer and R. Reuber. "The Influence of The Management Team's International Experience on the Internationalisation Behaviours of Smes", *Journal of International Business Studies,* vol. 28, pp. 807-825, 1997.

[50] J. Knight. *"Higher Education Quality and Internationalisation",* Organisation for Economic Cooperation and Development, pp. 15-46, 1999.

[51] A. Ciccone and E. Papaioannou. "Red Tape and Delayed Entry", *Journal of the European Economic Association*, 5 (2-3): pp. 444-58, 2007.

[52] M. Brown and C. Zehnder. "Credit Registries, Relationship Banking, and Loan Repayment", *Journal of Money, Credit and Banking*, 39 (8): pp. 883-918, 2007.

[53] M. Brown, T. Jappelli and M. Pagano. "Information Sharing and Credit: Firm-Level Evidence from Transition Countries"; *Finance Working Paper 201*, Brussels, European Corporate Governance Institute, 2008.

[54] C. Doidge, A. Karolyi and R.M. Stulz. "Why Do Countries Matter So Much for Corporate Governance?", *Journal of Financial Economics*, 86 (1): pp. 1-39, 2007.

[55] S. Djankov, T. Ganser, C. McLiesh, R. Ramalho and A. Shleifer. "The Effect of Corporate Taxes on Investment and Entrepreneurship", NBER working paper 13756, Cambridge, MA: National Bureau of Economic Research, 2008.

[56] EIU. "*Economist Intelligence Unit Country Report"*, August, 2017.

[57] M. Porter. *"The Competitive Advantage",* Milan: Di Comunità Edizioni, IV Edition, 1993.

[58] G. Invernizzi. *"Competitive Strategies"*, Milan: McGraw Hill Education, 2014.

[59] N. Di Cagno, S. Adamo and F. Giaccari. *"Outlines of Business Economics"*, Bari: Cacucci Editore, II Edition, 2013.

[60] Agenzia Nova. "Tunisia: Investment Instance launches residence card for investors". www.infomercatiesteri.it/highlights_dettagli.php?id_highlights=16244, Fev. 12, 2019 [Dec. 06, 2019].

[61] Ministry of Foreign Affairs. “Morocco. Results Monetary Policy Board of the Central Bank”. www.infomercatiesteri.it/highlights_dettagli.php?id_highlights=16042, Oct. 08, 2019 [Dec. 06, 2019].

[62] Ministry of Economy and Finance. “Citizens Budget 2019”. www.finances.gov.ma/Docs/db/2018/BC%20VFr%20LF%202019.pdf, Internet: 2019 [Dec. 07, 2019].

[63] Agenzia Nova. “Energy: Algeria, Government Adopts New Law on Hydrocarbons”. www.infomercatiesteri.it/highlights_dettagli.php?id_highlights=16036, Internet: July 10, 2019 [Dec. 07, 2019].