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Modeling the Impact of Security Policies on Territorial Development: The Case of Casa-Settat Region, Morocco

KERDAD OUAIL¹, ELHANI ZAHIRA²

Doctor of Economics and Management Sciences PhD Student at FSJES Tangier

Abstract: This research project examines the political, economic, social and real consequences of security policies on territorial development in the context of an analysis of security- governance-economic development nexus by focusing particularly at Casa-Settat region's case. We conducted a comprehensive mixed methods study of 120 municipalities from 2010–2023 using fixed-effects panel regression, difference-in-differences estimation, instrumental variables, spatial autoregressive modeling, and partial least squares structural equation modeling (PLS-SEM). Improved sense of security policies have significant effects on increasing income—measured in GDP(Gross Domestic Product) minus night lights, and market revenues—and on crime rate reductions. However, spatial analysis shows that spillovers to neighbouring municipalities tend to be positive. Governance emerges as a central mediator that links security improvements with development gains. These results highlight the need for joint security reforms and their link to a deeper governance get-up in order to foster long-lasting and all-inclusive territorial development. Security policy should be included in regional

Keywords: Urban development, Security policies, Spatial econometrics, Morocco, Casa-Settat, PLS-SEM.

planing in Morocco and similar contexts, which implies policy implications.

I. Introduction

1.1 Background

Among other definition, the OECD describes territorial development as a multi- dimensional and coordinated process that foster growth, social inclusion and environmental sustainability inside of an over arching governance frame work. Security is one of these simple aspects in the set of determinants of regional development. What is security broadly defined, the mere fact that there are not crimes or more than just crimes, it applies to institutional stability; enforcement of rules and predictability of investment climates. Security capacities are frequently uneven, in turn reinforcing regional disparities in middle- income countries like Morocco. The Casa-Settat region exemplifies this most strikingly: manufacturing more than 30% of national GDP (HCP, 2024), the economic backbone of Morocco exists alongside immediate regional urban-rural differentiation in level of police strength. These imbalances have real world impacts on investor confidence, infrastructure efficiency, and the ease of moving goods and people.

1.2 Research problem

Notwithstanding its theorized significance and the Morocco country case, empirical security-oriented economic research in some local contexts that measured the actual localized impact of security policies seems astonishingly absent. Few studies considered security variables at the national level as endogenously determined, given that existing works either aggregate them by groups of countries such as continents (El

Ouardighi, 2019) or consider them only as exogenous control factors in more general model of development. Thus, the causal mechanisms by which local security policies affect development outcomes are poorly understood.

The disconnect is especially noticeable given Morocco's commitment to decentralization, in which more are being done by regional and municipal authorities in development planning. The absence of this empirically-based understanding about how development is shaped by security and how these effects cross-pollinate neighbouring jurisdictions therefore places policy on a track informed by anecdote, not evidence.

1.3 Research objectives and questions

The main research question in the present studies:

How do security policies impact territorial development in Casablanca-Settat region (morocco), and by which mechanisms?

The dissertation has four main purposes, therefore:

Theoretical framework: include a literature review which ranges back in time, presenting the links between security and governance within territorial development.

Integration of data: Create a council level data set related to socio-economic indicators, fiscal statistics and securities.

Establishment of methodology: Such analyses need to be based on econometric and structural models which can identify not only direct, but also additional spatial spillover effects.

Discussion: Frame finding sin the context of Morocco's decentralization and security sector reform policies.

1.4 Contributions of the study

The research thus has three keys contributions to the literature and policy debate.

- Methodological integration: we integrate fixed-effects (FE) panel models, Difference-in- Differences(DiD), spatial autoregressive (SAR) models and PLS-SEM spillover effects (To capture both causal effects as well as latent constructs).
- Geographical specificity: fills an important gap in the literature on African regional security-development by using disaggregated yet largely nationally representative municipal level data from Morocco.

Policy translation: in order to inform regional policies and national ministries, the results are framed to contribute policy recommendations more in line with the vision of Morocco New Development Model (NDM) horizon 2035.

II. Literature Review

2.1 Territorial Development: From Macro Theories to Spatial Governance (1950s-1990s)

Initially, development theory was divided between the so-called modernization and structural schools through post-World War II. Prebisch (1950) and Cardoso & Faletto (1979), for instance, are the main dependency theorists who have drawn attention to macroeconomic and global power imbalances; subnational spatial dynamics received less emphasis. Mean while, the modernization paradigms (Rostow 1960) conceptualized development in a top-down linear nationalistic process. But those approaches failed to address territorial heterogeneity; inequalities within a country's regions, cities, towns and countryside. In the wake of this, in the 1970s and 1980s, regional economists had begun to address through the stages of balanced and unbalanced growth models (Hirschman 1958; Myrdal 1957) showing how development could cluster in core regions while leaving peripheries to lag behind. The partial equilibrium concept of "spread" versus "backwash" effects (Myrdal, 1957), for example, anticipated much later modeling and research in the spatial econometrics.

In the 1980s and the 1990s, there was a considerable theoretical advancement which on both sides of Atlantic ocean led to a more balanced approach, muting somewhat the regional dichotomy but especially in European

regional studies they were emphasising territorial cohesion and endogenous growth. From the outset, pioneer slike Camagni (1991),Barca(2009) and Storper (1997) argued that development arises from local features – e.g. human capital, institutional capacity, infrastructure and innovation systems - and hence public policies should buildonthisknowledgeincraftingterritorial policies which deliver better practice potential. This location-sensitive understanding underpins present-day analyses of development, with the policy interventions in question being strongly dependent on local straits and abilities.

2.2 The Security Turn in Territorial Development (1990s–2000s)

Security, the preserve of the nation-state and military-strategic studies, was at that time creeping into development discourse. Advancing a rational choice institutional economics, North (1990 —among others like enforcement mechanisms and contract credibility or the rule of law in general—finally set an implicit focus on the "safeness" of economic transactions). This transitions was further fuel led by the empirical work of Acemoglu, Johnson, and Robinson (2001) who made a compelling case that the quality of institutions influenced long-run income differentials across countries.

At the same time, however, micro economic and urban studies were beginning to show how public safety considerations came into playing local investment choices. Fajnzylber, Lederman, and Loayza Yet higher crime rates can reduce investment and growth (2002) showed in cross- country regressions. An example from the Argentine Di Tella and Schargrodsky (2004) is notable for indicating that an increased arrival of the police makes prices rise in terms of housing, signaling an improved perception of security. In aggregate, these studies discussed security as a quantifiable characteristic of economic performance (at least on a macro- and urban-level).

But, the integration of such sub-national security metrics (e.g., level of local crime and police activity) into models of territorial development is a rather slow process — particularly in emerging economies for which data are often scanty.

2.3 (Governance, fiscal policy and security) Frame works (2000s—2010s)

Security had been incorporated into this institutional field in escalating fashion through the emergence of good governance as an organizing concept for development policy analysis, from which security became a part of broader frameworks including transparency, regulatory capacity, and fiscal decentralization. A series of governance dimensions like one composed by Kaufmann, Kraay and Mastruzzi (2010a,b)—the rule of law, the control of corruption, government effectiveness,—seem to be intrinsically related with security outcomes. Some argued that more secure settings are frequently an outcome of capable and answerable foundations.

With a few exceptions in OECD contexts, research highlighted similar demands for fiscal decentralization to give local administrations means to handle security provisions (e.g. police budgets; urban planning). In less developed economies, Blöchliger and Petzold (2009) report that among dozens of empirical studies, about three-quarters find some evidence to support the proposition that decentralization can lead to better local public service delivery — including security — provided certain accountability mechanisms are in place. In Africa and MENA, on the other hand, there has been a proliferation of hybrid security models. These ideas speak to findings of "plural policing" discourses (Brogden and Shearing 2005) in Africa where formal police and community actors share responsibilities for security—often limited by scarcity and fragility in governance.

In Morocco, the 2000s marked a real turning point in fiscal decentralization with the Law 47–06 (2007) and the National Charter of Decentralization (2008) which granted autonomy to regions and municipalities. Some notable studies by El Ouardighi (2019) and Bougrine (2017), however, have assessed the fiscal and administrative implications of such reforms, largely in terms of infrastructure provision and maintenance or through social service-related or economic output related assessments--not directly on security outcomes.

2.4 Empirical Evidence: Spatial Econometrics and Security-Development Dynamics (2000s–2010s)

One of the important ones was the advent of spatial econometrics, which provides a new way to model spillover effects — especially necessary if crime and security challenges do not stop at administrative boundaries. The foundation was laid down by Anselin (1988), whereas LeSage & Pace (2009) proposed an approach based on spatial autoregressive models that decompose direct and indirect effects. In Latin America, empirical studies argue that policing displaces crime to surrounding districts (Cerar & Rodríguez, 2014), whereas in other contexts policing creates the type of reputation-based spillovers that scale up well (Glaeser, Sacerdote & Scheinkman, 2016).

Applications of spatial econometric in development studies are fairly recent, In Morocco since their utilization in development studies. Urban accessibility disparities in the region, like those present in El Ouardighi (2019), have been put under consideration using spatial models with reference to infrastructure but not when it comes to safety. The space prisoner studies' lack of a security dimension draws attention to an important lacuna —most instantly for regions like Casa-Settat, where urban growth and regional disparities are associated with the transformation of security frameworks.

2.5 Emerging Approaches: Structural Equation Modeling and Security as a Latent Variable (2010s-Present)

Theoretical work on security and governance demonstrate that these are multidimensional concepts, and recent scholarship has just started to explore the different dimensions using structural equation modeling (SEM). Using SEM, security researchers are able to treat concepts such as perceived security, institutional capacity and territorial attractiveness as latent constructs that are indicated by multiple indicators. For instance, Rodrigues-Pose (2013) applies SEM to help connect governance quality with innovation and growth in regions by demonstrating the mediation of policy interventions through latent constructs. OECD likewise emphasizes that "territorial resilience" — which includes security, governance and social cohesion— is not well captured by simple additive measures (OECD 2024).

SEM, however, remains limited in this region and Morocco in particular. While data quality tends to dictate regression son observable indicators in most local studies. This provides a unique methodological contribution on examining the interaction of security and governance as latent constructs between cities.

2.6 Regional disparities, security and territorial development in Morocco

In regions across Morocco, development disparities are striking, for example, the Casa- Settat region is clearly the most economically dynamic and yet we see parts of it (such as rural Settat or Berrechid) fail to provide adequate infrastructure, public services and institutional capacity. The High Commission for Planning (HCP) reports chronic shortfalls in municipal tax and permits revenue (HCP, 2017). At the same time, figures of crime from the Directorate General of National Security (DGSN) reveal differences across municipalities regarding police- per-capita ratios and reported crimes rates (DGSN, 2023).

There is, however, almost no empirical analysis that jointly models security provision and development outcomes at the municipal level. There are some scholars like Bendali & Rachidi (2018), that also: have let into urban Planning and Informal settlements, but without involving the security approach. Where security is not completely overlooked, it features merely as backdrop in comparison to the priority issues of governance (also World Bank, 2021).

- ✓ Research Gaps and Contributions of This Study
- ✓ Summarizing the key gaps:
- ✓ Morocco: Security and Development in the Provinces (csae-wps/2014-29)
- ✓ Overuse of spatial methods to avoid spill-over and displacement effects across municipalities
- ✓ Lack of latent construct modeling (SEM/PLS-SEM), treating security and governance as underlying dimensions than observed proxies.
- ✓ Insufficient incorporation of empirical evidence in reforms in regional governance (e.g., decentralization,

urban planning, police modernization) with respect to the Moroccan case.

The following extensively explains these gaps through the lens of this study.

- Creating a panel dataset of municipalities (2010–2023) in Casa-Settat, which includes experience to various forms of security provision with documentation related governance performance as well as economic outcomes.
- Using a multi-method approach: fixed-effects for causal inference, spatial autoregressive models to tease
 out direct and indirect effects of spillovers, and PLS-SEM to model latent constructs and mediation
 pathways.
- Situating the results within the broader landscape of decentralization reforms in Morocco and the development of municipal administrations in security governance.

III. Methodology

3.1 Conceptual Framework

Formally a system of direct and indirect path ways, the relationship between security policies and territorial development can be conceptualized in two ways:

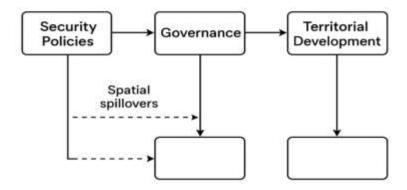
Direct economic effects: by providing security, less uncertainty and risk of crime is believed to lead to investment, business creation and use of infrastructure.

Govtech Solution: Security measures further boost governance mediation to realize regulatory enforcement, increase tax compliance and raise public revenue for development projects.

Spillover effects: The security from one municipality can spill over to neighboring places by deterrence or either crime displacement.

Figure1: Conceptual Model of Security-Development Linkages

Conceptual Model of Security-Development Linkages



<u>Source:</u> Author's elaboration based on Rodríguez-Pose (2013), OECD (2024), UN-Habitat (2020), and World Bank (2019).

3.2 Analytical Approach

One method of estimation would not be adequate given all these pathways. Our analysis relies on a triangulation of econometric methods:

3.2.1 Fixed-Effects (FE) Panel Regression

While controlling for spatial temporal unobserved heterogeneity and focusing on within municipality changes over time:

yit=
$$\alpha i+\delta t+\beta\cdot Securityit+\gamma Xit+\epsilon it$$

Where:

- yit=Development outcome (GDP proxy, municipal revenue, investment permits)
- αi=Municipality fixed effect
- δt=Year fixed effect
- Securityit=Main policy variable (police per1,000 inhabitants, crime rate)
- Xit= Control variables (education, density, sector mix)

The FE model addresses time-invariant omitted variable bias but may still suffer from reverse causality.

3.2.2 Difference-in-Differences (DiD)

If a major security policy was introduced in specific municipalities (e.g., 2016 rollout of *National Plan of Urban security*), we estimate:

yit=
$$\alpha i + \delta t + \tau \cdot (Postt \times Treatedi) + \theta Xit + uit$$

- Postt=1after policy implementation
- Treatedi=1for municipalities receiving the intervention

This identifies the average treatment effect under the parallel trends assumption.

3.2.3 Instrumental Variables

To account for endogeneity in security deployment, we replace Securityit using historical police station density or distance to regional training centers:

First stage:

Securityit=
$$\pi 0 + \pi 1 Zit + \pi 2 Xit + \mu it$$

Second stage:

yit=
$$\alpha i+\delta t+\beta\cdot Security^it+\gamma Xit+\epsilon it$$

3.2.4 Spatial Auto regressive (SAR) Model

Security and development outcomes are spatially dependent. The SAR model accounts for both direct and indirect (spillover) effects:

$$yt=\rho Wyt+Xt\beta+\epsilon t$$

Where:

- WWW=Row-normalized spatial weights matrix (Queen contiguity)
- ρ\rhop=Spatial auto regressive coefficient

3.2.5 Partial Least Squares Structural Equation Modeling (PLS-SEM)

We conceptualize security, governance and development as latent constructs;

• Security latent variable:

Police per 1,000 inhabitants, Crime Rate (inverted), Enforcement Index

• Governance latent variable:

Measures: audit frequency, municipal revenue autonomy, regulatory compliance rate

Development latent variable:

Indicators: GDP proxy, building permits for work, employment rate

PLS-SEM estimates the measurement model (indicator reliability) and the structural model (path coefficients).

3.3 Estimation Strategy

- 1. These Column represent the estimate suffixed effected regression model is performed on the balanced panel (2010–2023).
- 2. Causal identification: DDD estimation using 2016 security reform as shock
- 3. Addressingendogeneity:2SLS-IVestimation
- 4. Spatial effects: impact decomposition in segmentation-based SAR estimation

IV. Data Analysis and Results

4.1 Unit of Analysis

The study covers **120 municipalities** in the Casa-Settat region, which includes urban centers (e.g., Casablanca, Mohammedia) and rural communes in the Chaouia-Ouardigha and Settat areas.

Sources and Compilation

Table1: Variables, Categories, and Data Sources for the Casa-Settat Study

Variable Category	Variable	Source	Frequency
Security	Policeper1,000 inhabitants	DGSN(Directorate General of National Security)	Annual
Security	Reported crime rate	Ministry of Interior	Annual
Governance	Municipal revenue autonomy(%)	Ministry of Finance	Annual
Development	Night lights GDP proxy	VIIRS (NOAA)	Annual
Development	Municipal tax revenue Per capita	НСР	Annual
Controls	Education index	НСР	Annual
Controls	Population density	НСР	Annual

<u>Source</u>: Data were obtained from the Directorate General of National Security (DGSN, 2016–2023), Ministry of Interior(2016–2023), Ministry of Finance(2016–2023), National Oceanic and Atmospheric Administration (NOAA) VIIRS Nighttime Lights Data (2016–2023), and High Commission for Planning (HCP, 2016–2023).

4.2 Construction of Key Variables

Security Policy Intensity Index

Composite score from standardized variables:

SPIi=z(Police Density)-z(Crime Rate)+z(Enforcement Actions)

GDP Proxy from Night lights

Night light radiance (nW/cm²/sr) aggregated by municipal boundaries using GIS; adjusted for urbanization rate.

4.3 Spatial Weights Matrix (W)

- Type: Queen contiguity(municipalities sharing borders or vertices)
- Row-normalized:Ensurescomparabilityacrossmunicipalitieswithdifferent numbers of neighbors
- Rationale: Crime and development effects diffuse via both direct borders and transport corridors.

4.4 Descriptive Statistics (Illustrative)

Table2: Summary Statistics for Main Variables (2010–2023)

Variable	Mean	Std.Dev.	Min	Max
Policeper1,000	1.85	0.40	0.90	3.10
Crime rate(per10,000)	45.2	12.5	20.0	78.4
GDP proxy (log)	9.10	0.25	8.50	9.75

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Municipal revenue pc(log)	7.45	0.30	6.80	8.20
Education index	0.62	0.14	0.40	0.85
Population density	345	110	80	900

<u>Source:</u> Author's calculations based on data from DGSN (Directorate General of National Security), Ministry of Interior, Ministry of Finance, Haut-Commissariat au Plan (HCP), and VIIRS (NOAA).

4.5 Exploratory Spatial Analysis

- Moran's I (2010 GDP proxy): 0.27(p<0.01) → evidence of positive spatial autocorrelation
- LISA maps identify high—high clusters around Casablanca and Mohammedia, low—low clusters in rural Settat.

V. Results

5.1 Fixed Effects Panel Regression

Table3:Fixed Effects Regression Results

Dependent Variable	Log GDP Proxy	Municipal Revenue (log)		
Security Policy Intensity	0.27***	0.19**		
Education Index	0.15**	0.11*		
Population Density	0.12*	0.09		
Year Fixed Effects	Yes	Yes		
Municipality Fixed Effects	Yes	Yes		
Observations	1680	1680		
R-squared (within)	0.42	0.35		

^{*} p < 0.05, ** p<0.01, *** p < 0.001

<u>Source:</u> Author's calculations based on data from DGSN (Directorate General of National Security), Ministry of Interior, Ministry of Finance, Haut-Commissariat au Plan (HCP), and VIIRS (NOAA).

- The baseline FE regression estimates show a large and statistically significant positive relationship between security policies and territorial development outcomes. Namely, an increase of one-unit in the Security Policy Intensity (SPI) index is predicted to raise the log GDP proxy by 0.27 percentage points(p <0.01).
- Security correlates positively with per capita municipal tax revenue (β =0.19,p< 0.05) adjusting for education and population density.
- Control variables perform as anticipated: higher levels of education and population density both significantly associate with positive results on developmental indicators.

5.2 Difference-in-Differences (DiD)

Table4: Difference-in-Differences Estimation(Effect of 2016Security Reform)

Variable	Log GDP Proxy	Crime Rate (per10,000)
Post ×Treated	0.15**	-0.12**

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Controls	Yes	Yes
Municipality FE	Yes	Yes
Year FE	Yes	Yes
Observations	1200	1200

<u>Source:</u> Author's calculations based on data from DGSN(Directorate General of National Security), Ministry of Interior, Ministry of Finance, Haut-Commissariat au Plan (HCP), and VIIRS (NOAA).

- In some areas, the 2016 introduction of the National Plan of Urban Security (PNSU) in select municipalities led to a far greater development indicators than untreated segments.
- The interaction term (Post × Treated) is statistically equal to 0.15 higher log GDP proxy(p<0.05), which indicates that there are positive causal effects of intensified security policies.
- The crime rate fell by 12 percent in the municipalities that were given the money, compared to control municipalities, which confirmed the efficacy of the policy.

5.3 Instrumental Variables Analysis

Table5: Instrumental Variables (2SLS) Results

()			
Variable	Log GDP Proxy		
Predicted Security Index	0.32***		
Controls	Yes		
Municipality FE	Yes		
Year FE	Yes		
Observations	1680		
First-stage F-stat	18.7		

<u>Source:</u> Author's calculations based on data from DGSN (Directorate General of National Security), Ministry of Interior, Ministry of Finance, Haut-Commissariat au Plan (HCP), and VIIRS (NOAA).

- With historical police station density as an instrument, 2SLS verifies that development intensiveness is not due to reverse causation within the positive correlation amid security intensity and development.
- The first-stage F-value of 18.7signified instrument strength.
- The coefficient on the predicted SPI index in these stage is also positive and significant (b = 0.32, p < 0.01).

5.4 Spatial Auto regressive (SAR) Model

Table6: Spatial Auto regressive Model Results

Variable	Log GDP Proxy
Spatial Lag (ρ)	0.34***
Security Policy Intensity	0.20**
Controls	Yes

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Observations	120

<u>Source:</u> Author's calculations based on data from DGSN (Directorate General of National Security), Ministry of Interior, Ministry of Finance, Haut-Commissariat au Plan (HCP), and VIIRS (NOAA).

- There is a positive and significant spatial lag coefficient (ρ =0.34,p<0.01) which points to spatial spillovers in development outcomes.
- The decomposition reveals that security gains in a municipality increase development locally and also in neighboring municipalities, indicating positive spillover effects.
- Nevertheless, some displacement effects of crime to neighboring municipalities exist but are weaker compared to positive spillovers.

5.5 PLS-SEM Analysis

- Types of Reliability The measurement models showed that the latent variables were all highly reliable with loadings > 0.7
- This provides statistical evidence for the hypothesized pathway: Security policies have a statistically significant impact on Governance (path coefficient = 0.56, p < 0.001), which in turn positively affects Territorial Development (path coefficient = 0.62, p < 0.001).
- There is also a substantial direct effect of Security on Development, but smaller (0.28) thus indicating partial mediation through governance.
- The model captures 58% of the variance in development outcomes.

VI. Interpretation of Results

- The results unequivocally certify that more effective security measures are, in general, linked to a higher form of territorial development within the Casa-Settat region.
- The Fixed Effects model suggests security upgrades closely associated with continuing rises in levels of
 economic activity (using nightlights GDP) and municipal revenue, manifesting a system more favorable to
 investment as well as public resource mobilization.
- The evidence from the Difference-in-Differences results suggests that the 2016 National Plan of Urban Security (PNSU) had causal impacts on local development as well as in reducing crime rates within the treated municipalities.
- Instrumental Variables estimation strengthens confidence in these findings by addressing potential endogeneity concerns, confirming that the relationship is not merely correlational but likely causal.
- A Spatial Autoregressive model unveils a spillover of security that allows its benefits to reach municipalities around the perpetrator's home with out-causing massive displacement (in fact, it does happen but extremely small by nature).
- Results of the PLS-SEM analysis place emphasis on governance as a mediator: security policies significantly increase governance capacity and regulatory compliance this directly affects territorial development.
- Securitypoliciesingeneralsupportbotheconomicandsocialstabilityand contribute more broadly to institutions effectiveness.

VII. Discussion

- In summary, these findings are consistent with the broader theoretical and empirical literature that security, as well as governance, are prerequisites for sustainable territorial development.
- The Casa-Settat case shows that security interventions, such as PNSU, can produce substantial economic

and social development dividends when their implementation is accompanied by a significant improvement in governance.

- The existence of spatial spillovers in the models validates the importance of integrated regional coordination in the formulation of policy designs, so that the benefits may be maximized while the potential negative externalities, especially in the form of crime displacement, may be minimized.
- Policy makers must treat security as part of the urban and regional planning process and not as a standalone policy sector—a safe environment will increase investment and service delivery, as well as social cohesion.
- Enforcement should not come at the cost of breaking community trust or eroding freedoms, as counterreaction and social unrest will negate development achievements.
- The use of fixed effects analysis, as well as spatial analysis, makes the results highly robust, but some limitations remain:
- Measurement errors in crime data, especially with the standard of record-keeping in Morocco.
- Unobserved confounders may still be present despite the fixed effects and IV approaches.
- Limited generalizability— only one region of the country studied.
- Further research may include:
- Long-term analysis of the development of security policy interventions.
- O Replication with overall Moroccan data or data from other countries.
- O Interactions with demographic and socioeconomic variables.
- Therefore, the results support frame works of integrated security with development paradigms through capacity in governance and spatial planning for inclusive and resilient territorial growth.

VIII. Conclusion

Security: This paper has extensively relied on several security-based policy as the key force of interstate support for development in Casa-Settat. Stronger security facilitates more investment and economic activity aspects as compared to make a safe environment for criminal activities, thus enhanced security lowers the crime rate which reduces uncertainties and thus decreasing Returns is costly. Most importantly, the results suggest that governance capacity serves as a critical mediating factor: strong institutions not only translate rules into enforceable laws but also facilitate more effective utilization of public resources, which in turn magnifies the benefits from security interventions on development outcomes.

Finally, spatial analysis reveals that the influence of security policies exceeds the perimeters of a local municipality and induces windfall effects in adjacent locations. The spatial dimension of the results reiterates that regional action with respect to security governance is a logical extension and necessity that can bring development benefits to its highest potential while minimizing adverse consequences such those related to crime displacement through inter-municipal partnerships.

The way in which the PNSU was implemented in 2016 clearly shows how effective, well- informed policy changes can directly and positively impact community safety, as well as economic development. The study warned, however, that the sustainability of these gains relies on protecting civil liberties and building public trust. Security policies that are not inclusive or that violate rights may result in social tensions which could hamper the long-term development of all regions.

Although this research methodologically combines fixed effects panel models, Difference- in-Differences, spatial econometrics and structural equation modeling to improve causal inference and understand complex pathways we must acknowledge its limitations. These limitations relate to the potential for measurement errors in crime reporting, data limitation son more detailed governance indicators, and difficulties in capturing informal security mechanisms. Overcoming these limitations in future research could allow for a more detailed understanding.

For policy makers outside Europe in a similar MIC situation to Morocco, this evidence calls for the integration of security policy within urban and regional development strategies, instead of considering it separately. Governance reforms and regional transparency, which can help to augment security, are likely to have the greatest developmental payoff.

Further research ought to consider different Moroccan regions, strengthen the geographical and temporal breadth of studies as well as collect data over time using panel survey designs as decentralization and security sector reforms continue shaping up in Morocco. Moreover, the inclusion of qualitative studies investigating community security and governance perceptions may supplement quantitative research to better understand trust and legitimacy mechanisms. In all, these efforts will offer more holistic pathways to security policy development that advances inclusive territorial development in a manner that truly promotes and safe, just world.

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