



# Political Transition in Tunisia

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## Summary

Tunisia faces significant challenges in its third year of political transition from authoritarian rule. Elections held in October 2011 brought to power a coalition led by an Islamist party, Al Nahda (also spelled Ennahda), in partnership with two secularist parties. International and domestic observers praised the vote, which provided temporary momentum to a transition process that has often appeared slow and unwieldy. In the intervening months, political consensus has remained elusive, economic grievances have continued to stir social unrest, and tensions between Islamists and secularists have escalated. The timeline for constitution drafting, initially expected to take a year, has been repeatedly extended. The assassination of a leftist politician in early 2013 sparked a political crisis and a government reshuffle, without altering the ruling coalition. Elections to put an end to the transitional period are currently slated for late 2013, but can take place only after a constitution is adopted. Key aspects of electoral administration also have yet to be determined.

Security threats have heightened amid ongoing regional instability and signs of jihadist activity on Tunisian soil. The U.S. Embassy was attacked by a mob on September 14, 2012, three days after the terrorist attacks in Benghazi, Libya. Tensions have escalated between the government and a Salafist group known as Ansar al Sharia, whose leader is wanted for arrest in connection with the U.S. Embassy attack. Ansar al Sharia recently threatened the government with violence, to which the government responded by declaring the organization illegal, an apparent turning point for Ansar al Sharia and for Al Nahda's approach to extremists. Tunisian military operations have meanwhile targeted alleged terrorist cells near the Algerian border and in the remote south, which reportedly serves as a regional transit point for weapons and fighters. Tunisian nationals are reported to have fought with terrorist or insurgent groups in Mali, Algeria, and Syria.

Congress authorizes and appropriates foreign assistance funding and oversees U.S. policy toward Tunisia and the wider region. The Obama Administration has expressed strong support for Tunisia's transition, and has allocated over \$364 million in bilateral aid since 2011. International financial institutions, which receive significant U.S. funding, have also pledged aid. Yet the Embassy attacks may have constrained U.S.-Tunisian relations and undermined U.S. officials' trust in Tunisian authorities' ability to ensure security. The availability of funding resources to continue or increase aid to Tunisia may also be limited in the years ahead, due to larger debates over the federal budget and congressional debates over aid to transitional countries in the Middle East and North Africa. Some Members of Congress have advocated cutting aid to Tunisia in response to Tunisia's handling of a reported suspect in the Benghazi attacks.

Some policymakers describe Tunisia as a "test case" for democratic transitions in the region. Yet Tunisia's path is far from certain, and Tunisia's example may, in any case, be less influential than larger or more central states such as Egypt and Syria. Still, Tunisia's experience highlights region-wide issues relating to the struggle between reformists and entrenched former regime elements; the role and influence of Islamism in state and society; and the difficult balance—for the United States and others—of pursuing potentially divergent policy goals, particularly as transitions to democracy are often accompanied by significant political instability and weakened security forces. U.S. policymakers continue to debate the degree to which aid and bilateral contacts provide leverage in pursuing goals such as countering terrorism and encouraging certain democratic values. See also CRS Report R42153, *U.S. Trade and Investment in the Middle East and North Africa: Overview and Issues for Congress*, coordinated by Shayerah Ilias Akhtar.

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## Overview

Tunisia is in its third year of transition since the January 2011 “Jasmine Revolution” ended the authoritarian regime of then-President Zine el Abidine Ben Ali and sparked a wave of unrest in much of the Arab world. Since then, Tunisians can point to a number of significant achievements. Widely praised elections in October 2011 put in place a National Constituent Assembly tasked with drafting a new constitution, along with a coalition government made up of an Islamist party, previously banned under the former regime, and two secularist parties.<sup>1</sup> New political parties, media outlets, public debates, and civil society organizations have burgeoned. However, structural reforms that would guarantee democratic institutions have been limited and halting. Consensus on government priorities has often been elusive, and Tunisians continue to grapple with how best to approach issues such as domestic extremism, transitional justice, security sector and judicial reforms, and the appropriate balance between individual freedoms and religious sensitivities.

Popular dissatisfaction and confusion over the transition process are likely to continue as Tunisians debate who is empowered to act, who wields popular legitimacy, and how the government can or should deliver tangible benefits to an impatient public with vast and divided expectations.<sup>2</sup> The timeline for drafting and adopting a new constitution was initially expected to take a year, but has stretched into two (or more).<sup>3</sup> Protests and strikes, though often small and highly localized, reflect popular frustrations with a range of governance and socioeconomic issues, such as regional economic disparities and high unemployment. At times, the government’s internal divisions and ambiguous mandate as a caretaker regime have impeded its ability to react quickly and decisively to events, or to make progress on institutional reforms. Still, Tunisian political and civic leaders have been able to navigate their way through periodic crises through dialogue and consensus, even when the transition process has seemed to be stymied.

Regional and domestic security threats have become more prominent over the past year, creating concerns and new policy dilemmas for Tunisia and its Western partners. Attacks on the U.S. Embassy and American school in Tunis on September 14, 2012, temporarily prompted the relocation of some U.S. government personnel. The government has identified suspects and made some arrests, but the motive and degree of premeditation behind the attacks remain unclear. A Salafist<sup>4</sup> leader, formerly active in a U.S.-designated terrorist group, is wanted for arrest in

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<sup>1</sup> 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 Tunisians. Still, observers expressed concerns regarding some elements of electoral administration; limited voter education; and a lack of detailed procedures and poll worker training for key parts of the process. Many Tunisians furthermore appeared to feel alienated by the complexity of the transition process and a lack of understanding of the Constituent Assembly’s anticipated role. CRS observations during the election; see also, e.g., Carter Center, *National Constituent Assembly Elections in Tunisia, October 23, 2011*, May 24, 2012; and National Democratic Institute, *Final Report on the Tunisian National Constituent Assembly Election*, February 17, 2012.

<sup>2</sup> See, e.g., International Crisis Group (ICG), *Tunisia: Confronting Social and Economic Challenges*, June 6, 2012; and International Republican Institute (IRI), “IRI Poll: Tunisians Look for Improvements in Government Performance,” February 14, 2013, which found that “Tunisian citizens are unhappy with the current state of their economy and are losing confidence in their current government.”

<sup>3</sup> On the eve of the October 2011 elections, most of the main political parties signed a non-binding statement indicating their intent that the National Constituent Assembly would remain in place for no longer than a year.

<sup>4</sup> “Salafism” refers to a broad subset of Sunni Islamic reformist 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. A subset of Salafists advocate violence in pursuit of their aims, but many instead pursue non-violent preaching, charity, (continued...)

connection with the attacks, but he remains at large (see “Security Concerns,” below). Recently, Ansar al Sharia has publicly threatened the government with violence, to which the government has responded by declaring the group illegal, an apparent turning point in Ansar al Sharia’s trajectory and in Al Nahda’s approach to domestic extremism. Tunisian nationals also reportedly participated in the January 2013 terrorist attack on a remote natural gas facility in southeastern Algeria, which resulted in the deaths of three Americans (and at least 34 others). These incidents have prompted U.S. officials to call for greater security measures and counterterrorism cooperation, and concerns over Tunisia’s handling of the Embassy attack may have harmed U.S.-Tunisian relations. More broadly, U.S. officials have been increasingly troubled by rising terrorist activity and instability across North Africa.

Divergent interpretations of security threats and the necessary means to confront them have contributed to Islamist-secularist tensions. Leaders from the ruling Islamist Al Nahda party have pledged to crack down on violence, while arguing that isolating or arresting religiously conservative activists could further radicalize them. Secularist critics often charge that Al Nahda lacks the capacity or will to confront extremists. Al Nahda leaders have simultaneously struggled to respond to critics (reportedly including figures within the party) who accuse them of failing to institute a greater public role for Islam. At the root of these debates are questions of how Tunisia’s future political system will interpret democratic principles such as freedom of speech, shape the relationship between political authorities and state security forces, and define the role of religion in political life. Salafist violence and other security incidents, some unsolved, have increased pressure on the government to ensure public order and weigh in on controversial social issues.

Committees in the Constituent Assembly have completed a draft constitution, which is under review within the Assembly and being discussed by key political and civil society leaders. Following debate and possible amendments, the draft may be put to a vote within the Assembly in the coming months. If the final draft is not adopted by a two-thirds vote after two tries, it must go to a popular referendum. Contentious elements of the drafting process have included the nature and structure of the future political system, as well as provisions defining civil liberties and labor rights protections. Previous draft clauses suggesting less-than-full gender equality, prohibiting blasphemy, and criminalizing relations with Israel are not part of the draft currently under discussion. However, Human Rights Watch has criticized what it views as insufficient protections for civil liberties and freedom of conscience.<sup>5</sup> National elections, which may take place only after a new constitution is adopted, are currently expected to take place at year’s end. However, key elements of electoral administration, such as a new electoral commission and electoral law, have yet to be agreed upon or instituted, and the precise timeline for election preparation is unclear.

U.S. priorities in Tunisia include encouraging steps toward full democracy and political stability, advancing trade and investment ties, and working with the Tunisian government to address terrorism and regional insecurity. The Obama Administration has expressed strong support for Tunisia’s transition, and has allocated over \$364 million in bilateral aid since 2011. International financial institutions, which receive significant U.S. funding, have also pledged aid. The Administration requested \$36.6 million in total bilateral aid for Tunisia for FY2013, and has requested \$61.8 million in FY2014.

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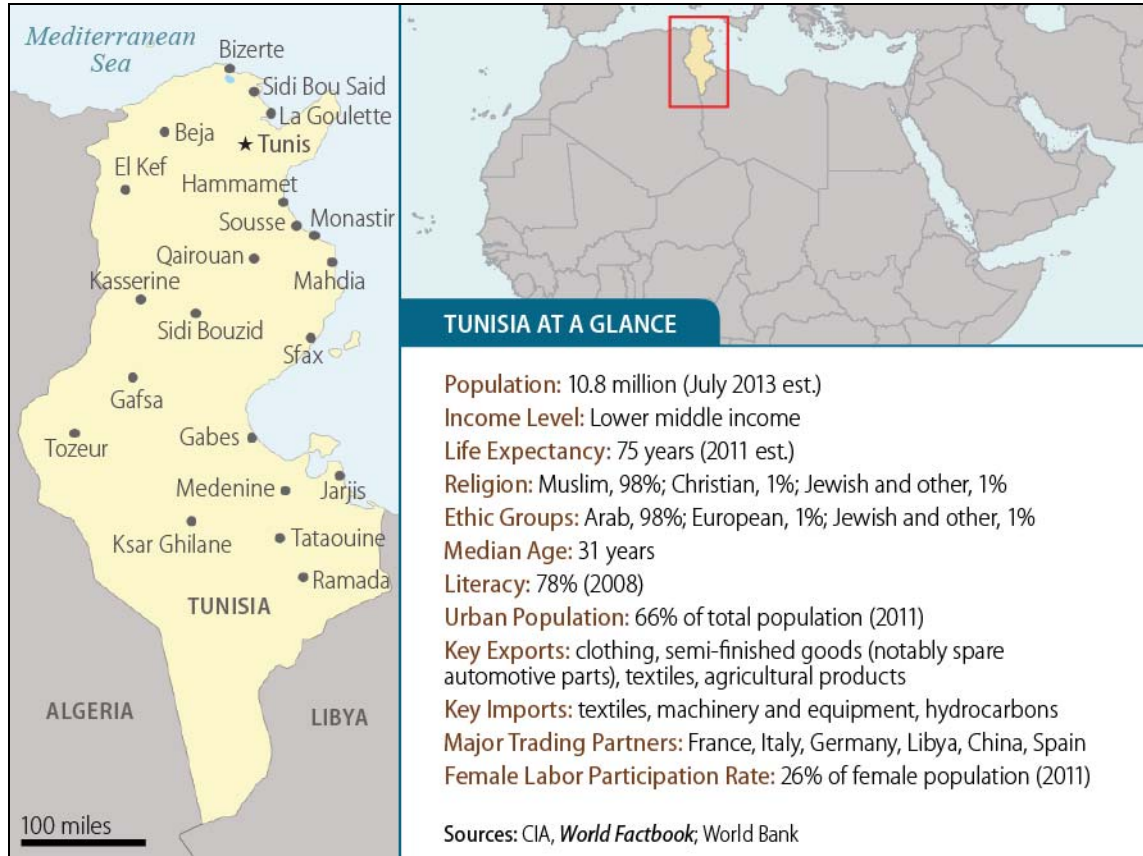
(...continued)

and (for some) political activities. See CRS Report RS21745, *Islam: Sunnis and Shiites*, by Christopher M. Blanchard.

<sup>5</sup> Human Rights Watch (HRW), “Tunisia: Revise the Draft Constitution,” May 13, 2013.

Some policymakers describe Tunisia as a “test case” for democratic transitions in the region. Yet Tunisia’s path is far from certain, and Tunisia’s example may, in any case, be less influential than larger or more central states such as Egypt and Syria. As elsewhere, U.S. policymakers have debated the degree to which aid and diplomatic contacts provide leverage—e.g., to pursue counterterrorism or to encourage certain democratic values.

**Figure I. Tunisia at a Glance**



Sources: CRS Graphics, CIA *World Factbook*, World Bank.

## Background

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: Habib Bourguiba, a secular nationalist and former independence activist, 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 harshly repressed political participation, freedom of expression, and religious activism. This repression, along with the ruling elite’s corruption and nepotism, severely undermined the regime’s popular legitimacy, despite relatively effective state services and strong economic growth. Another factor driving popular dissatisfaction was the significant socioeconomic divide between rural and urban areas, and especially between the developed, tourist-friendly coast and the poorer interior. Anti-

government unrest, particularly rooted in labor and economic grievances, has often originated in the interior—as did the 2011 protest movement.

While Tunisia shares many characteristics with neighboring countries, some of its attributes 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. Arabic-speaking Sunni Muslims make up the overwhelming majority of Tunisia’s population, while its urban culture reflects a strong European influence. The population is young compared with developed countries, but its median age is high compared to most Arab states.<sup>6</sup>

The legal and socioeconomic status of women is among Tunisia’s particularities within the Arab world. Polygamy is banned, and women enjoy equal citizenship rights and the right to initiate divorce. (Still, inheritance laws and practices are disadvantage women.) Women serve in the military and in many professions, and constitute more than half of university students; the first woman governor was appointed in 2004. Many credit the country’s relatively liberal Personal Status Code, promulgated in 1956 under then-President Bourguiba, as well as Bourguiba-era educational reforms, with these advances.

### **Tunisia’s “Jasmine Revolution”**

The 2011 popular uprising began in December 2010 with anti-government protests in the interior. On January 14, 2011, it culminated in the decision by President Zine el Abidine Ben Ali, in power since 1987, to flee the country for Saudi Arabia. Protests were first reported in the interior town of Sidi Bouzid, after a 26-year-old street vendor named Mohamed Bouazizi set himself on fire. The protests quickly spread to nearby towns, and eventually reached the capital and wealthy coastal communities associated with the ruling elite. Police opened fire on protesters and made sweeping arrests; an estimated 338 people were killed.<sup>7</sup> The army, however, reportedly refused an order to use force against demonstrations, and reportedly played a significant role in Ben Ali’s decision to step down.

The early months of the post-Ben Ali transition were marked by ongoing waves of unrest, partly in response to the fact that early interim governments were dominated by officials from the former regime. 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.

## **Government and Politics**

Al Nahda (alt: Ennahda/An-Nahda, “Renaissance”) has 89 seats in the National Constituent Assembly—41%, by far the largest block—and heads a ruling coalition with the centrist Congress for the Republic (CPR) and left-leaning Ettakatol (Democratic Forum of Labor and Liberties or FDTL).<sup>8</sup> Ettakatol leader Mustapha ben Jaafar is Speaker of the Assembly; CPR leader Moncef Marzouki is President, a largely ceremonial post; and Al Nahda senior figure Ali Laraydh serves as Prime Minister, the most powerful of the three positions. This “Troika” coalition is subject to

<sup>6</sup> Richard Cincotta, “Tunisia’s Shot at Democracy: What Demographics and Recent History Tell Us,” *New Security Beat*, January 25, 2011.

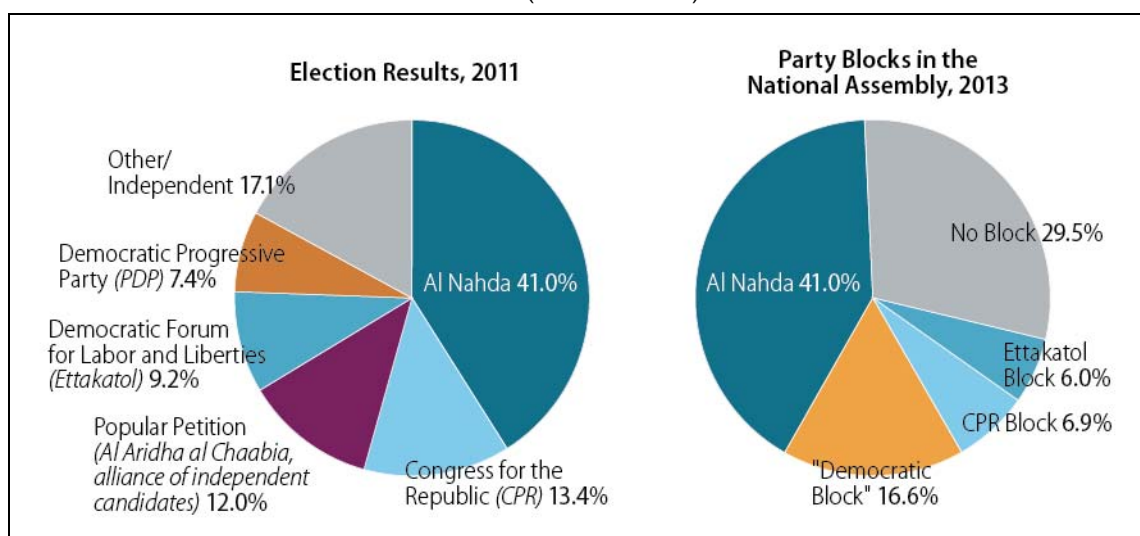
<sup>7</sup> *Associated Press (AP)*, “Report Raises Number of Killed During Tunisia’s Revolution to 338,” May 5, 2012.

<sup>8</sup> Al Nahda won 37% of the vote, more than the next eight parties combined. The system of proportional representation adopted for the elections was designed to preclude any party from easily gaining a majority. This resulted in the main secularist parties, which each won far fewer votes than Al Nahda, winning a larger proportion of seats than votes.

internal frictions, given the leading figures' divergent histories and policy preferences. While Al Nahda remains dominant in the Assembly, the blocks of seats controlled by CPR and Ettakatol have been eroded by defections, many of them spurred by secularist discontent over the parties' continuing alliance with Al Nahda (see **Figure 2**). Still, the Troika has held together, despite opposition advocacy in favor of a "technocratic," less politically polarized government.

**Figure 2. Balance of Power in the Constituent Assembly**

Seats (% of 217 Total)



**Source:** CRS; Data from National Democratic Institute, *Final Report on the Tunisian National Constituent Assembly Elections*, October 23, 2011, May 24, 2012; and Marsad, <http://www.marsad.tn>.

**Notes:** The CPR and Ettakatol parties have lost seats due to changes of allegiance by party members. The ruling "Troika" coalition currently appears to control about 54% of seats.

In February 2013, a prominent leftist politician, Chokri Belaid, was assassinated, raising fears over public safety and political violence.<sup>9</sup> A political crisis sparked by the assassination led then-Prime Minister Hamadi Jebali to resign after Al Nahda, his own party, rejected his proposal to respond by forming a non-partisan cabinet of technocrats. Jebali was replaced by Ali Laraydh, who had previously served as Interior Minister. In March, Prime Minister Laraydh appointed a new government with nonpartisan figures heading four key ministries (Interior, Justice, Defense, and Foreign Affairs), but the ruling coalition did not expand beyond the original Troika parties. These developments highlighted the gulf of mistrust among various political factions, and also drew attention to apparent internal divisions within Al Nahda. Still, Rachid Ghannouchi, Al Nahda's president and co-founder, who holds no official government position, appears to wield ultimate decision-making authority within the party.<sup>10</sup> Ghannouchi was re-elected as party president in 2012, despite earlier promises to step down. Whether Al Nahda can contain its divisions ahead of the next round of elections is uncertain. Whether Laraydh's cabinet proves

<sup>9</sup> Arrests have reportedly been made in connection with the killing, and the Ministry of the Interior has released the names of certain suspects, but the incident remains largely unexplained and, to some Tunisians, unprobed. Belaid's family has accused Al Nahda of assassinating Belaid, but there is little apparent evidence to suggest this is true.

<sup>10</sup> Ghannouchi has denied this, contending that party decisions are made via internal democratic institutions. See BBC Monitoring, "Tunisia's Ghannouchi Interviewed on Key Domestic Challenges, Foreign Ties," May 22, 2013.



more affective at advancing the political transition and addressing rising security concerns also remains to be seen.

Tunisia's main trade union federation, the UGTT, has asserted its influence as a channel for widespread economic grievances, as a leftist and secularist counter-weight to Al Nahda, and as a convener of "national dialogue" on key policy issues. Another key challenger to Al Nahda is the recently created Nida Tounes party, led by Béji Caïd Essebsi, a politician and former senior official under founding President Bourguiba (and briefly under Ben Ali), who served as interim Prime Minister in 2011. Caïd Essebsi has tried to position himself as leader of the centrist, secularist opposition. Critics, including some in Al Nahda, have portrayed Nida Tounes as a vehicle for "counter-revolutionary" acolytes of the former regime.<sup>11</sup> Some public opinion surveys have shown Nida Tounes rivaling Al Nahda in popularity; yet, the relative appeal and unity of various political blocks remains to be seen ahead of elections.<sup>12</sup>

Tunisian authorities continue to debate 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. Criminal charges have been brought against Ben Ali (in absentia), members of his family, and former senior government and security officials. However, the government has not settled on an approach toward mid- and low-level state employees and members of the security and intelligence services who may have been complicit in or aware of abuses, but did not command them. Many Tunisians are also skeptical of the justice system, which was inherited from the Ben Ali regime and is reportedly viewed as subject to political influence, ineffective and, in some cases, corrupt.<sup>13</sup>

#### **Background on Al Nahda**

Led by Rachid Ghannouchi, Al Nahda was founded in 1981 as the Islamic Tendency Movement (MTI). Al Nahda candidates were permitted to run as independents in the 1989 parliamentary elections, but the Ben Ali government cracked down when they won 15% of the national vote. Tensions escalated, culminating in an attack on a ruling party office in 1991 that the government blamed on Al Nahda. In 1992, hundreds of Al Nahda members were convicted of a supposed anti-government plot. Ghannouchi, who had left the country, was sentenced in absentia. Al Nahda leaders denied the accusations, and some rights advocates criticized the case as biased and lacking due process. 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, including its history of opposition activism and its message of reconciling Islam and democracy, as well as popular disaffection with Ben Ali's stringently secularist form of authoritarian rule. Al Nahda did not play a significant role in the 2011 protest movement, but it subsequently engaged in effective grassroots mobilization and campaigning. The party may also have benefited from some secularist parties' efforts 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.

## **Islam, Politics, and the State**

Al Nahda, which is leading the government after decades in exile and underground, is at the center of Tunisian debates over religion, state, and identity. The party's leaders portray themselves as moderates who favor democratic participation, the separation of religion and state, and women's freedoms. Yet the party's decision-making has seemingly reflected internal

<sup>11</sup> See, e.g., *Al-Monitor*, "Tunisia Party Fights Islamization, Raises Ire of Ruling Ennahda," October 1, 2012.

<sup>12</sup> IRI, *Survey of Tunisian Public Opinion, December 19, 2012-January 7, 2013*, February 14, 2013.

<sup>13</sup> See ICG, "Combating Impunity, Restoring Security," May 9, 2012.

divisions as well as potential competition with more radical, emergent Islamist groups for popular support. 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 also accuse Al Nahda of seeking to dominate the political system and state institutions. Some further contend that foreign actors, such as Qatar, are using the party as a tool of influence in Tunisia.<sup>14</sup> The party’s supporters view some critics as immovably opposed to Islamists, and argue that stringently secular elites have lost their claim to popular legitimacy or are seeking a return of the former authoritarian regime.<sup>15</sup>

Al Nahda leaders determined in early 2012 that the party would not support a constitutional reference to *sharia*, thereby overruling proposals by Al Nahda’s parliamentary block. Instead, the draft constitution retains 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,” a presumably unenforceable statement of Tunisian identity. This was hailed by some observers as a victory for moderates within Al Nahda, but religious conservatives may have viewed the outcome as a betrayal.<sup>16</sup> Similar debates are ongoing regarding the state’s regulation of religious activities; the legal status of Salafist groups; whether senior elected positions should be reserved for Muslims (there are tiny Jewish and Christian minorities); and how to balance freedom of expression and religious sensitivities.

Religiously conservative Salafists have become more visible in the post-Ben Ali era, and some have challenged the government—as well as artists, labor union activists, journalists, academics, and women deemed insufficiently modest—through protests, threats, and sometimes violence. A handful of Salafist groups have registered as political parties, but many are either primarily concerned with personal behavior, or prefer to operate outside the formal political system. In some areas, Salafist groups reportedly control mosques and have set up security and service-provision networks.<sup>17</sup> Policy challenges include how to offer alternative opportunities to unemployed youths, how to satisfy demands that Tunisia’s religious identity be protected while also protecting civil liberties and independent institutions, and how to counter what appears to be a jihadist threat within Tunisia that may draw on support from Salafist groups and communities.<sup>18</sup>

Opposition figures and other critics charge that Al Nahda has protected Salafists due to ideological sympathy, and/or because Salafists can be used to intimidate opponents and provide future electoral support. Similar allegations have focused on the Leagues for the Protection of the Revolution (LPR), ostensibly independent grassroots groups focused on vanquishing individuals seen as linked to the former regime.<sup>19</sup> Al Nahda leaders counter that Salafism is a product of past state repression under secularist authoritarian regimes, that non-violent Salafists are a legitimate component of Tunisian society, and that a crackdown could push them toward greater extremism. President Marzouki, a secularist who has worked closely with Al Nahda, has likewise stated that

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<sup>14</sup> E.g., *African Manager*, “Tunisie: Ressemblances surprenantes, Ben Ali-RCD & Jbali-Ennahdha,” February 27, 2012.

<sup>15</sup> *Le Point*, “Tunisie: critiqué, Ennahda brandit le spectre de Ben Ali,” September 7, 2012.

<sup>16</sup> Kareem Fahim, “Tunisia Says Constitution Will Not Cite Islamic Law,” *The New York Times*, March 26, 2012; Agence France Presse (AFP), “Charia: Ennahda a ‘levé l’ambiguïté,’ se félicite des modernistes,” March 27, 2012.

<sup>17</sup> Aaron Y. Zelin, “Meeting Tunisia’s Ansar Al-Sharia,” *Foreign Policy*, March 8, 2013.

<sup>18</sup> See ICG, *Tunisia: Violence and the Salafi Challenge*, February 13, 2013.

<sup>19</sup> BBC Monitoring, “Analysis: What Are Tunisia’s Revolutionary Protection Leagues Protecting?” via U.S. government Open Source Center (OSC), February 7, 2013.

peaceful Salafists must be accepted under the principles of free belief and expression.<sup>20</sup> Al Nahda leader Rachid Ghannouchi argues that he is engaging Salafists in a “dialogue” to bring them into the political system, while prosecuting those who violate the law.<sup>21</sup> Large-scale arrests have followed periodic Salafist rioting, but these have not always led to prosecutions; whether law and order actions have been consistently applied or effective is debatable. Meanwhile, some Salafist groups openly support the creation of an Islamic caliphate in Tunisia, and appear increasingly willing to challenge the government directly (see below). These delicate dilemmas are being navigated amid political polarization and distrust, regional turbulence, and economic difficulties.

## Security Concerns

Daily life in Tunisia is not dominated by insecurity, unlike in neighboring Libya. Still, security threats have increased over the past year. Western concerns over terrorist activity in North Africa have grown following the surge in regional activity by Al Qaeda in the Islamic Maghreb (AQIM) and associated violent extremist groups in 2012, particularly in Mali; the September 2012 terrorist attacks against U.S. facilities in Benghazi, Libya; and the January 2013 hostage crisis at the remote In Amenas natural gas facility in southeastern Algeria, for which an AQIM splinter faction claimed responsibility. According to Algerian authorities, 11 Tunisian nationals, i.e. the largest group of any single nationality, participated in the In Amenas attack.<sup>22</sup>

On September 14, the U.S. Embassy in Tunis and nearby American school were attacked by a mob during a protest against a film viewed as insulting Islam. The outer enclosure of the Embassy (not the secure interior chancery) and the school building were badly damaged.<sup>23</sup> Hundreds of suspects—many of them Salafists—were arrested after the attack. However, the precise motivations behind the attack and level of premeditation are largely unclear.<sup>24</sup> The Tunisian government dispatched extra security to the Embassy after the attack began, and four people were killed in subsequent clashes. Then-Interior Minister (now Prime Minister) Laraydh publicly apologized for having initially “failed” to protect the Embassy.<sup>25</sup> The leader of a Tunisian Salafist group known as Ansar al Sharia, Saifallah Ben Hassine, a.k.a. Abu Iyadh, is wanted for arrest for having allegedly commanded the attack, but he remains at large. Abu Iyadh was a co-founder of the Tunisian Combatant Group (TCG; discussed below), which was designated for U.S. terrorism sanctions in 2002. Ansar al Sharia shares a name with violent extremist groups elsewhere, including in Libya, but the nature and extent of ties are uncertain.

Ansar al Sharia may be among a small number of Tunisian Salafist groups with ties to terrorist organizations and/or to foreign fighter pipelines to Syria, Mali, Algeria, and elsewhere. Ansar al

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<sup>20</sup> *Tunisia Live*, “President’s Support for Niqab in Schools Angers Civil Society Groups,” May 16, 2013.

<sup>21</sup> *Al Hayat* via BBC Monitoring, Interview with Rachid Ghannouchi, October 1, 2012; Robin Wright, “Interview with Sheikh Rachid Ghannouchi,” Wilson Center, November 2, 2012.

<sup>22</sup> Algerian Press Service (APS), “11 Tunisians, 3 Algerians Among Terrorist Group That Attacked Tiguentourine Gas Complex,” January 21, 2013.

<sup>23</sup> State Department daily press briefing, September 14, 2012.

<sup>24</sup> The Chairman of the U.S. House Select Committee on Intelligence, Mike Rogers, has stated that “probably an affiliate of Al Qaida” carried out the attacks, but no other senior U.S. officials appear to have stated such a claim publicly. CQ Transcripts, “Rep. Mike Rogers Interviewed on CNN,” October 24, 2012.

<sup>25</sup> Associated Press (AP), “Tunisia’s Ruling Islamist Party Condemns US Embassy Attack,” September 15, 2012.

Sharia also appears increasingly willing to threaten the state with violence.<sup>26</sup> The group, which emerged in 2011, initially appeared to adopt a strategy of non-violent preaching and social works within Tunisia, coupled with support to jihadist activities overseas, notably in Syria.<sup>27</sup> However, tensions with the government have escalated since early 2013. In May, after the government broke up Ansar al Sharia meetings on the grounds that it did not have a permit to hold public gatherings, members called Al Nahda leaders “tyrants,” accused them of doing the bidding of the United States and France, and alluded to the willingness of followers to “sacrifice themselves for their religion” as in Afghanistan, Iraq, and elsewhere.<sup>28</sup> Security forces subsequently prevented a planned Ansar al Sharia rally in the city of Kairouan, and clashed with the group’s supporters in a Tunis suburb. A statement attributed to AQIM then referred to Ansar al Sharia as “beloved.”<sup>29</sup> After these events, the government declared the group illegal, signaling a turning point in its approach. The group’s future trajectory remains to be seen; it could be disrupted, driven further underground or abroad, or driven into a violent confrontation with security forces.

These developments may be connected to growing indications that jihadist groups are active on Tunisian soil.<sup>30</sup> Some observers trace jihadists’ presence to the release of over 1,000 “political” prisoners of various stripes in early 2013, security force disorganization in the aftermath of the 2011 revolution, and events in Mali and Libya.<sup>31</sup> Tunisian security forces have clashed with armed militants of uncertain nationality multiple times since 2011, and have claimed to uncover “training camps” and weapons depots. Recent military operations have focused on the mountainous border with Algeria and the remote desert south. Insecurity along the Libyan border is also of particular concern amid increased weapons trafficking and combatant flows after the fall of the Qadhafi regime. Interior Minister Lotfi Ben Jedou recently stated that groups currently being targeted near Algeria are connected to AQIM, and include individuals who fought in Mali.

AQIM, a seemingly decentralized criminal and terrorist network, appears to be exploiting security gaps and instability across North Africa. It has also attempted to capitalize on divisive identity issues and popular frustrations with the slow pace of reforms in transitional states. In January 2011, the group positioned itself on the side of Tunisian protesters, hailing the departure of Ben Ali and warning against supposed U.S. and French efforts to subvert the revolution.<sup>32</sup> In October 2012, amid large-scale arrests connected to the U.S. Embassy attacks, AQIM accused Al Nahda of resorting to authoritarian methods against Salafists.<sup>33</sup> In March 2013, in a sign that AQIM may

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<sup>26</sup> The total number of potentially violent Tunisian Salafists is unclear; Tunisian authorities have estimated it at 3,000 but Ansar al Sharia gatherings have suggested a higher number. Tunisians may also join or support Ansar al Sharia for many reasons, including an interest in conservative Islamic preaching, not necessarily because they are willing to commit violence. Reuters, “Muslim Militants Shifting Focus To N.Africa -Tunisia Leader,” October 2, 2012; see also Habib Sayah, “The Next Insurgency in Tunisia,” *Fikra Forum*, February 12, 2013; and Aaron Y. Zelin, “Standoff Between the Tunisian Government and Ansar al-Sharia,” Washington Institute for Near East Policy, May 14, 2013.

<sup>27</sup> The issue of Tunisians traveling to fight against the Assad regime in Syria, including possibly within Al Qaeda-linked groups, has been particularly contentious in Tunisia. After initially suggesting that the government would not seek to restrict such combatant flows, Al Nahda leaders have recently reportedly taken steps to stem them. See, e.g., Al Arabiya, “Tunisia PM Says Country Cannot Legally Prevent Citizens From Going To Syria,” March 24, 2013.

<sup>28</sup> *Middle East Online*, “Abu Iyadh Threatens to ‘Afghanize’ Tunisia in Most Serious Salafist Menace,” May 13, 2013.

<sup>29</sup> AFP, “Qaeda Warns Tunisians Salafists of Govt Provocations: SITE,” May 19, 2013.

<sup>30</sup> See Andrew Lebovich, “Confronting Tunisia’s Jihadists,” *Foreign Policy*, May 16, 2013.

<sup>31</sup> Mohsen Zribi, “Enquête - Le jihadisme en Tunisie,” November 8, 2012.

<sup>32</sup> Al Mujahidin Electronic Network, January 28, 2011, “AQLIM Warns Tunisians Against Western ‘Plots’ To ‘Abort’ Tunisian Revolution,” via OSC.

<sup>33</sup> AFP, “Tunisie: Aqmi demande à Ennahda de renoncer à la répression des extrémistes,” October 13, 2012.

fear the loss of potential recruits to Syria, the group called on Tunisians and other North Africans to stay at home to fight “secularists and other expatriates,” instead of traveling abroad.<sup>34</sup> In response to extremist attacks and warnings in May 2013, Al Nahda leader Ghannouchi made the opposite argument, suggesting jihad should take place in Palestine and not in Tunisia.<sup>35</sup>

“Core” Al Qaeda has also referred to Tunisia in its statements. In June 2012, for instance, Al Qaeda’s leader, Ayman al Zawahiri, called on Tunisians to rise up against Al Nahda for accepting a constitution not based on *sharia*.<sup>36</sup> Al Nahda leader Ghannouchi responded that Zawahiri “has no influence in Tunisia,” adding, “this man is a disaster for Islam and for Muslims.”<sup>37</sup>

Under Ben Ali, thousands of Tunisians were reportedly detained, charged, and/or convicted on terrorism-related charges, including under a sweeping 2003 anti-terrorism law.<sup>38</sup> The current status of that law, and its role in the government’s approach to counterterrorism, is ambiguous amid efforts to protect civil liberties and reform the judiciary.<sup>39</sup> Critics claimed that the law rendered “the exercise of fundamental freedoms ... an expression of terrorism,” and that its definition of terrorism was “vague and broad.”<sup>40</sup> Rights advocates also accused anti-terror trials under Ben Ali of relying on excessive pretrial detention, denial of due process, and weak evidence. President Marzouki was a prominent critic of the former regime’s anti-terrorism trials on human rights grounds, and prominent Al Nahda leaders were direct targets of the law and other Ben Ali-era politicized security measures.

## The Role of the Security Forces

A central policy challenge facing Tunisia’s new leaders is how to assert control over the size and mandate of the internal security services without creating a backlash or hollowing out capacity. 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 surveillance, intimidation of political opponents, 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, or how these have changed since the so-called “political police” were officially dissolved in 2011. Moreover, signs of tension within the Interior Ministry, now ostensibly controlled by Al Nahda, a former target, have periodically emerged.<sup>41</sup> Meanwhile,

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<sup>34</sup> Ansar al Mujahideen Network, “AQIM Calls On Muslim Youths To Wage Jihad in Islamic Maghreb Countries,” March 17, 2013, via OSC.

<sup>35</sup> *Middle East Monitor*, “Al-Ghannouchi: Jihad is in Palestine not Tunis,” May 7, 2013.

<sup>36</sup> Maamoun Youssef, “Al-Qaida’s No. 2 Incites Tunisians, Egyptians,” *AP*, February 28, 2011; Ana Al Muslim Network, “Al-Fajr Releases Al-Zawahiri Audio, Bin Ladin Video on 10<sup>th</sup> Anniversary of 9/11,” September 13, 2011, via OSC; *AP*, “Ayman al Zawahiri, Al Qaeda Leader, Incites Tunisians Against Ruling Party,” June 10, 2012.

<sup>37</sup> *Middle East Online*, “Gannouchi Describes Zawahiri as ‘Disaster for Islam and Muslims,’” June 13, 2012.

<sup>38</sup> U.S. State Department, *Country Reports on Terrorism, 2009*, released August 5, 2010.

<sup>39</sup> Report of the U.N. Special Rapporteur on human rights and terrorism, Mission to Tunisia, March 14, 2012, U.N. doc. A/HRC/20/14/Add. 1. The report suggested that arrests were still occasionally being made on the basis of the law, despite the 2011 declaration of a general amnesty that “made the 2003 anti-terrorism law de facto obsolete.” In May 2013, Tunisia’s Interior Minister stated that the legislation remained in force but would be revised by the Assembly.

<sup>40</sup> Jeremy Landor, “Washington’s Partner,” *Middle East International*, March 5, 2004; Report of the U.N. Special Rapporteur on human rights and terrorism, Mission to Tunisia, December 28, 2010, U.N. doc. A/HRC/16/51/Add.2.

<sup>41</sup> 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.

police unions have regularly protested against poor working conditions, unclear rules of engagement, and political influence.<sup>42</sup> Even with reforms, it may take time before members of the public are willing to trust the police to ensure their security.

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. During the transitional period, the military has led many internal security efforts amid attempts to establish police capacity and professionalism. The army remains popular, but its expanded role may be leading it to become overstretched. In March 2013, Defense Minister Abdelkarim Zbidi—a non-partisan figure—stepped down, expressing concern that “readiness has decreased because of the lack of continuous training” due to the army's nationwide deployment since 2011. He called for the military to return to its “normal place,” “in the barracks and on the frontiers.”<sup>43</sup>

### **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. Several are reportedly detained at the U.S. Naval Base in Guantanamo Bay, Cuba, and officials in the current government have repeatedly sought their return to Tunisia.<sup>44</sup> Two notable terrorist incidents on Tunisian soil were the 2002 bombing of a synagogue on the Tunisian island of Djerba (noted for its Jewish population) and a series of street battles between alleged militants and security forces in Tunis in December 2006-January 2007. Al Qaeda's then-deputy leader Ayman al Zawahiri appeared to 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.<sup>45</sup> France, Spain, Italy, and Germany arrested expatriate Tunisians for alleged involvement. The nature of the 2006-2007 violence, in which 14 militants were reported killed, was 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.<sup>46</sup> The TCG, reportedly founded in 2000, was primarily active in Afghanistan, where it was linked to the assassination of Ahmad Shah Massoud, an anti-Taliban fighter, in September 2001. Its goals also reportedly included establishing an Islamic state in Tunisia. The TCG was suspected of plotting attacks on the U.S., Algerian, and Tunisian embassies in Rome in December 2001, prompting a multi-nation crackdown on the group. It has since been inactive, but its founders—Abu Iyadh and Tarek Maaroufi, who was released from prison in Belgium in 2011—currently appear to be at large.

## **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 is leading an impatient public to lose faith in the transition process. The economy continues to face obstacles to growth, such as perceived political uncertainty, turmoil in neighboring Libya (which formerly hosted Tunisian expatriate workers), and the economic crisis in the European Union, Tunisia's largest trading partner. Declines in tourism and foreign direct investment (FDI) have been particularly damaging. Social unrest over economic grievances, in

<sup>42</sup> AFP, “Tunisie: la police manifeste pour refuser son instrumentalisation politique,” January 31, 2013; *Tunisia Live*, “Slow Progress in Police Reform Since Revolution,” March 19, 2013.

<sup>43</sup> Reuters, “Overstretched Tunisian Army Must Focus On Militant Threat: Zbidi,” March 6, 2013.

<sup>44</sup> 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.

<sup>45</sup> *Financial Times*, “Al-Qaeda Deputy Leader Signals Involvement in Attacks,” October 10, 2002.

<sup>46</sup> See State Department, “Patterns of Global Terrorism 2002,” April 30, 2003; and U.N. Security Council Sanctions Committee on Al Qaeda, “Tunisian Combatant Group,” 2002 designation.

turn, has contributed to economic difficulties. According to the International Monetary Fund (IMF), the economy contracted by 1.9% in 2011, compared to growth of 3.1% in 2010; the official unemployment rate rose from 13% in 2010 to 19% in 2011, and is currently estimated at 17%.<sup>47</sup> Tunisia's credit ratings have also repeatedly been downgraded. In 2012, the country saw a slight rebound with growth estimated at 3.6%, but the economic implications of perceptions of domestic and regional insecurity remain to be seen.

Most Tunisian politicians have embraced 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. In April 2013, the IMF reached a "staff-level" agreement with Tunisia on a two-year, \$1.75 billion loan, a potential precursor to the start of IMF financial support.<sup>48</sup> In 2012, the government replaced the governor of the Central Bank, Kamel Nabli, who had benefitted from broad international support, after Nabli reportedly opposed government interference in monetary policy; this raised concerns over the Bank's independence, but the issue has not recently been salient.

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. Phosphate ore reserves are significant and are the basis of a chemicals industry. Tunisia has also attempted to attract foreign investment in its nascent oil and gas sector. 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 and in interior regions that were epicenters of the 2011 uprising, and which continue to see protests over perceived government neglect.<sup>49</sup> U.S. government analysis has found that despite Tunisia's reputation for regulatory reforms and encouragement of foreign investment, structural barriers such as restrictive labor laws and "a lack of effective institutions to ensure public sector accountability... resulting in weak protection of property rights" are the most significant constraints to growth.<sup>50</sup>

Prior to 2011, Ben Ali family members and in-laws owned or controlled many of Tunisia's biggest companies, with shares sometimes allegedly obtained through political pressure or corruption. Tunisian authorities have identified several countries where these individuals reportedly stashed substantial assets. Western governments have cooperated with Tunisian efforts to freeze these assets and possibly return them to Tunisia; however, the process for asset recovery has proven complex and challenging.<sup>51</sup> Tunisia has also started to sell off assets previously controlled by Ben Ali family members that were seized by the state in 2011.<sup>52</sup>

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<sup>47</sup> IMF, World Economic Outlook data, accessed on May 21, 2013.

<sup>48</sup> IMF negotiations with Egypt during that country's political transition have been contentious; see CRS Report R43053, *Egypt and the IMF: Overview and Issues for Congress*, by Rebecca M. Nelson and Jeremy M. Sharp.

<sup>49</sup> African Development Bank, *The Revolution in Tunisia: Economic Challenges and Prospects*, March 2011.

<sup>50</sup> Millennium Challenge Corporation, *Towards a New Economic Model for Tunisia: Identifying Tunisia's Binding Constraints to Broad-Based Growth*, January 2013.

<sup>51</sup> Robert F. Worth, "Obstacles Mar Quest for Arab Dictators' Assets," *The New York Times*, June 7, 2012.

<sup>52</sup> Eileen Byrne, "Tunisia Aims To Ease Financial Crisis With Ben Ali Bling Sale," *The Guardian*, December 22, 2012.

## Foreign Relations

Government officials have indicated a desire to maintain and expand close diplomatic and commercial relations with Western partners, while also seeking increased ties to Arab and Muslim states, and within Africa.<sup>53</sup> The European Union (EU) is Tunisia's largest trading partner and source of tourists, and Tunisia benefits from EU trade benefits and aid. France remains the largest source of foreign investment in Tunisia, although bilateral relations since 2011 appear to have been strained over past French support for Ben Ali, and possibly due to a suspicion of Islamist movements in some French political circles. Relations with Qatar and Turkey, which have provided aid and public support to the current government, have grown significantly closer during the transitional period.<sup>54</sup> The Tunisian government is supportive of the Syrian opposition, but opposes foreign military intervention against Syrian President Bashar al Asad; officials have recently taken steps to stop the flow of Tunisian combatants to Syria despite initial reticence. President Marzouki criticized France's January 2013 decision to intervene militarily in Mali, emphasizing support for African-led efforts and political dialogue instead.

Tunisians broadly sympathize with the Palestinians; Tunisia also 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. 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 relations.<sup>55</sup> The government has hosted several visits by senior Hamas officials. Al Nahda's position on Israel does not differ significantly from other parties; indeed, some domestic critics have accused Al Nahda of being overly conciliatory.<sup>56</sup>

Tunisia has generally sought cordial relations with its immediate neighbors. Tunisian officials have been strongly supportive of the transition in Libya, hoping that an end to turmoil in Libya will stabilize border areas and produce an economic rebound that would allow Libya to reabsorb some of Tunisia's low-skilled labor surplus. Libya has also recently provided aid. President Marzouki has led a 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. Relations

Administration officials have stated strong support for Tunisia's transition, as well as a desire to advance bilateral economic ties and deepen security cooperation. U.S. policy attention, however,

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<sup>53</sup> 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.

<sup>54</sup> See, among others, Reuters, "Economics, Politics Underpin Qatar Aid to North Africa," August 16, 2012.

<sup>55</sup> 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.

<sup>56</sup> Al Nahda also opposed a proposed draft constitutional provision that would have criminalized normalization of relations with Israel. See, e.g., OSC Analysis, "Hardened Foreign Policy Toward Israel Likely," November 21, 2012.



has not been as intensely focused on Tunisia as on Egypt and other transitional states. In February 2012, then-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.”<sup>57</sup> Still, relations may have cooled in the aftermath of the attack on the U.S. Embassy in September 2012, which prompted the temporary departure of some U.S. personnel. U.S. officials have expressed rising concerns over security threats and urged Tunisian authorities to address them.<sup>58</sup> In March 2013, Secretary of State John Kerry called on the new government of Prime Minister Laraydh to “foster an environment of justice and accountability.”<sup>59</sup> During Ben Ali’s presidency, the United States balanced concerns about political repression, corruption, and human rights abuses with a desire to cooperate with Tunisia’s government on counterterrorism and regional security.<sup>60</sup>

The Administration has indicated that, with regard to working with Islamist actors such as Al Nahda, “what parties call themselves is less important to us than what they actually do.”<sup>61</sup> As elsewhere in the region, this principle is being tested as Tunisians seek a path forward on complex domestic and foreign policy dilemmas. Al Nahda president Rachid Ghannouchi—who does not hold a formal government position—has visited Washington, DC, several times, as have other senior Al Nahda officials, but none has made a public appearance with U.S. officials.

In February 2012, then-Secretary of State Clinton expressed support for negotiations toward a free trade agreement (FTA) with Tunisia in testimony before Congress.<sup>62</sup> H.Res. 719 (Dreier), introduced in the 112<sup>th</sup> Congress, similarly supported this idea. However, progress toward an FTA is subject to an interagency process, among other factors. U.S.-Tunisian trade is currently relatively limited: in 2012, U.S. bilateral exports totaled \$594 million and imports totaled \$738 million.<sup>63</sup> 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.

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 Tunisians viewed as having been carried out with U.S. approval.<sup>64</sup> Tunisia cooperates in NATO’s Operation Active Endeavor, which provides counterterrorism surveillance in the Mediterranean; participates in NATO’s Mediterranean Dialogue; and allows NATO ships to make port calls.

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<sup>57</sup> State Department, “Secretary of State Clinton Delivers Remarks Following Meeting with Tunisia President Marzouki,” February 25, 2012.

<sup>58</sup> AP, “US General Warns of Al-Qaeda Threat in Tunisia,” March 27, 2013.

<sup>59</sup> State Department, “Secretary Kerry on the Formation of New Tunisian Government,” March 13, 2013.

<sup>60</sup> U.S. reactions to the January 2011 protest movement were initially muted, and U.S. officials expressed public support for the “Jasmine Revolution” only after Ben Ali had been forced from office. The White House, “Statement by the President on Events in Tunisia,” January 14, 2011.

<sup>61</sup> Clinton remarks at the National Democratic Institute, Washington DC, November 7, 2011.

<sup>62</sup> Senate Appropriations Subcommittee on State, Foreign Operations, and Related Programs, February 28, 2012.

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

<sup>64</sup> Jonathan C. Randal, “Raid Left Scars on U.S.-Tunisia Ties,” *The Washington Post*, March 5, 1987.

## U.S. Foreign Assistance

Since 2011, the Obama Administration has offered a range of new foreign assistance aimed broadly at “transition support,” as well as a reinvigoration of the bilateral commercial relationship (see above). The State Department has allocated over \$364 million in foreign aid for Tunisia since early 2011 (see **Table 1**, below). Aid funding has drawn on monies appropriated in FY2010-FY2012, much of it reprogrammed from other sources. Congressional committees have reviewed these reprogramming decisions.

Aid identified as transition support has included:

- \$30 million for the cost of sovereign loan guarantees (authorized in P.L. 112-74, the FY2012 Consolidated Appropriations Act), which enabled Tunisia to raise \$485 million on the international bond market;
- \$20 million for the creation of a bilateral “Enterprise Fund” (also authorized in P.L. 112-74) to spur private investment and encourage economic reforms; and
- \$100 million provided as a cash transfer for short-term fiscal relief.<sup>65</sup>

Other aid for Tunisia has focused on civil society, political parties, the independent media, election support, youth and women participation, and economic reforms, as well as new military and counterterrorism assistance. Tunisia is also expected to receive a \$20 million Millennium Challenge Corporation (MCC) Threshold grant.<sup>66</sup> The anticipated reestablishment of a Peace Corps program, however, has been delayed following the Embassy attack in September 2012. U.S.-funded democracy assistance organizations have not, to date, been the targets of official harassment as they have in Egypt. Still, local media commentary points to debates regarding the basis and impact of U.S. democracy aid, and whether such aid constitutes foreign interference.<sup>67</sup>

A large part of U.S. assistance in support of Tunisia’s transition has been allocated from resources identified as the Middle East Response Fund (MERF), constituted by the State Department with consultation from Congress, using unobligated FY2011 and FY2012 Economic Support Fund (ESF) and International Narcotics Control and Law Enforcement (INCLE) funding. Tunisia has been allocated over \$103 million in MERF funds, out of an initial total of \$240 million identified for the MERF.<sup>68</sup> The MERF funds are in addition to other regional and global funds from flexible programs or accounts, and funds reprogrammed from other sources, that have been allocated in response to the Arab Spring. The Administration requested \$36.6 million in total bilateral aid for Tunisia for FY2013, and has requested \$61.8 million in FY2014, which the State Department has referred to as a proposed “normalization” of U.S. aid after initial funding for “urgent” needs.<sup>69</sup>

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<sup>65</sup> The transfer has funded payments on debt that Tunisia owes the World Bank and African Development Bank. Secretary of State Hillary Clinton, “Assistance to Tunisia,” March 29, 2012.

<sup>66</sup> State Department, “Fact Sheet: U.S. Government Assistance to Tunisia,” July 27, 2012.

<sup>67</sup> *Tunisia Live*, “State Department Program’s Funding of Tunisian Media Comes Under Scrutiny,” January 20, 2012.

<sup>68</sup> State Department response to CRS query, December 2012. The Administration has requested \$580 million in FY2014 for a Middle East and North Africa Incentive Fund (MENA IF) to complement traditional bilateral and regional programs, address emerging needs, and provide a framework to support lasting reform in the region.

<sup>69</sup> State Department, FY2013 *Congressional Budget Justification, Foreign Operations*; Statement of Acting Assistant Secretary of State for Near Eastern Affairs Beth Jones before the House Foreign Affairs Committee, May 22, 2013.

**Table I. U.S. Foreign Assistance to Tunisia**

\$ Millions, Year of Appropriation and Account, Estimates as of December 2012

	FY2009	FY2010	FY2011	FY2012 (est.)	FY2013 (req.)	FY2014 (req.)
<b>TOTAL</b>	14.60	30.36	121.39	213.79	36.60	61.78
Sub-Total, Bilateral Aid	14.60	21.95	78.60	89.35	36.60	61.78
ESF	0.80	2.00	57.85	35.00	10.00	30.00
FMF	12.00	18.00	17.12	29.5	15.00	20.00
IMET	1.70	1.95	1.95	1.85	2.40	2.30
INCLE	-	-	1.50	22.50	8.00	8.00
NADR	0.10	-	0.18	0.50	1.30	1.48
Sub-Total, Reprogram- med Funds, Regional/ Global Programs & Accounts	-	30.36 <sup>a</sup>	42.79	124.44	-	-
ESF	-	20.37	12.55	100.00	-	-
Democracy Fund	-	5.15	0.74	5.15	-	-
DA	-	0.03	0.07	-	-	-
Humanitarian Assistance (multiple accounts)	-	-	3.43	2.05	-	-
Transition Initiatives	-	-	3.85	7.93	-	-
Complex Crisis Fund	-	-	5.00	-	-	-
Defense Dept. "Section 1206"	-	-	13.03	6.85	-	-
INCLE	-	2.06	0.98	0.05	-	-
NADR	-	2.75	3.15	2.40	-	-

**Source:** State Department, Bureau of Foreign Assistance, December 2012, and Congressional Budget Justification for Foreign Operations, FY2011-FY2014.

**Notes:** Aid allocations for FY2013 are still being determined. Totals do not reflect rounding. ESF=Economic Support Fund; FMF=Foreign Military Financing; IMET=International Military Education and Training; INCLE=International Narcotics Control and Law Enforcement; NADR=Nonproliferation, Antiterrorism, Demining and Related Programs; DA=Development Assistance; "-"=none or to be determined. On the Defense Department's "Section 1206" global train-and-equip authority, see CRS Report RS22855, *Security Assistance Reform: "Section 1206" Background and Issues for Congress*, by Nina M. Serafino.

a. FY2010 non-bilateral funds were allocated after January 2011.

Security cooperation, which was moderate under the former regime, has increased due to interest on both sides, in what then-Secretary of Defense Leon Panetta referred to in mid-2012 as “a new chapter in our defense relationship.”<sup>70</sup> A Joint Military Commission meets annually and joint exercises are held regularly. Tunisia has long relied 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 also benefits from a State Partnership Program with the Wyoming National Guard, which has provided training in civil affairs and other areas. U.S. defense officials view security assistance as a tool to improve Tunisia’s counterterrorism capabilities and coordination, and as part of broader U.S. support for Tunisia’s political transition.<sup>71</sup> In addition to bilateral cooperation, Tunisia is also among 10 countries participating in the U.S. Trans-Sahara Counter-Terrorism Partnership (TSCTP), a State Department-led, interagency program that aims to enhance regional counterterrorism capacity and coordination in north-west Africa. However, Tunisia has not received significant funding through the program.

In late 2012, some Members of Congress called for cutting aid to Tunisia over the country’s handling of an alleged suspect in the Benghazi terrorist attacks.<sup>72</sup> The suspect, Ali Ani al Harzi, was transferred to Tunisian custody in October 2012, after he was detained in Turkey. U.S. investigators were reportedly initially denied permission to question Al Harzi in Tunisian custody (although permission was reportedly eventually granted), and he was released from detention in January 2013 due to a purported lack of evidence.

## Outlook

Congress continues to weigh the implications of ongoing political transitions and insecurity in North Africa for U.S. policy, foreign assistance, and counterterrorism practices. Possible considerations and questions for Congress include the following:

- To what extent is Tunisia a priority for U.S. policy? To what extent is Tunisia a “test-case” for democratic transitions in the Middle East and North Africa? 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?
- To what degree do extremist groups based in Tunisia present a domestic and/or transnational security threat? What is the likely trajectory of potentially violent Salafist groups like Ansar al Sharia?
- How will Tunisians seek to overcome differences of opinion on key constitutional issues, and in what timeframe? What type of political system will be adopted? Will the new constitution protect individual rights and ensure equality for religious, ethnic, and political minorities? How is Tunisia

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<sup>70</sup> Defense Department, “Secretary of Defense Panetta Holds News Conference En Route to Tunisia,” July 29, 2012.

<sup>71</sup> Testimony of General David M. Rodriguez, Commander, U.S. Africa Command (AFRICOM), before the House Appropriations Committee, Subcommittee on Defense, April 25, 2013.

<sup>72</sup> See, e.g., *The Cable*, “Graham Threatens Tunisia Over U.S. Access to Benghazi Suspect,” October 31, 2012; Representative Frank Wolf, “Cut Off Aid to Tunisia in Light of Obstructing Benghazi Investigation,” December 11, 2012; and Ashish Kumar Sen, “Benghazi Attack Suspect’s Release Spurs Calls to Punish Tunisia,” *The Washington Times*, January 9, 2013.

approaching the question of reforming the internal security services and providing for transitional justice?

- Is the next round of elections likely to be free, fair, and nonviolent?
- Which individuals and groups currently enjoy popular credibility in Tunisia? Which emergent coalitions among political and interest groups are likely to endure? What groups or individuals are likely to perform well in future elections?
- What is the likely course 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 inequalities? What steps, if any, can or should the United States take to promote bilateral trade and investment?

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