

# CEPS COMMENTARY



Thinking ahead for Europe

## Tunisia in turmoil: How should the EU react?

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It was in Tunisia that events sparked what became known as the Arab Spring, and until now Tunisia has also been viewed as a likely 'success story' within the post-revolt Arab world. Since ousting its dictator Ben Ali over two years ago, however, disagreements within the country have run deep; divisions have proved to be complex and multifaceted and the fragile stability has barely been sustainable. In the absence of a common vision for the country, the status quo was shaken yet again by the assassination of opposition leader Chokri Belaid of the Democratic Patriots' Movement. The replacement of Prime Minister Hamadi Jebali by the former head of the Ministry of Interior, Ali Laarayedh, after the former's failure to form a technocratic government in the wake of the murder has undermined the chances of a quick resolution of the political crisis. Moreover, Standard & Poor's recent downgrading of Tunisia's sovereign credit rating throws another obstacle in the way of economic recovery. This commentary addresses two interrelated questions: How might Tunisia's political and economic crisis evolve and what possible role is there for the EU?

### A divided society

The assassination of the opposition leader exposed the underlying divisions between members of the ruling classes, between those in and outside of government, between religious groupings and secularists, and between the coastal areas and the hinterland of Tunisia. Since the revolution, tackling social inclusion has become a pressing problem: men versus women, young versus old, opponents versus supporters of the old regime and political forces inside Tunisia versus those in exile. The National Constituent Assembly (NCA)'s inability to address these fault lines and approve the second draft of the constitution has hampered the transition of the country towards the next elections, while all of the above have undermined trust in the political process.

### Fragmented government

On the level of the ruling troika coalition, there was no consensus on former Prime Minister Hamadi Jebali's proposal for technocratic government to run the country until fresh elections

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are held later this year. One of the ruling party Ennahda's secularist junior partners, Ettakatol, supports an apolitical solution to the current turmoil. However, the Congress for the Republic Party (CPR) has opposed such an outcome, warning of the return of figures from the Ben Ali regime. Even if Ennahda succeeds in forming a national unity government as an alternative to a technocratic one, further top-level reshuffling will likely prove necessary to accommodate divergent views.

Jebali's call for the dissolution of government did not only bring about strategic interactions within the troika but within the ruling party as well. His more moderate views were not shared by a number of hardliners in his Ennahda party, signalling a stalemate within the coalition itself.

### Opposition united?

Looking outside the government, Ennahda is being challenged by a vibrant and ever more organised opposition represented by the newly formed secularist coalition 'Alliance for Tunisia', which combines remnants from Ben Ali's regime and break-outs from other parties. However, the opposition's large alliances are far from forming a single-minded political entity and ideological differences have not been overcome. While support for Ennahda's economic policies has started to wane, the former Prime Minister Beji Caid el Sebsi managed to quickly increase Nidaa Tounes' ('Call for Tunisia') popularity and to agree a common campaign slogan with four opposition parties. Moreover, the standing of the other opposition coalition of parties, the Popular Front, has significantly improved since the assassination of one of its leaders and its cunning positioning against both the moderate Islamists and the 'anti-Islamists'. In sum, the opposition alliance has thus far successfully managed to keep the balance among twelve parties, mostly leaning to the left. The move towards more structure in the lines of the opposition is a clear sign that it is trying to set an alternative political agenda to that of Ennahda, thus addressing one of the major setbacks of previous elections.

### Civic activism at play

Anti-government strikes and rallies have not been reserved for the opposing political parties but also for the main trade union, the Tunisian General Labour Union (UGTT), which was perceived as not being able to challenge Ben Ali's regime in any way. The Union has become increasingly vocal by calling general strikes and taking to the streets of the capital and other cities to express the disillusionment of workers at the deteriorating economic climate and economic inequality between the coastal and interior regions. The UGTT not only has a large support base but also very valid concerns about slowing economic development. The latter has hit young Tunisians hardest. On the one hand, in the face of unemployment that has doubled since the start of the revolution, young people are becoming more politically active and ready to challenge the government. On the other hand, some young Tunisians are being targeted for recruitment by different radical Islamists and Salafist militias, ranging from small movements of non-violent Salafists, parties, and scholars, to jihadists taught to fight in Syria, Mali and Algeria, often financed by richer Arab governments.

The analysis leads us to identify three scenarios in Tunisia:

- a) Popular mobilisation turned into violence and then into chaos: in the medium term, the mobilisation of different grievances leads to more violence, which gives the regime an excuse for repression. The Tunisian ruling elite restricts popular protests and limits freedom of expression, causing even more instability in the long term.

- b) Response to deteriorating economic performance and instability: trade unions and business representatives are pushing for a faster transition and the improvement of the economic and political situation. However, a worsening economic climate, the decline in the attractiveness of Tunisia as a tourist destination and greater regional disparities are driving a wedge between the regime and the economic elite.
- c) Costly repression, institutional compromise and greater stability: sidelining social inclusion issues and repressing mobilisation becomes too costly for the ruling elite, which will have to seek compromise to achieve stability in the longer term.

### The role of the EU

Whichever scenario holds ground, the EU can play a more active role in assisting Tunisia in this post-uprising period. Declarations of support, such as Catherine Ashton's expression of respect for Jebali's decision to resign and her call for the adoption of a new constitution and the organisation of elections through all-inclusive dialogue are essential to building confidence in EU-Tunisia relations.

The "EU's response to the 'Arab Spring': The State-of-Play after Two Years"<sup>1</sup> reaffirms that EU-Tunisia relations are based on three interrelated 'Ms': money, market and mobility. With respect to the first aspect, overall EU financial and technical support for Tunisia has almost doubled to €390 million over the period 2011-2012 on the strength of the political and socio-economic reforms engaged in by the Tunisian government. One hundred million euro was channelled through the SPRING programme in support of governance reforms and inclusive economic growth, notably targeting the reform of the justice sector, capacity-building of civil society, support for the renovation of popular neighbourhoods and support for the implementation of the association agreement and for democratic transition. Support programmed under the European Neighbourhood and Partnership Instrument (ENPI) in 2012 focused on economic recovery (€68 million) as well as health and the fight against inequalities (€12 million). Contributions from the EU are complemented with member states' contributions.

In terms of market access, preparations are underway for three key agreements: a Deep and Comprehensive Free Trade Agreement (DCFTA), an agreement on the liberalisation of the air transport sector and for an agreement on Acceptance and Conformity Assessment for industrial products. However, as the experience of the eastern partners demonstrates, negotiations and ratification of agreements such as the DCFTA are not expected to take less than five years. The effect of support from the EU to Tunisia through the market channel is lessened, also because of the slow pace of economic recovery of the country's main trading partners: Italy, France, Spain and the EU in general. Currently, the pursuit of deeper trade relations with the EU is the most natural path for Tunisia's recovery, given that in 2011 Tunisia exported €9,257.1 million (74.2% of total exports) and imported €12,387.7 million (63.1% of total imports). Other trade partners such as Libya (4.8% of total trade), China (3.3% of total trade), Russia (2.9%), Algeria and Turkey (both at 2.6%) contribute much less to the Tunisian economy.

Mobility is yet another area where Tunisians have much to gain but where discussions are in stalemate. Up until now some member states have insisted that the Tunisian government implements numerous changes, particularly in the area of legislation vis-à-vis readmission of third country nationals. Mobility is also problematic due to its interrelatedness with justice, security and defence issues. With the increasing violence in many other North African

<sup>1</sup> See [http://www.eu-un.europa.eu/articles/en/article\\_13134\\_en.htm](http://www.eu-un.europa.eu/articles/en/article_13134_en.htm).

countries, the EU is not expected to take quick steps towards easing the entry to the EU of Tunisian residents and those in transit.

### **Conclusion**

While the Tunisian government, opposition and people trade accusations about who stole the revolution, the political and economic crises remain unsolved. Even though transitions are usually messy, hopeful Tunisians, eager for a functioning economy and political freedoms, were caught off-guard by the assassination of Belaid and the fall of the government. Although Tunisians are primarily responsible for the political processes in their country, in order to help set the country off on the right reform track the EU should step up its efforts to alleviate the hardships by implementing the three 'Ms', to which it has committed.