



Political Transition in Tunisia

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Summary

The departure of longtime President Zine el Abidine Ben Ali in January 2011, in the face of massive anti-government protests, was greeted with euphoria within Tunisia and sparked opposition and reform movements across the region. Yet despite significant accomplishments since that time, Tunisians today face a wide range of challenges, including economic hardship, disputes over reform priorities, labor unrest, tensions between the privileged coastal region and relatively impoverished interior, and the security implications of events in neighboring Libya. Domestic tensions between Islamists and secularists have also burgeoned. Elections held in October 2011 to select a National Constituent Assembly provided momentum to a transition process that has at times appeared slow and unwieldy. The Assembly is expected to draft a new constitution ahead of new elections currently slated for early 2013. Al Nahda (alt: Ennahda/An-Nahda), a moderate Islamist party, won 41% of the seats in the October vote, and is ruling in a coalition with two secular parties. The coalition is subject to internal frictions due to the three parties' divergent histories and policy preferences.

Tunisia's transition raises a wide range of questions for the future of the country and the region. These pertain to the struggle between reformists and entrenched forces carried over from the former regime; the potential shape of the new political system; the role and influence of Islamism in the government and society; the question of how to transform the formerly repressive security services; and the difficult diplomatic balance—for the United States and other actors—of encouraging greater democratic openness while not undermining other foreign policy priorities. Tunisia exhibits a number of unique attributes within the region: a relatively small territory, a sizable and well educated middle class, and a long history of encouraging women's socioeconomic freedoms. Some policymakers view these factors as advantageous, and describe Tunisia as a potential “test case” for democratic transitions in the region. Tunisia's example may nonetheless be less influential than larger or more central states such as Egypt and Syria.

Congress authorizes and appropriates foreign assistance funding and oversees U.S. foreign policy toward Tunisia and the wider region. The Obama Administration has indicated a desire to deepen ties with Tunisia, including by encouraging increased trade and investment, and U.S. bilateral aid has significantly expanded to assist the country with its transition. As part of this transition support, the State Department is providing Tunisia with a \$100 million cash transfer to help cover its debt payments. Prior to 2011, U.S.-Tunisian relations were highly focused on military assistance and counterterrorism. International financial institutions, which receive significant U.S. funding, have also pledged aid for Tunisia. Some Members of Congress argue that additional aid should be allocated for democracy promotion and economic recovery in Tunisia, while others contend that budgetary cuts take precedence over new aid programs, or that economic stabilization may be best addressed by the private sector or by other donors.

P.L. 112-74, the FY2012 Consolidated Appropriations Act, contains provisions relevant to Tunisia. Relevant pending legislation includes H.Res. 527 (Murphy); S.Res. 316 (Lieberman); S. 1388 (Kerry); and S. 3241 and H.R. 5857, draft versions of the FY2013 Department of State, Foreign Operations, and Related Programs Appropriations Act. See also CRS Report R42153, *U.S. Trade and Investment in the Middle East and North Africa: Overview and Issues for Congress*, coordinated by Rebecca M. Nelson; and CRS Report R42393, *Change in the Middle East: Implications for U.S. Policy*, coordinated by Christopher M. Blanchard.

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Overview

In the second year of their country's transition from authoritarian rule, Tunisians can point to a number of significant achievements—not least, the holding of widely praised national elections in October 2011 that put in place a National Constituent Assembly.¹ Since the end of the regime of former President Zine el Abidine Ben Ali, political prisoners have been released, over 100 new political parties have been authorized, and most online and media restrictions have been lifted. The former ruling party has been dissolved and its funds liquidated, and a number of former officials and Ben Ali associates and relatives have been arrested or charged in absentia.

Still, Tunisians face a wide range of challenges, including economic hardship, disputes over policy priorities, labor unrest, tensions between the privileged coastal region and relatively impoverished interior, and the security implications of events in neighboring Libya. Tunisian elites appear to agree on the need to dismantle and reform authoritarian structures while resisting a political witch-hunt. Yet progress in some areas—notably reform of the internal security services and judiciary—has been slow.² Tunisia's leaders are also trying to respond to pressing socioeconomic problems—such as acute regional inequality; high unemployment; and the collapse of the tourism industry, a key economic driver—while reassuring international partners that they will not pursue overly populist or religiously conservative policies that could harm foreign investors. Tunisians continue to grapple with how best to approach issues such as transitional justice, regional and internal security threats, and the creation of new electoral institutions.³

Figure 1. Map of Tunisia



Source: Map Resources, adapted by CRS.

¹ The October 23, 2011, elections were widely viewed as fair, transparent, and well-conducted, despite earlier delays and preparations that often appeared disjointed. Participation in the historic vote prompted deep emotions among many voters, polling station workers, and domestic observers. Still, observers expressed concerns regarding the allocation of voters to polling stations; administrative difficulties encountered by voters who had not formally registered, most of whom were eligible to vote at special polling centers; limited voter education; and a lack of detailed procedures and training for key parts of the process. Many Tunisians appeared to feel alienated by the complexity of the transition process and a lack of understanding of the Constituent Assembly's role.

² See International Crisis Group (ICG), *Tunisia: Combating Impunity, Restoring Security*, May 9, 2012.

³ The independent commission that oversaw the October 2011 elections, known as the ISIE, has been dissolved (continued...)

The moderate Islamist party Al Nahda (alt: Ennahda/An-Nahda, “Renaissance”) won 89 seats in the Constituent Assembly—by far the largest block—and is leading a ruling coalition with the center-left, secular Congress for the Republic (CPR) and Ettakatol (Democratic Forum of Labor and Liberties or FDTL). Ettakatol leader Mustapha Ben Jaafar is serving as president of the Assembly, CPR leader Moncef Marzouki as president, and Al Nahda’s secretary-general, Hamadi Jebali, as prime minister—the head of government and most powerful of the three roles. This “Troika” coalition is subject to internal frictions, given the leading figures’ divergent histories and policy preferences. The left-leaning, stringently secularist Progressive Democratic Party (PDP) is spear-heading the opposition to Al Nahda within the Assembly.

The 217-seat Constituent Assembly is charged with drafting a new constitution, performing quasi-legislative functions, and preparing for future parliamentary and/or presidential elections, which will formally signal the next step in the transition process. The government has indicated that these elections will be held in early 2013, pending the completion of the constitution drafting and adoption process. Areas of focus for the constitution include the future system of government (parliamentary, presidential, or a combination), the shape of internal checks-and-balances, the role and structure of the judiciary, the level of protection for individual rights, and the relationship between religion and state. While parliamentarians have solicited some civil society input on the constitution, the prospects for broad-based public consultation appear slim.⁴

Complex tensions among Islamists and secularists have escalated in recent months. Trade unions, media advocates, and some civil society groups accuse Al Nahda of seeking to exert political control over state institutions, restrict unflattering news coverage, and intimidate critics. Al Nahda supporters, meanwhile, view some critics as immovably opposed to Islamist groups and argue that stringently secular elites have lost their claim on popular legitimacy. Al Nahda leaders have simultaneously struggled to respond to conservative critics who accuse them of abdicating their responsibility to institute a greater public role for Islam. At the root of these debates are questions of how Tunisia’s new democracy will interpret certain democratic principles such as freedom of speech and define the role of religion in political life. Recent violence by Salafists has increased pressure on the government to ensure public order and weigh in on controversial social issues.

Resurgent public demonstrations, strikes, and riots over economic conditions are ongoing challenges, particularly in the interior. Tunisia’s main trade union federation, the UGTT, has attempted to assert its influence by positioning itself as a channel for widespread economic grievances and a counter-weight to Al Nahda. At times, police have cracked down violently on political protests, including on several occasions this year. Government officials, for their part, have unsuccessfully called for a social “truce,” blaming protests for obstructing economic recovery. At times, the government’s internal divisions and the ambiguity of its mandate have impeded its ability to react quickly and decisively to events. Dissatisfaction and confusion over the transition process could resurface as elites continue to confront debates over who is empowered to act and how to deliver tangible benefits to an impatient public with vast and divided expectations. A recent analysis by the International Crisis Group warned that socioeconomic insecurity and political instability could “negatively feed on each other and risk snowballing into a legitimacy crisis” for the elected government.⁵

(...continued)

pending decisions on how to organize the next electoral process, and the future status of the electoral law is uncertain.

⁴ Duncan Pickard, “The Current Status of Constitution Making in Tunisia,” Carnegie Endowment, April 19, 2012.

⁵ ICG, *Tunisia: Confronting Social and Economic Challenges*, June 6, 2012.

Background

Tunisia’s “Jasmine Revolution” began with mounting anti-government protests in the country’s interior in December 2010 and culminated in the decision of President Ben Ali, in power since 1987, to flee the country for Saudi Arabia on January 14, 2011 (see text-box below). Tunisia’s popular uprising inspired reform and opposition movements throughout the region. These democracy movements have been internationally heralded, but they have also complicated long-standing policies and assumptions.⁶

The early months of Tunisia’s transition were marked by ongoing unrest, partly in response to the initial dominance of officials from the former regime in the interim government. A security vacuum additionally raised fears of violence and chaos. In February 2011, a more stable, if weak, interim government took shape under Prime Minister Béji Caïd Essebsi, an elder statesman from the administration of founding President Habib Bourguiba. Caïd Essebsi introduced the idea, popular with protesters, of electing an assembly to write a new constitution—that is, forge a new political system—before holding parliamentary and/or presidential polls.

Prior to January 2011, Tunisia was widely viewed as exhibiting a stable, albeit authoritarian, regime that focused on economic growth while staving off political liberalization. It had had only two leaders since gaining independence from France in 1956: the late Habib Bourguiba, a secular nationalist who helped lead Tunisia’s independence movement, and Ben Ali, a former interior minister and prime minister who assumed the presidency in 1987. Ben Ali cultivated the internal security services and the Constitutional Democratic Rally (RCD) party as his power base, and placed severe restrictions on human rights, political participation, and freedom of expression. The president and his family were also seen as highly corrupt.

While Tunisia shares many characteristics with neighboring countries, some are unique: a small territory, a relatively homogenous population (despite tribal and ethnic divisions in some areas), a liberalized economy, a large and educated middle class, and a history of encouraging women’s socioeconomic freedoms.⁷ Arabic-speaking Sunni Muslims make up the overwhelming majority of Tunisia’s population, but its urban culture and elite reflect a strong European influence. The population is young compared with developed countries, but its youth bulge is declining.⁸ As many as 1 million Tunisians reside abroad, mainly in Europe.

Tunisia at a Glance

Population: 10.7 million (July 2011 est.)

Income Level: Lower middle income

Urbanization rate: 67% of the population (2010)

Life Expectancy: 75 years (2011 est.)

Religion: Muslim: 98%, Christian: 1%, Jewish and other, 1%

Literacy: 78% (2008)

Key Exports: clothing, semi-finished goods (notably spare automotive parts), textiles, agricultural products

Key Imports: textiles, machinery and equipment, hydrocarbons

Major Trading Partners: France, Italy, Germany, Libya, China, Spain

Female Labor Participation Rate (% of female population): 25% (2009)

Sources: CIA, *The World Factbook*; World Bank, *World Development Indicators*

⁶ See CRS Report R42393, *Change in the Middle East: Implications for U.S. Policy*, coordinated by Christopher M. Blanchard.

⁷ Tunisia’s spending on education (7.2% of gross domestic product) is high by regional standards. CIA, *The World Factbook*, updated January 3, 2011.

⁸ EIU, *Tunisia: Country Profile*, 2008.

The legal and socioeconomic status of women in Tunisia are among its particularities. Polygamy is banned, and women enjoy equal citizenship rights and the right to initiate divorce. (That said, inheritance laws and practices are generally disadvantageous to women.) Women serve in the military and in many professions, and constitute more than 50% of university students; the first woman governor was appointed in 2004. Many credit the country's relatively liberal Personal Status Code, promulgated under founding President Bourguiba, with these advances.

Despite its apparent relative prosperity, Tunisia has long exhibited a significant divide between rural and urban areas, and especially between the developed, tourist-friendly coast and the poorer interior. At least half of the population lives in Tunis and coastal towns, and there is population drift toward these areas. Anti-government unrest, particularly rooted in labor and economic grievances, has often originated in the interior—as did the protests that unseated Ben Ali.

The “Jasmine Revolution”

Protests were first reported on December 17, 2010, in the interior town of Sidi Bouzid, after a 26-year-old street vendor named Mohamed Bouazizi set himself on fire to protest police interference and a lack of economic opportunities. Feeding on local anger over high unemployment and a lack political and socioeconomic freedoms, and leveraged by underground networks of activists, hackers, and dissidents, the demonstrations escalated into an unprecedented popular challenge to the Ben Ali regime. Public demonstrations had previously been very rare in Tunisia, due to state repression and pervasive surveillance. From the start, protesters appeared to lack a central leader and were not aligned with a pre-existing political or ideological movement.

Protests erupted in Tunis in early January, and rioters ransacked private properties belonging to Ben Ali's wealthy relatives along the central coast, underscoring the deep antipathy many Tunisians felt toward members of the ruling elite. Authorities imposed a state of emergency, and police repeatedly opened fire on crowds and arrested protesters, journalists, opposition party members, lawyers, and rights advocates, some of whom were reportedly abused in detention. According to recently released figures, 338 people were killed in the uprising.⁹

Prior to his exile, Ben Ali offered a series of concessions on political and civil rights in an effort to stem the unrest. On January 13, the president gave an address on national television in which he pledged to step down when his term was up in 2014, to allow fresh parliamentary elections before then, and to end state censorship. However, these promises did not placate demonstrators. On January 14, 2011, Ben Ali fled in a private plane for Saudi Arabia.

Key Issues

Islam, Politics, and the State

Tunisian Islamists and secularists have grown increasingly polarized since the 2011 uprising. The October 2011 election results confirmed the rise of Al Nahda, a moderate Islamist movement founded in the 1980s by Rachid Ghannouchi and Abdelfattah Mourou.¹⁰ Al Nahda won 37% of the popular vote, more than the next eight parties combined.¹¹ The party has therefore found itself at the center of emerging debates over religion, state, and identity. Al Nahda leaders portray themselves as moderates who espouse democratic participation, support the separation of religion and state, oppose religious extremism, and seek to preserve and expand women's freedoms. Yet

⁹ *Associated Press (AP)*, “Report Raises Number of Killed During Tunisia's Revolution to 338,” May 5, 2012.

¹⁰ Ghannouchi remains president of the party, although he does not hold a position in government. Mourou has left the party and was an (unsuccessful) independent candidate in the October elections.

¹¹ The system of proportional representation adopted for the October elections was designed to preclude any single party from easily gaining a majority. This resulted in parties such as the CPR, the PDP, and Ettakatol gaining a larger proportion of seats than votes.

the party appears to be facing internal divisions while also potentially competing with emergent, more radical Islamist groups for popular support. Ghannouchi has said that he will soon step down as Al Nahda's president, placing its future direction in question. Secularist detractors accuse the party of "double discourse," that is, of displaying moderation in order to enter government and reassure foreign partners, but intending to gradually introduce restrictive laws and institutions. Critics have also accused Al Nahda of seeking to dominate the political system and allege that Arab Gulf states—notably Qatar—are using the party as a tool to influence events in Tunisia.¹² Conversely, Al Nahda members purport to feel threatened by leftist and secular elite actors, whom they accuse of seeking illegitimately to restrict Islamists' political influence.

Debate over the role of *sharia* (Islamic law) illustrates the challenges inherent in navigating Islamist/secularist divisions within the Constituent Assembly. In February, Al Nahda parliamentarians proposed enshrining *sharia* as the source of Tunisian law, contrary to indications from party leaders during the electoral campaign that they would instead retain Article 1 of Tunisia's old constitution (which states that Tunisia's "religion is Islam, its language is Arabic, and its type of government is the Republic") as an unenforceable statement of Tunisian identity. Conservative Islamists held large demonstrations in support of the proposal, while Assembly Speaker Ben Jaafar threatened to resign if the proposal were adopted. In March, Al Nahda leaders announced they would not support the reference to *sharia*, and reaffirmed their support for the original Article 1 wording. This decision was cheered by secularist parties and was seen by some as a victory for moderate voices within the party.¹³ Some conservatives, however, viewed the outcome as a betrayal. Similar debates may emerge over the mandate of the Ministry of Religious Affairs, which regulates religious activities; the legal status of religiously conservative Salafist groups; the status of religious minorities (there are tiny Jewish and Christian communities); and how to balance freedom of expression and religious sensitivities.

Religiously conservative Salafists have become more visible in the post-Ben Ali era, and have challenged the government and liberals through protests, threats, and at times violence.¹⁴ Ghannouchi and other Al Nahda figures in early 2012 stated that the party was engaging Salafists in a dialogue aimed at eventually bringing them into the political system, while emphasizing that violence and jihadist ideology would not be tolerated.¹⁵ Al Nahda's critics have accused it of not doing enough to prevent and punish Salafists who seek to intimidate secular activists, university professors, and political opponents. Such criticisms underscore the party's difficult path between mollifying moderate and secularist Tunisians—and international partners—while potentially seeking to retain legitimacy among more radical segments of the population.

¹² E.g., *African Manager*, "Tunisie: Ressemblances surprenantes, Ben Ali-RCD & Jbali-Ennahdha," February 27, 2012.

¹³ Earlier, Al Nahda leader Ghannouchi had suggested the party had yet to reach an internal consensus on the issue. Walid Khefifi, "Rached Ghannouchi, président du mouvement islamiste Ennahdha: 'Le recours à une intervention militaire ne sera pas au menu de la conférence des amis de la Syrie,'" *Le Temps*, February 24, 2012 ; Kareem Fahim, "Tunisia Says Constitution Will Not Cite Islamic Law," *The New York Times*, March 26, 2012 ; AFP, "Tunisie/Charia: Ennahda a 'levé l'ambiguïté', se félicitent des modernistes," March 27, 2012.

¹⁴ "Salafism" refers to a broad subset of Sunni revivalist movements that seek to purify contemporary Islamic religious practices and societies by encouraging the application of practices and views associated with the earliest days of the Islamic faith. Salafist movements hold a range of positions on political, social, and theological questions and include both politically quietist and violent extremist groups. See CRS Report RS21745, *Islam: Sunnis and Shiites*, by Christopher M. Blanchard.

¹⁵ For example, In February 2012, the government announced the arrest of 12 people linked to a violent Salafist cell and the seizure of an arms depot, near the commercial city of Sfax. Soon afterward, the government delivered the first ever political party license to a Salafist group.

In recent months, Salafist agitation and violence have increased, while the government has taken a harder line. In May 2012, thousands attended a “national conference” organized by the Salafist group Ansar al Sharia in the Islamic holy city of Kairouan. Ansar al Sharia (which shares a name with extremist groups based elsewhere) was founded by a former member of the Tunisian Combatant Group, a recently dormant entity that was formerly a U.S.-designated foreign terrorist organization (see “Security Concerns,” below). The same month, Salafists attacked alcohol vendors in the central town of Sidi Bouzid, and in mid-June, Salafist groups in and around Tunis rioted, sacked leftist political party and union offices, and violently clashed with police following an art exhibit they deemed offensive to Islam.¹⁶ In May, Prime Minister Jebali and Interior Minister Ali Laraydh warned that the government would not hesitate to use force to instill order. Following the June riots, the government threatened to use Tunisia’s anti-terror law (criticized for its expansive use under Ben Ali) against those who employ violence. At the same time, government officials condemned the art exhibit’s “attacks on religion,” and have suggested they might include language barring offense to religion in the draft constitution.¹⁷

Background on Al Nahda

Led by Islamic scholar and activist Rachid Ghannouchi, Al Nahda was founded in 1981—soon after multiparty politics were legalized under President Bourguiba—as the Islamic Tendency Movement (MTI). The MTI organized demonstrations on university campuses and engaged in clashes with security forces and with leftist groups. The growing unrest, coming on the heels of mass protests and strikes by trade unions, undermined support for Bourguiba and laid the groundwork for Ben Ali’s rise in 1987.¹⁸ Upon coming to power, Ben Ali promised greater pluralism and a dialogue with opposition groups. Al Nahda candidates were permitted to run as independents in the 1989 parliamentary elections, but Ben Ali initiated a crackdown when they garnered 15% of the national vote. Clashes between the government and Al Nahda activists escalated, culminating in an attack on a ruling party office in 1991 that the government blamed on Al Nahda. The government subsequently claimed it had unearthed an Islamist plot to assassinate Ben Ali, and in 1992 Tunisian military courts convicted hundreds of Al Nahda members. Al Nahda leaders denied the accusations, and some rights advocates criticized the case as biased and lacking due process.¹⁹ Ghannouchi, who had left the country, was sentenced in absentia. Similar tensions between Islamists and government forces drove neighboring Algeria into civil war in the early 1990s.

Al Nahda’s electoral success in 2011 appears to have stemmed from several factors. Clearly, the movement remained popular despite decades of confinement to exile and underground activities, and its message of reconciling Islam and democracy appears to enjoy broad appeal in Tunisia. In addition, the repression meted out to the group under Ben Ali appears to have endeared the movement to many Tunisians and enhanced its popular legitimacy. Al Nahda did not play a significant role in the “Jasmine Revolution” uprising, but the organization raised its profile in 2011 through a series of politically savvy choices. Al Nahda is widely reported to have engaged in superior grassroots mobilization during the electoral campaign, and may have benefitted from campaign missteps by the most vocally secularist parties. These parties attempted to drive a wedge between Islamists and secularists, a strategy that may have backfired among Tunisians eager to reconcile democracy with their Arab/Muslim identity.

Calls for Justice, Reform, and Accountability

Tunisian authorities continue to grapple with how best to ensure accountability for past abuses while encouraging national reconciliation. Some 2 million Tunisians were reportedly members of the former ruling party; selecting who should face sanction is therefore a challenge. Numerous criminal charges have been brought against Ben Ali and his wife, Leila Trabelsi, both of whom

¹⁶ Reportedly, the exhibit featured a work in which the word “Allah” was displayed in the form of insects.

¹⁷ AP, “Minister Warns Tunisia’s Patience Is at an End After Hardline Islamist Violence,” May 31, 2012; AFP, “Tunisia on Edge After Night of ‘Terrorist’ Attacks,” June 12, 2012.

¹⁸ Henry Munson Jr., “Islamic Revivalism in Morocco and Tunisia,” *The Muslim World*, 76:3-4 (1986).

¹⁹ Christopher Alexander, *Tunisia: Stability and Reform in the Modern Maghreb*, Routledge: New York, 2010.

remain outside the country, along with dozens of family members and former government and security officials. An ad-hoc commission appointed during the interim government carried out an investigation into corruption under the former regime; its final report, submitted in November 2011, may lead to new prosecutions. Yet, many Tunisians are skeptical regarding the justice system, which was inherited from the Ben Ali regime and is widely viewed as politicized, ineffective, and in some cases corrupt.²⁰ Meanwhile, the families of victims in the 2011 uprising have become increasingly vocal in demanding state compensation and justice.

A central policy challenge facing Tunisia's new leaders is the question of how to assert control over the size and mandate of the internal security services, without sowing future instability. It may also take time before members of the public are willing to trust the police to ensure their security. The Interior Ministry oversees the security and intelligence services, along with the police; all were closely associated with Ben Ali and with abuses such as extrajudicial arrests, extensive internet surveillance, and torture. Progress on security sector reform has been slow, and to date, little information has been made public regarding the security apparatus's internal structure or staffing. Moreover, signs of tension within the Interior Ministry, now headed by an Al Nahda official but largely staffed by holdovers from the former regime, have emerged.²¹

Security Concerns

Although the security situation has largely stabilized in Tunis and other major urban centers, protests, riots, and other disturbances have surged in recent months, particularly in the dispossessed areas of the interior where the 2011 uprising started. Such episodes appear to indicate widespread dissatisfaction with the lack of tangible socioeconomic benefits since the revolution. Insecurity along the borders with Libya and Algeria is of additional concern amid reports of increased regional weapons trafficking linked to the collapse of the Qadhafi regime, and of increasingly armed smuggling operations in general.²² To some extent, policing Tunisia's sparse southern desert regions may present a security challenge for years to come.

Recent months have seen public appearances by Tunisian nationals implicated in terrorist activities abroad, including Tarek Maaroufi of the Tunisian Combatant Group (TCG, see below), who returned to Tunisia in April 2012 after being released from prison in Belgium. News reports have since linked Maaroufi to the participation of Tunisians in armed opposition activities in Syria, although his current whereabouts are unclear.²³ Another former TCG figure, Seif Allah ben Hassine (alt: Sayf Allah Bin Hussayn, aka Abu Iyadh), is a leader in the Tunisian Salafist group Ansar al Sharia (see "Islam, Politics, and the State" above). These individuals' intentions are uncertain. As mentioned above, Al Nahda officials have recently taken a harder tone toward Tunisian Salafists who have used violence, but the handling of such groups remains a policy challenge.

Some analysts fear that Al Qaeda in the Islamic Maghreb (AQIM), a regional criminal/terrorist group with roots in Algeria's 1990s civil conflict, could take advantage of political instability,

²⁰ Hamadi Redissi, "The Revolution Is Not Over Yet [op-ed]," *The New York Times*, July 15, 2011; Tarek Amara, "Tunisia Pledges Tougher Line on Ex-Leader's Allies," *Reuters*, August 18, 2011; ICG, "Combating Impunity," op. cit.

²¹ See, e.g., Richard Cochrane, "Dismissal of Security Chief Sparks Coup Rumors in Tunisia," IHS Global Analysis, January 12, 2012; and France24.com, "Leaked Video: 'The Return of Ben Ali's Porno-Politics,'" January 20, 2012.

²² *Reuters*, "Smuggling Stirs Trouble on Tunisia's Libya Border," May 2, 2012.

²³ Aaron Y. Zelin, "Tarek Maaroufi: Tunisia's Most Notorious Jihadist, Returns Home," *Tunisia Live*, April 1, 2012.

upheaval in Libya, and disorder among Tunisia's security services. AQIM released a statement in January 2011 hailing the departure of Ben Ali and warning against supposed U.S. and French efforts to subvert the revolution.²⁴ Tunisian forces have clashed with militants described as affiliated with AQIM several times in the past year.²⁵ Al Qaeda's second-in-command, Ayman al Zawahiri, has released at least two statements seeking to portray uprisings in Tunisia and Egypt as motivated by Islamist sentiment and warning that the United States would seek to manipulate the outcomes; in June 2012, Zawahiri called on Tunisians to rise up against Al Nahda for accepting a constitution not based on *sharia*.²⁶ Al Nahda leader Ghannouchi responded that Zawahiri "has no influence in Tunisia," adding, "this man is a disaster for Islam and for Muslims."²⁷

Tunisia's military, totaling roughly 35,000 personnel, has historically received fewer state resources than the internal security services, and Tunisians view it as relatively apolitical. Senior army officers—notably, General Rachid Ammar, then army chief of staff (since promoted to military chief of staff)—reportedly refused orders to open fire on demonstrators during the January 2011 uprising, thereby influencing Ben Ali's decision to step down.²⁸ On January 23, Ammar publicly addressed protesters and promised to safeguard Tunisia's "revolution." While Ammar's comments were welcomed by many Tunisians, they sparked concern among some observers over whether the armed forces might interfere in domestic politics, particularly if the security situation should worsen.²⁹ The military has since led internal and border security efforts amid attempts to establish police capacity and professionalism. The army remains popular, but this enlarged role could cause the relatively small armed forces to become overstretched.

Terrorism in Tunisia: Background

While Tunisia has not been subject to many large attacks, terrorism is a potential domestic threat and some Tunisian nationals have participated in plots abroad. Two notable incidents on Tunisian soil were the 2002 bombing of a synagogue on the Tunisian island of Djerba (noted for its tiny Jewish population) and a series of street battles between alleged militants and security forces in Tunis in December 2006-January 2007. Al Qaeda deputy leader Ayman al Zawahiri appeared to

²⁴ OSC doc. GMP20110128836001, "AQLIM Warns Tunisians Against Western 'Plots' To 'Abort' Tunisian Revolution," Al-Mujahidin Electronic Network, January 28, 2011. For background on AQIM, see CRS Report R41070, *Al Qaeda and Affiliates: Historical Perspective, Global Presence, and Implications for U.S. Policy*, coordinated by John Rollins.

²⁵ Radio Tunisienne, "Tunisian Interior Ministry Provides More Information on 'Terrorists' Arrest," May 16, 2011, via U.S. government Open Source Center (OSC); BBC Monitoring, "Militants From Al-Qa'idah Try to Sneak into Tunisia, Official," July 2, 2011; *AFP*, "Six Killed in Tunisian Clashes Near Algeria: Diplomat," September 23, 2011; *AP*, "Armed Cell Is Tied to Al Qaeda, Official Says, as 12 Members Are Held," February 13, 2012.

²⁶ Maamoun Youssef, "Al-Qaida's No. 2 Incites Tunisians, Egyptians," *AP*, February 28, 2011; OSC doc. GMP20110913836004, "Al-Fajr Releases Al-Zawahiri Audio, Bin Ladin Video on 10th Anniversary of 9/11," Ana Al Muslim Network, September 13, 2011; *AP*, "Ayman al Zawahiri, Al Qaeda Leader, Incites Tunisians Against Ruling Party," June 10, 2012.

²⁷ *Middle East Online*, "Gannouchi Describes Zawahiri as 'Disaster for Islam and Muslims,'" June 13, 2012.

²⁸ Recent news reports, based on purported revelations by former security officers, have alleged that there was an incipient plot by the internal security services to take power upon Ben Ali's departure in January 2011, which was foiled when the military refused to go along. See, e.g., *Financial Times*, "Ben Ali Feared Betrayal by Inner Circle," January 12, 2012.

²⁹ Issandr El Amrani, "Tunisia Diary: Ammar's Move?" *TheArabist.net*, January 24, 2011. In mid-2010, an analysis of Tunisia's political stability concluded that "a coup is a real possibility" should instability affect the transfer of power after Ben Ali. Veritiss, *Tunisia: Outlook 2011-2015* [UNCLASSIFIED], prepared For the Defense Intelligence Agency Defense Intelligence Open Source Program Office, August 2, 2010.

claim responsibility for the Djerba bombing in a taped message broadcast in October 2002. In all, 14 German tourists, 5 Tunisians, and 2 French citizens were killed in the attack.³⁰ France, Spain, Italy, and Germany arrested expatriate Tunisians for alleged involvement. The roots of the 2006-2007 violence, in which 14 militants were reported killed, are more opaque.

In 2002, the U.S. State Department placed the Tunisian Combatant Group (TCG), which operated outside Tunisia, on a list of specially designated global terrorists and froze its assets.³¹ The TCG sought to establish an Islamic state in Tunisia and was suspected of plotting attacks on the U.S., Algerian, and Tunisian embassies in Rome in December 2001. One founder, Tarek Maaroufi, was arrested in Belgium the same month. The group appears to have since been inactive. Maaroufi, however, has since been released and recently returned to Tunisia (see above).

Tunisian expatriates suspected of ties to Al Qaeda have been arrested in Afghanistan, Pakistan, Iraq, Western Europe, Mauritania, and the United States. Several are reportedly detained at the U.S. Naval Base in Guantanamo Bay, Cuba, and their possible return to Tunisia has proven to be controversial.³² In April 2009, General David Petraeus, then-Commander of U.S. Central Command, told a House Appropriations Committee subcommittee that the perpetrators of suicide bombings in Iraq that month may have been part of a network based in Tunisia.³³

Under Ben Ali, as many as 2,000 Tunisians were detained, charged, and/or convicted on terrorism-related charges, including under a sweeping anti-terrorism law passed in 2003.³⁴ Critics claimed that the law “makes the exercise of fundamental freedoms ... an expression of terrorism.”³⁵ These criticisms were echoed in the December 2010 report of the U.N. Special Rapporteur on the Promotion and Protection of Human Rights and Fundamental Freedoms While Countering Terrorism, who concluded that “the current definition of terrorism is vague and broad, hence deviating from the principle of legality and allowing for wide usage of counter-terrorism measures in practice.”³⁶ Rights advocates also accused anti-terror trials of relying on excessive pretrial detention, denial of due process, and weak evidence. Current President Marzouki was a prominent critic of the former regime’s anti-terrorism trials on human rights grounds. The government’s approach to counterterrorism, and the status of the law, have yet to be seen amid broader efforts to continue political and civil liberties reforms and to restructure the judiciary.

Selected Profiles

- **Hamadi Jebali, Prime Minister and Secretary-General of Al Nahda.** Born 1949 in Sousse, Jebali is an engineer and a longtime Al Nahda activist, having

³⁰ *Financial Times*, “Al-Qaeda Deputy Leader Signals Involvement in Attacks,” October 10, 2002.

³¹ U.S. State Department, *Country Reports on Terrorism, 2006*, April 30, 2007. The TCG is no longer so designated.

³² According to news reports, 12 Tunisians were at one time detained in Guantanamo, but only five remain in U.S. custody. Five were repatriated to third countries, partly due to concerns over their possible torture if returned to Tunisia, while two others were returned to Tunisia and imprisoned. Bouazza Ben Bouazza, “Tunisia to Send Mission to US for Release of its Remaining Gitmo Detainees,” September 14, 2011.

³³ *House Appropriations Subcommittee on Military Construction, Veterans Affairs, and Related Agencies Holds Hearing on the US Central Command*, April 24, 2009, transcript via *CQ*.

³⁴ U.S. State Department, *Country Reports on Terrorism, 2009*, released August 5, 2010.

³⁵ Jeremy Landor, “Washington’s Partner,” *Middle East International*, March 5, 2004, pp. 23-24.

³⁶ U.N. Human Rights Council, *Report of the Special Rapporteur*, December 28, 2010, op. cit.

served in the group's political bureau in 1981 and as its president from 1981 until 1984. He also directed Al Nahda's newspaper, *Al Fajr*. In 1992, Jebali was sentenced to 16 years in prison in a mass trial of Al Nahda members. He spent 10 years in solitary confinement. Previously, Jebali lived for 10 years in France, where he completed an engineering degree and was a founder of the French Muslim Association. Jebali has rejected the label "Islamist"—maintaining that Al Nahda is a "civil political party"—and is viewed by some observers as the "moderate" or "reformist" face of the party.³⁷

- **Moncef Marzouki, President and Leader of the Congress for the Republic (CPR).** Born in 1945, Marzouki is a medical doctor, author, and longtime human rights activist. After medical school in France, he taught medicine at the University of Sousse from 1981 to 2000, while increasingly becoming a leader in national and regional human rights advocacy. He was jailed several times for his activism and for attempting to run for president against Ben Ali. In 2001, Marzouki founded the left-leaning, secularist CPR party on a platform of establishing the rule of law and promoting human rights. It was banned, leading Marzouki to a decade of exile and diaspora activism in France. While outside the country and during the electoral campaign, Marzouki signaled that he was willing to forge common cause with Islamists, at times criticizing more stringent secularists for being out of touch with ordinary Tunisians.³⁸
- **Mustapha Ben Jaafar, President of the Constituent Assembly and Leader of Ettakatol.** Ben Jaafar, 71, founded the center-left, secularist Ettakatol (alt: Democratic Forum for Labor and Liberties, or FDTL) party in 1994. It eventually became one of three "dissident" opposition parties recognized under Ben Ali, which operated under significant restrictions. Ben Jaafar tried to run for president in 2009 but the government rejected his candidacy. A medical doctor trained in France, Ben Jaafar became engaged in political and human rights activism in the 1970s, while serving on the medical faculty at the University of Tunis.
- **Maya Jribi, leader of the Progressive Democratic Party (PDP) and of the Constituent Assembly secularist opposition.** Jribi, 52, became the first female secretary-general of a political party in 2006 when she assumed the PDP leadership. Both Jribi and the PDP's founder, Ahmed Najib Chebbi, won seats in the National Constituent Assembly. A biologist by training and the first woman to lead a major political party, Jribi has positioned herself as leader of the secularist parliamentary opposition. Founded in the 1980s, the PDP (like Ettakatol) was one of a small handful of legal but repressed opposition parties under Ben Ali.
- **Rachid Ghannouchi, President and Co-Founder of Al Nahda.** An Islamic scholar, teacher, and activist, Ghannouchi, 71, has led Tunisia's main Islamist movement for three decades but has no formal role in the current government. Ghannouchi's early focus was on religious and moral issues, but he grew more politically active by the late 1970s. He spent two decades in exile, largely in London, after Al Nahda was banned in 1991, returning to Tunisia in January 2011 upon the announcement of a general amnesty. Ghannouchi has emphasized that

³⁷ "Profile: Tunisian Ennahdha Prime Minister Candidate Hammadi Jebali," via OSC, October 28, 2011; *Al Arabiya*, "Tunisia's Hamadi Jebali: The Face of Moderate Islam?" November 18, 2011.

³⁸ *LePoint.fr*, "L'Opposant Historique Moncef Marzouki Va Devenir Président," November 21, 2011.

Al Nahda seeks to participate within a democratic system and that the party will not attempt to turn back women's rights or other liberal aspects of Tunisian society. However, Tunisian secularists view him and his party with suspicion. Ghannouchi has stated that he will soon step down from the leadership of the party and is not interested in running for president.

Background on Tunisia's Trade Unions

Since Tunisia's independence, the labor movement has served as a rare legal conduit for expressing dissent, and the largest (and previously sole legal) union federation, the Tunisian General Union of Labor (UGTT), wields significant political clout. The UGTT, which claims over half a million members, played a key role in sustaining the 2011 protest movement, which it framed as rooted in economic grievances. The UGTT suffered from internal fracturing in the aftermath of Ben Ali's departure, but since early 2012 has sought to reposition itself as a key counterweight to Al Nahda. New unions and splinter movements have recently been formed, which may compete with the UGTT for influence. UGTT activists formed candidate lists in the October 2011 election under the banner of the Tunisian Labor Party (PTT), but did not win any seats.

The UGTT was organized in the mid-1940s and was a force in Tunisia's independence movement. During the Cold War, it positioned itself as pro-West (non-Communist) and formed links with the American labor movement.³⁹ Tunisia's first president, Habib Bourguiba, strove to keep the unions under the government's wing; during the 1960s, former UGTT leader Ahmed Ben Salah led a decade-long period of socialist-oriented economic policy as minister for finance and planning. By the late 1970s and into the mid-1980s, however, amid growing economic unease, the union's leadership turned to overt confrontation with the government, particularly over wages and food price inflation.⁴⁰ The UGTT led a series of strikes and demonstrations that were met with heavy state repression. During Ben Ali's presidency, the government again attempted to influence the UGTT, including by interfering in its leadership selection. The UGTT nevertheless was a key instigator of anti-government unrest in recent years, including protests in the mining region of Gafsa in 2008 and 2010 that were arguably a precursor to the "Jasmine Revolution" uprising.

The Economy

For many Tunisians, the 2011 uprising was motivated by socioeconomic grievances as much as a desire for political change. Some observers therefore fear that a failure to deliver rapid economic benefits could lead an impatient public to lose faith in the transition process. Indeed, the economic situation has worsened since 2011 due to perceived political uncertainty, turmoil in neighboring Libya, and the debt crisis in the European Union, which is Tunisia's largest trading partner. Declines in tourism and foreign direct investment (FDI) have been particularly damaging. The economy contracted by 1.8% in 2011, compared to growth of 3.7% in 2010; unemployment rose from 13% in 2010 to above 18% as of early 2012.⁴¹ In October 2011, the International Monetary Fund (IMF) projected that the worsening global economic outlook would negatively impact Tunisia's growth prospects in 2012, and warned of widening fiscal deficits.⁴² Tunisia's credit ratings have been repeatedly downgraded. Still, international economic policymakers are

³⁹ Global Security, "Union Générale des Travailleurs Tunisiens (UGTT)," at <http://www.globalsecurity.org/military/world/tunisia/ugtt.htm>.

⁴⁰ See Niger Disney, "The Working-Class Revolt in Tunisia," Middle East Research and Information Project (MERIP) Reports, 67 (May 1978).

⁴¹ *Bloomberg*, "Arab Spring Turns to Economic Winter on More Joblessness," March 27, 2012.

⁴² *IMF Survey*, "Mideast Outlook Varies Markedly Across Regions," October 26, 2011. IMF Managing Director Christine Lagarde echoed this analysis during a visit to Tunis; see IMF press release No. 12/32, February 2, 2012.

optimistic about the country's medium-term prospects,⁴³ and this year has seen a slight rebound in both growth and FDI.⁴⁴

Most Tunisian politicians have embraced broad free-market principles while advocating state-led efforts to reduce economic and regional inequality. Tunisian officials have pursued fiscally expansive policies in an effort to boost employment and have appealed for outside financial support to provide emergency relief before long-term reforms can be put in place. The government recently threatened to remove the governor of the Central Bank, Kamel Nabli, who has broad international support, following disputes over who has the authority to set monetary policy—in particular, the target for inflation, which may be affected by fiscal expansion.⁴⁵

Tunisia is considered a middle-income country, and prior to 2011 had been one of the best-performing non-oil-exporting Arab countries. Home and car ownership are widespread. Textile exports and tourism have driven much of Tunisia's economic growth in recent years. Tunisia has also attempted to attract foreign investment in its nascent oil and gas sector. Phosphate ore reserves are significant and are the basis of a chemicals industry. However, Tunisia's strong economic record long masked significant disparities and structural problems. Wealth is concentrated in the capital and along the eastern coast, while the interior has suffered from poverty and a lack of investment. Tunisians are among the most educated people in North Africa, but the economy has generally created low-skilled and low-paid jobs. Unemployment and underemployment are major problems, notably for recent college graduates. Unemployment is highest in interior regions, such as Kasserine and Gafsa, which were epicenters of the revolution and which continue to see protests over perceived government neglect.⁴⁶

Recovery of State Assets

Ben Ali and Trabelsi family members owned or controlled many of the country's biggest companies, with shares sometimes allegedly obtained through political pressure or corruption, and are thought to have stashed away significant assets overseas. Tunisian authorities have identified at least 12 countries where these individuals stored money, which could total billions of dollars. Western governments have cooperated with Tunisian efforts to freeze assets; however, the process for recovering them on behalf of the Tunisian state is complex and challenging.⁴⁷ In early 2011, authorities seized shares of domestic companies controlled by Ben Ali family members and close associates accused of financial manipulation. The list of assets touched upon every major economic sector and included some of Tunisia's largest companies. It is unclear what percentages of shares in each company were appropriated by the state, but the total value may amount to \$2 billion.⁴⁸ The companies have continued to operate under state-appointed managers; how the frozen assets are handled in the future may be determined by the courts.

⁴³ CRS interviews with World Bank officials working on the North Africa region, January 2012.

⁴⁴ *Reuters*, "Tunisia's Economy Returns to Growth in Q1 2012," May 24, 2012; *TAP*, "TIF [Tunisia Investment Forum] 2012 Opens," June 14, 2012.

⁴⁵ *Reuters*, "Tunisia Govt To Propose Firing Central Bank Governor," May 27, 2012.

⁴⁶ African Development Bank, *The Revolution in Tunisia: Economic Challenges and Prospects*, March 2011.

⁴⁷ Deborah Ball and Cassell Bryan-Low, "Arab Spring Regimes Face Long Slog to Recoup Assets," *The Wall Street Journal*, August 25, 2011; Robert F. Worth, "Obstacles Mar Quest for Arab Dictators' Assets," *The New York Times*, June 7, 2012. U.S. investigators reportedly opened a preliminary probe into assets controlled by Ben Ali and family members in early 2011.

⁴⁸ State Department, "2012 Investment Climate Statement – Tunisia," June 2012.

Foreign Relations

Al Nahda officials and other political leaders have emphasized continuity in Tunisia's foreign relations, for instance regarding international agreements made under Ben Ali. They have also stated that they wish to protect and expand foreign direct investment and international trade, including with traditional partners in the West. The party has simultaneously indicated a desire to cultivate closer political and economic ties to other Arab and Muslim states, and to Sub-Saharan Africa.⁴⁹ In particular, relations with Arab Gulf states and with Turkey—which have offered aid and public support to the current government—appear set to grow closer. The Tunisian government is supportive of Syrian opposition forces, hosting a Syrian National Council meeting in December 2011 and the first international “Friends of Syria” meeting in February 2012.

Israel and the Palestinians

Tunisians broadly sympathize with the Palestinians; Tunisia hosted the Palestine Liberation Organization (PLO) headquarters in exile from 1982 to 1993. Tunisia had an interests office in Israel from 1996 until the outbreak of the second Palestinian *intifadah*, or uprising against the Israeli occupation of the West Bank and Gaza Strip, in 2000; under Ben Ali, Israeli and Tunisian foreign ministers sometimes met. Al Nahda leader Ghannouchi refers to Israel as an “occupying state,” and has indicated that the creation of a Palestinian state is a prerequisite for discussing Tunisian-Israeli ties.⁵⁰ The government has hosted two visits by senior Hamas officials, as well as a visit by Palestinian Authority President Mahmoud Abbas. Al Nahda's position on Israel and the Palestinians does not appear to be very different from other political parties in Tunisia. Tunisia's then-interim Foreign Ministry—led at the time by secularists—announced in September 2011 that it would support the Palestinians' bid for U.N. recognition of statehood. Indeed, some domestic critics have accused Al Nahda of being too conciliatory toward Israel.⁵¹

Europe

Tunisia and the European Union (EU) have cemented a close relationship by means of an Association Agreement, aid, and loans.⁵² More than 62% of Tunisia's trade is conducted with Europe.⁵³ The Association Agreement, which was signed in 1995 and entered into force in 1998, eliminates customs tariffs and other trade barriers on manufactured goods, and provides for the establishment of an EU-Tunisia free trade area in goods, but not in agriculture or services. The EU has focused high-level attention on Tunisia's political transition, providing additional aid and technical cooperation, and re-starting negotiations on the provision of “advanced status” for

⁴⁹ CRS interviews with Rachid Ghannouchi and Hamadi Jebali, Tunis, October 2011; *AFP*, “La Tunisie de l'après Ben Ali veut retrouver toute sa place en Afrique,” January 29, 2012.

⁵⁰ CRS interviews with Rachid Ghannouchi and Hamadi Jebali, Tunis, October 2011; and Ghannouchi statements at the Project on Middle East Democracy (POMED), November 30, 2011.

⁵¹ E.g., Al Jazeera, “Calls for Tunisia to Criminalize Normalization of Ties with Israel,” December 31, 2011, via BBC Monitoring Middle East.

⁵² At the same time, EU leaders periodically expressed concerns over Tunisia's record on human rights and political freedom under Ben Ali.

⁵³ World Trade Organization, *Tunisia Profile*, October 2011.

Tunisia, which would provide greater trade benefits.⁵⁴ Debt relief is also a possibility.⁵⁵ Europeans hope that aid will help Tunisia's growth and thereby reduce illegal immigration, and that the promise of greater economic integration will incentivize democracy and human rights.

Relations with France were strained over French support for Ben Ali, which was extended even as his security forces cracked down on pro-democracy protesters. France, the former colonial power, had cultivated close ties with the Ben Ali regime, which it saw as ensuring regional stability and a destination for French investment. French authorities have sought to ingratiate themselves with post-Ben Ali authorities by replacing their ambassador, imposing an asset freeze on Ben Ali family members and associates, dispatching senior officials on state visits, and pledging new aid.⁵⁶ French officials congratulated Al Nahda on its election victory, but later than other donors; suspicion of Islamists persists in French political circles.

Regional Relations

Tunisia has generally sought cordial relations with its immediate neighbors, although Ben Ali's entente with neighboring Libya's Muammar al Qadhafi was strained. Although it declined to participate militarily in U.S. and NATO military operations in Libya, Tunisia has been strongly supportive of the transition there, and recognized Libya's Transitional National Council (TNC) on August 21, 2011. Tunisian authorities hope that an end to turmoil in Libya will stabilize border areas and, eventually, produce an economic rebound that would allow Libya to reabsorb some of Tunisia's low-skilled labor surplus. In December 2011, Al Nahda leader Ghannouchi participated in a TNC-led Libyan reconciliation and reconstruction forum.

Algeria and Morocco have been publicly supportive of Tunisia's transition: Algeria has offered financial assistance, while Morocco and Tunisia signed a bilateral military cooperation agreement in May 2011. President Marzouki has led a high-profile campaign to revitalize the Arab Maghreb Union, which was established in 1989 by Tunisia, Algeria, Morocco, Libya, and Mauritania, but has been long inactive due to tensions between Morocco and Algeria. Tunis is also the temporary headquarters location of the African Development Bank (AfDB), which receives significant financial support from the United States; it moved to Tunisia in 2005 due to unrest in Côte d'Ivoire, its permanent location.

U.S.-Tunisian Relations

During Ben Ali's presidency, the United States balanced deep and persistent concerns about political repression, corruption, and human rights abuses with a desire to cooperate with Tunisia's government on counterterrorism and regional security. Administration officials have since emphasized strong support for Tunisia's democratic transition, as well as a desire to advance bilateral economic ties and enhance cooperation on regional policy concerns such as the crisis in Syria and economic integration in the Maghreb. In a speech in May 2011 on U.S. policy toward

⁵⁴ See European Commission, EuropeAid Development and Cooperation, *Tunisia*, at http://ec.europa.eu/europeaid/where/neighbourhood/country-cooperation/tunisia/tunisia_en.htm.

⁵⁵ *AFP*, "EU Opens Door to 'Debt Relief' for North African States," February 22, 2012.

⁵⁶ See G8 Summit, "The Deauville Partnership: Helping the Arab Countries in Their Transition to Free and Democratic Societies," Deauville, May 27, 2011.

the Middle East, President Obama called on the United States “to show that America values the dignity of the street vendor in Tunisia more than the raw power of the dictator.”⁵⁷ In February 2012, Secretary of State Hillary Clinton visited Tunis and stated that she was “a very strong champion for Tunisian democracy and what has been accomplished here,” adding, “the challenge is how to ensure the economic development of Tunisia matches the political development.”⁵⁸

Then-Interim Prime Minister Caïd Essebsi met with President Obama at the White House in October 2011, and President Obama called Prime Minister Jebali in December 2011 to congratulate him on his appointment.⁵⁹ Al Nahda president Rachid Ghannouchi—who does not hold a formal government position—visited Washington, DC, in November 2011, but did not make a public appearance with U.S. officials. In May 2011, prior to the elections and his appointment as prime minister, Hamadi Jebali visited Washington on the invitation of a private organization. On the Tunisian side, priorities appear to include U.S. economic and military aid, U.S. technical and diplomatic support for recovering frozen assets linked to the former regime, and the return of Tunisian nationals detained at the U.S. Naval Base in Guantanamo Bay, among other issues. The Administration has indicated that, with regard to working with regional Islamist actors such as Al Nahda, “what parties call themselves is less important to us than what they actually do.”⁶⁰ This principle may be tested in the months ahead as Tunisia’s coalition government seeks a way forward on complex domestic and foreign policy dilemmas.⁶¹

In February 2012, Secretary of State Clinton expressed support for negotiations toward a free trade agreement (FTA) with Tunisia in testimony before Congress.⁶² Any progress on an FTA would be subject to an interagency process, among other factors. U.S.-Tunisian trade is currently relatively limited: in 2011, U.S. bilateral exports totaled \$586 million and imports totaled \$352 million.⁶³ Tunisia is eligible for certain trade preferences under the Generalized System of Preferences (GSP) Program. A bilateral trade investment framework agreement (TIFA) was signed in 2002, and a bilateral investment treaty entered into force in 1993. TIFAs can be the first step toward an FTA.

U.S.-Tunisian relations date back over 200 years. Tunisia was the site of significant battles during World War II, and was liberated by Allied forces in 1943 in Operation Torch. A U.S. cemetery and memorial near the ancient city of Carthage (outside Tunis) holds nearly 3,000 U.S. military dead. During the Cold War, Tunisia pursued a pro-Western foreign policy despite a brief experiment with leftist economic policy in the 1960s. Still, U.S.-Tunisian ties were strained by the 1985 Israeli bombing of the Palestinian Liberation Organization headquarters in Tunis, which some viewed as having been carried out with U.S. approval.⁶⁴ Tunisia cooperates in NATO’s Operation

⁵⁷ The White House, “Remarks by the President on the Middle East and Africa,” May 19, 2011.

⁵⁸ State Department, “Secretary of State Clinton Delivers Remarks Following Meeting with Tunisia President Marzouki,” February 25, 2012.

⁵⁹ White House, “Readout of the President’s Call with Tunisian Interim Prime Minister Jebali,” December 19, 2011.

⁶⁰ Bradley Klapper, “Championing Democracy, Clinton Says US Can Work with Islamist Parties Gaining from Arab Spring,” November 8, 2011.

⁶¹ For example, in May 2012, the U.S. ambassador to Tunisia stated that he was “disappointed” by a television station owner’s blasphemy conviction; the government responded that his remarks constituted “interference in Tunisian justice.” *La Presse*, “Le ministère des A.E. proteste contre les déclarations de l’ambassadeur US,” May 9, 2012.

⁶² Secretary of State Hillary Clinton, testimony before the Senate Appropriations Committee, Subcommittee on State, Foreign Operations, and Related Programs, February 28, 2012, transcript via *Congressional Quarterly (CQ)*.

⁶³ U.S. International Trade Commission data, accessed at <http://dataweb.usitc.gov/>.

⁶⁴ Chicago Tribune Wires, “Bush Visits Tunisia to Patch Relations,” March 9, 1986; Jonathan C. Randal, “Raid Left (continued...)”

Active Endeavor, which provides counterterrorism surveillance in the Mediterranean; participates in NATO's Mediterranean Dialogue; and allows NATO ships to make port calls at Tunis.

U.S. Reactions to the January 2011 Uprising

U.S. criticism of the government's response to the January 2011 demonstrations was initially muted, but grew as protests mounted. On January 11, Secretary of State Hillary Clinton said that "we are worried, in general, about the unrest and the instability, and what seems to be the underlying concerns of the people who are protesting"; at the same time, she stressed that "we are not taking sides," and indicated that she had not been in direct communication with Tunisian authorities since the protests began.⁶⁵ In a speech in Doha, Qatar, on January 13, Secretary Clinton challenged Middle Eastern leaders to address the needs of their citizens and provide channels for popular participation, or else risk instability and extremism. Events in Tunisia provided a vivid backdrop to her remarks.

After Ben Ali's departure on January 14, President Barack Obama stated, "I applaud the courage and dignity of the Tunisian people," and called for "free and fair elections in the near future that reflect the true will and aspirations of the Tunisian people."⁶⁶ In his January 2011 State of the Union address, President Obama stated, "The United States of America stands with the people of Tunisia and supports the democratic aspirations of all people."

Several Members of Congress expressed concerns that the United States appeared to lack sufficient intelligence on Middle East protest movements and their potential to upset governments in the region, concerns which executive branch officials have disputed.⁶⁷

U.S. Foreign Assistance

Congress authorizes, appropriates, and oversees foreign assistance funding, and regularly authorizes arms sale proposals. Prior to 2011, U.S. bilateral aid to Tunisia was modest by regional standards and was highly focused on security cooperation. Tunisia has hosted the regional office of the State Department's Middle East Partnership Initiative (MEPI) since 2004, but had not previously received significant funds; in FY2010, Tunisia received \$21.9 million in bilateral aid, of which \$20.2 million was security assistance. The Obama Administration has since offered a range of new foreign assistance aimed broadly at "transition support," as well as a reinvigoration of the trade relationship (see above). The State Department has allocated over \$300 million in bilateral transition aid (broadly defined) and security assistance to Tunisia since early 2011.⁶⁸ Aid funding has drawn on monies appropriated in FY2010-FY2012, much of it reprogrammed from other sources. Non-security aid is focused on civil society, political parties, the independent media, election support, youth and women participation, and economic reforms. It includes two programs authorized in P.L. 112-74, the FY2012 Consolidated Appropriations Act:

- \$30 million for the cost of sovereign loan guarantees, which are expected to enable Tunisia to raise some \$400 million on the international bond market;⁶⁹ and
- \$20 million for the creation of a bilateral "Enterprise Fund" designed to spur private investment and encourage economic reforms.

(...continued)

Scars on U.S.-Tunisia Ties," *The Washington Post*, March 5, 1987.

⁶⁵ AFP, "US Concerned About Reports of 'Excessive Force' in Tunisia," January 11, 2011; and U.S. State Department, "Secretary of State Interviewed on Al Arabiya," January 11, 2011, via *CQ*.

⁶⁶ The White House, "Statement by the President on Events in Tunisia," January 14, 2011.

⁶⁷ Testimony of Director of National Intelligence James Clapper, House Select Intelligence Committee Hearing on Worldwide Threats, February 10, 2011, via *CQ*.

⁶⁸ State Department response to CRS inquiry, May 2012.

⁶⁹ See State Department, "U.S. Loan Guarantee Supports Tunisia's Democratic Transition," June 11, 2012.

The transition aid allocation also includes \$100 million that is being provided as a cash transfer to the Tunisian government for short-term fiscal relief, as notified to Congress in April 2012.⁷⁰ An additional Millennium Challenge “threshold” grant worth about \$20 million is anticipated; a Peace Corps program is also being re-established. U.S.-funded democracy assistance organizations have not, to date, been the targets of official harassment as they have in Egypt. Still, commentary published in the local press has highlighted public debates regarding the basis and impact of U.S. democracy aid, and over whether such aid constitutes foreign interference.⁷¹

The Administration has requested \$36.6 million in total bilateral aid for FY2013;⁷² however, Tunisia is likely to receive much more in funding directed from regional allocations, reprogrammed funds, and other sources. The State Department’s Office for Middle East Transitions, established in September 2011 and led by Ambassador William Taylor, is administering a Middle East Response Fund/Middle East and North Africa Incentive Fund (MERF/MENA-IF) constituted from unobligated FY2011 and FY2012 Economic Support Fund (ESF) funding. The Office and Congress have identified an initial \$185 million for the MERF, including \$50 million identified in the conference report on P.L. 112-74. Tunisia has been the main beneficiary to date, with \$71.2 million allocated as of early 2012. The Obama Administration is requesting a further \$770 million for the MENA-IF in FY2013. In addition to bilateral assistance, the Overseas Private Investment Corporation (OPIC) is “working to invest” roughly \$150 million in Tunisia.⁷³

Multilateral financial institutions that receive U.S. financial support have also pledged significant aid. The United States has been supportive of efforts by the Group of Eight (G8)—under the banner of the 2011 “Deauville Partnership”—and by the European Bank for Reconstruction and Development to provide aid to Tunisia and other countries affected by the “Arab Spring.”⁷⁴

Security cooperation appears likely to increase due to interest on both sides. A Joint Military Commission meets annually and joint exercises are held regularly. Tunisia relies on U.S. Foreign Military Financing (FMF) assistance and Foreign Military Sales (FMS) agreements to maintain its aging inventory of U.S.-origin equipment, and the Tunisian military views International Military Education and Training (IMET) as a key tool for officer training. Tunisia is set to receive \$29.5 million in FMF and \$1.9 million in IMET in FY2012;⁷⁵ the Administration has requested \$15 million and \$2.3 million, respectively, for FY2013. The Administration has also requested \$8 million in FY2013 International Narcotics Control and Law Enforcement (INCLE) funding for police and justice sector assistance. The Administration allocated \$13 million in Defense Department-administered “Section 1206” funding for a maritime and border security package in

⁷⁰ The transfer will fund payments on debt that Tunisia owes the World Bank and African Development Bank. According to the State Department, this will allow the government “to instead use this money for its priority programs, accelerating economic growth and job creation.” Secretary of State Clinton, “Assistance to Tunisia,” March 29, 2012. The transfer will be paid for in FY2012 Economic Support Fund (ESF) funding originally appropriated for Overseas Contingency Operations under the International Counter-Narcotics and Law Enforcement heading. U.S. Agency for International Development (USAID), congressional notification #39, April 11, 2012.

⁷¹ See, e.g., Asma Ghribi, “State Department Program’s Funding of Tunisian Media Comes Under Scrutiny,” *Tunisia Live*, January 20, 2012.

⁷² State Department, FY2013 *Congressional Budget Justification, Foreign Operations*.

⁷³ State Department, “Tunisia: Overview of U.S. Economic Assistance,” February 25, 2012.

⁷⁴ Fact-sheets on these multilateral initiatives can be found at <http://www.state.gov/r/pa/prs/ps/2012/05/190516.htm> (May 21, 2012).

⁷⁵ State Department response to CRS inquiry, May 2012.

FY2011.⁷⁶ Tunisia is also among 10 countries participating in the U.S. Trans-Sahara Counter-Terrorism Partnership (TSCTP), an interagency regional program that aims to enhance capacity and cooperation on security issues in North and West Africa.

Outlook

Recent events, including political contestation and unrest across the Middle East and North Africa, raise potential issues for Congress pertaining to the oversight of U.S.-Tunisian bilateral relations, foreign assistance, and broader U.S. policy priorities in the Middle East. Possible questions include the following:

- To what extent is Tunisia a “test-case” for democratic transitions in the Middle East? To what extent is Tunisia a priority for U.S. policy in the region? What are the prospects for U.S. influence on the future evolution of events in Tunisia? How should the United States shape its future foreign aid programs? What course of U.S. action is most likely to fulfill foreign policy and national security goals?
- What are the key issues in constitution drafting, and how will Tunisians seek to overcome differences in key policy preferences? What type of political system will emerge in Tunisia? Will the new constitution protect individual rights and ensure equality for religious, ethnic, and political minorities?
- Do continued protests and border insecurity constitute significant threats? Do elements of the former regime continue to influence events in Tunisia? How will transitional authorities approach the question of reforming the internal security services and providing for transitional justice?
- Which individuals and groups currently enjoy significant popular credibility in Tunisia? Which emergent coalitions among political and interest groups are likely to endure?
- What is the future trajectory of Tunisia’s economy? What is the appropriate role of Tunisia’s international partners in helping Tunisia to promote economic growth and job creation, and to address regional economic disparities?

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⁷⁶ The 1206 package was initially notified to Congress at \$20 million but not all of it was obligated as planned. For more information on Section 1206 funding, see CRS Report RS22855, *Security Assistance Reform: “Section 1206” Background and Issues for Congress*, by Nina M. Serafino.