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# Political Transition in Tunisia

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## Summary

Tunisia is entering its fourth year of transition after the 2011 “Jasmine Revolution.” On January 26, 2014, Tunisia’s National Constituent Assembly voted overwhelmingly to adopt a new constitution. This is widely viewed as a landmark accomplishment, given the difficulty of achieving political consensus, tensions between Islamists and secularists, and ongoing social and economic unrest. The new constitution asserts Tunisia’s Muslim identity, but its framing creating a civil state and provisions on civil liberties are seen as a victory for secularists. The vote followed a political agreement under which Tunisia’s main Islamist party, Al Nahda, agreed to give up its leadership of the government in favor of a technocratic prime minister. This agreement ended a months-long political crisis after the assassinations of two secularist politicians in 2013.

Tunisia has a small territory, a relatively well-educated and homogenous population, and a history of encouraging women’s freedoms. Still, Tunisians face significant challenges in reforming state institutions, addressing economic woes, and responding to security concerns. Islamist extremist violence has increased within Tunisia amid ongoing regional instability. The military has targeted 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 have also been implicated in violent extremism in Mali, Algeria, and Syria. In early 2014, the United States designated a Tunisian group known as Ansar al Sharia as a Foreign Terrorist Organization. The group was reportedly involved in an attack on the U.S. Embassy and American school in Tunis on September 14, 2012, three days after the attacks in Benghazi, Libya. Tunisian authorities have declared Ansar al Sharia illegal and a terrorist organization. However, the state’s response to extremists has been criticized both as overly timid (by secularists) and overly harsh (by members of Tunisia’s Islamist community), underscoring the challenge, for Tunisian leaders, of countering terrorism while not appearing to resort to authoritarian tactics associated with the Ben Ali regime.

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, in consultation with Congress, has allocated over \$450 million in aid since 2011. However, U.S.-Tunisian relations appear to remain strained by concerns over security threats to U.S. personnel and what U.S. officials have deemed an insufficient response by the Tunisian government to the 2012 Embassy attack. The availability of resources to assist Tunisia is also subject to larger U.S. policy debates over the federal budget and aid to transitional Arab states. The FY2014 Consolidated Appropriations Act (P.L. 113-76) allows additional funding for loan guarantees and the U.S.-Tunisia enterprise fund. However, it prohibits any funding for a planned Millennium Challenge Corporation (MCC) “threshold” grant for Tunisia.

Some policymakers describe Tunisia as a test case for democratic transitions in Arab states. 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 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 post-authoritarian transitions are often accompanied by 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.

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## Overview

Tunisia is entering its fourth 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. In practice, civil and political liberties have expanded, and Tunisia has experienced far less violence than some other transitional countries. However, structural reforms that would guarantee democratic institutions have been halting, and consensus on government priorities elusive. Tunisians continue to debate elemental questions, such as who is empowered to act in the name of popular or revolutionary legitimacy, and how the government can or should deliver tangible benefits to an impatient public with vast and divided expectations. Localized protests and strikes continue to reflect popular frustrations with governance and socioeconomic issues. Meanwhile, security threats have starkly increased as Tunisia’s transitional authorities confront growing domestic and regional Islamist militancy without recourse to the authoritarian methods of their predecessors.

Many analysts and Western officials view Tunisia as having the best hope of any “Arab Spring” country to complete a peaceful transition to fully democratic rule. Yet, the process has advanced in fits and starts. In October 2011, elections widely praised as free and fair put in place a 217-member National Constituent Assembly, a legislative body tasked with drafting and adopting a new constitution.<sup>1</sup> An Islamist party, Al Nahda (alt: Ennahda), previously banned under Ben Ali, won a plurality of seats in the Assembly and formed a coalition government with two secularist parties.<sup>2</sup> The Nahda-led coalition then faced recurrent ideological frictions among the three parties, as well as tensions between party leaders and their respective grassroots.

A gulf of mistrust between Islamist and secularist political factions has been fed by rising insecurity and by mutual suspicions that each side seeks to manipulate the rules of the political process to exclude the other. Such suspicions grew in the wake of the July 2013 military ouster of the elected president in Egypt. Recurrent political crises have occurred. The government and Constituent Assembly were politically paralyzed for months after the assassinations of two leftist, secularist politicians, Chokri Belaid and Mohamed Brahmi, on February 6 and July 25, 2013. The government blamed Islamist extremists for the killings, but the perpetrators have yet to be apprehended. Still, Tunisian political and civic leaders have repeatedly been able to reach (albeit fragile) consensus through dialogue, even when the transition process has seemed to be stymied.

Tunisia has recently made significant advances. In late 2013, following protracted negotiations, Al Nahda agreed to relinquish its leadership of the government in favor of a technocratic Prime Minister, Mehdi Jomaa, an engineer then serving as Minister of Industry. Jomaa was sworn in on January 10, 2014, after Al Nahda Prime Minister Ali Laraydh stepped down. On January 26, the Constituent Assembly voted to adopt a new constitution (discussed below). Presidential and parliamentary elections are anticipated in mid-2014 and considered the next major stage in the

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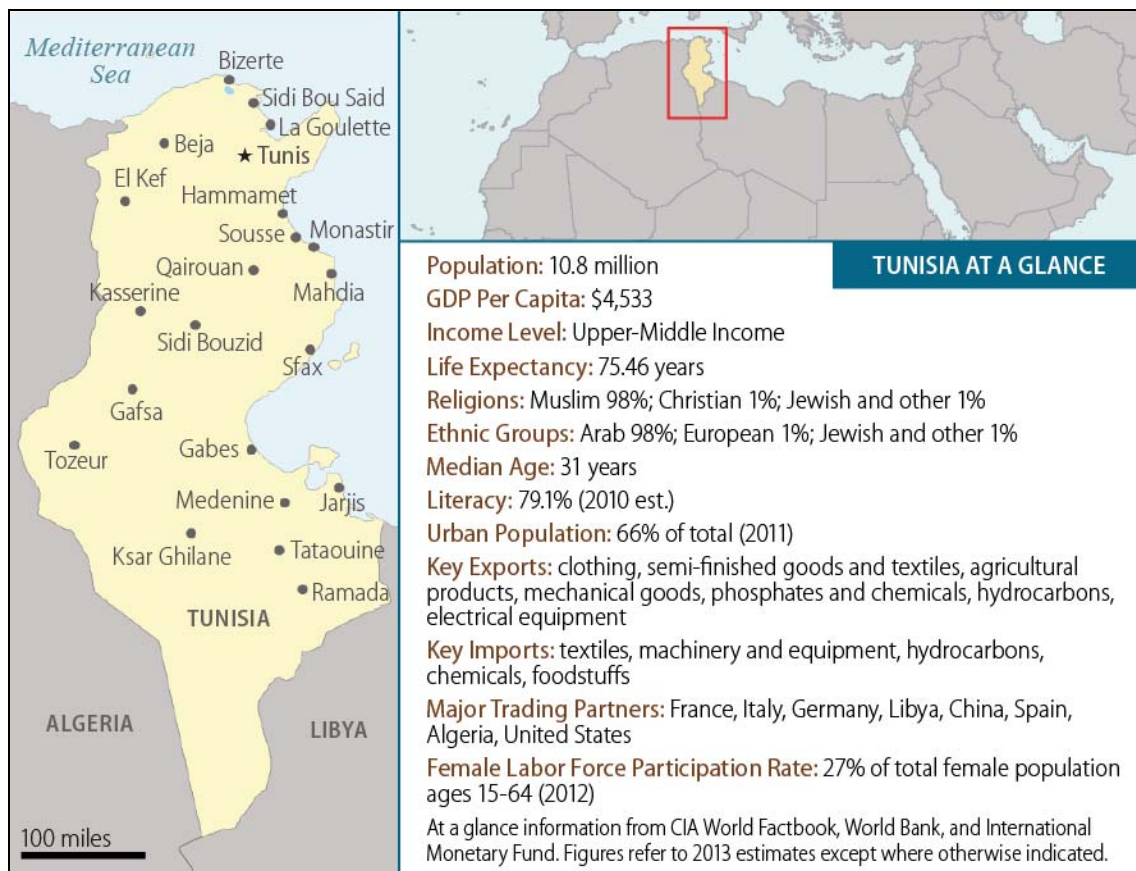
<sup>1</sup> The elections were widely viewed as fair, transparent, and well-conducted, despite earlier delays and preparations that often appeared disjointed. Still, observers expressed concerns regarding some elements of electoral administration; limited voter education; and a lack of detailed procedures 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 Assembly’s role. CRS observations in Tunis and Sousse during the election; see also National Democratic Institute, *Final Report on the Tunisian National Constituent Assembly Election*, February 17, 2012.

<sup>2</sup> These were Ettakatol (“The Forum”), formerly a small opposition party under Ben Ali; and the Congress for the Republic (CPR, after its French acronym), which was previously banned.

transition process. On January 8, 2014, the Constituent Assembly selected the members of a new electoral commission, overcoming a series of legal and political hurdles.<sup>3</sup>

Stated U.S. policy priorities in Tunisia include encouraging a successful democratic transition, advancing trade and investment ties, and working with the Tunisian government to address terrorism and other security threats. The Obama Administration, in consultation with Congress, has allocated over \$450 million in aid since 2011. The Administration has requested \$61.8 million for FY2014, referred to as a “normalization” of aid after initial, “urgent” funding was reprogrammed from other intended recipients (see **Table 1**).<sup>4</sup>

**Figure I. Tunisia at a Glance**



## 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

<sup>3</sup> See International Foundation for Electoral Systems (IFES), *Elections in Tunisia: Selection of the New Independent High Authority for Elections*, January 24, 2014.

<sup>4</sup> State Department, *FY2014 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.

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, undermined the regime's popular legitimacy, despite relatively effective state services and strong economic growth. Another factor driving popular dissatisfaction was the socioeconomic divide 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, a relatively liberalized economy, a large and educated middle class, and a history of encouraging women's socioeconomic freedoms. Tunisia's population is overwhelmingly Arabic-speaking and Sunni Muslim (although tribal and ethnic divisions persist in some areas), while its urban culture reflects European influences. The median age, 31, is high compared to most Arab states.<sup>5</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. (Inheritance laws and practices are still disadvantageous toward 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>6</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 because street demonstrators rejected the continuing role of former regime officials in early interim governments. 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.

## A New Constitution

Drafting and adopting a new constitution was initially expected to take place in the first year that followed the 2011 elections, but was repeatedly delayed. Throughout 2012 and the first half of 2013, committees within the Constituent Assembly drafted the provisions of various sections. Following the release of a final draft in June 2013, a "consensus commission" worked to resolve

<sup>5</sup> Richard Cincotta, "Tunisia's Shot at Democracy: What Demographics and Recent History Tell Us," *New Security Beat*, January 25, 2011.

<sup>6</sup> *Associated Press (AP)*, "Report Raises Number of Killed During Tunisia's Revolution to 338," May 5, 2012.



political differences over content. A political crisis triggered by the July 2013 assassination of Assembly member Mohamed Brahmi dramatically slowed these efforts.

Political negotiations in late 2013 culminated in the resignation of Prime Minister Laraydh—a key demand of secularist parties—in mid-January 2014. The Assembly then debated and amended the constitution article by article. Each article required a majority vote to be retained. The amended text, with 149 articles, was then put to a vote in the Assembly, with a two-thirds majority required for passage.<sup>7</sup> On January 26, Assembly members overwhelmingly voted for adoption, with 200 in favor, 12 against, and four abstaining. Assembly Speaker Mustapha Ben Jaafar said that the constitution, “without being perfect, is one of consensus,” and that Tunisia had “a new rendezvous with history to build a democracy founded on rights and equality.”<sup>8</sup>

The new constitution’s framing and many of its provisions represent sizable victories for secularist parties and for pragmatists within Al Nahda. Notably, Article 2, which cannot be amended, states that “Tunisia is a civil state based on citizenship, the will of the people, and the supremacy of law.” Article 3 states that “the people are sovereign and the source of authority, which is exercised through the people’s representatives and by referendum.” These provisions appear to directly counter a foundational argument by many Islamists that religious law trumps civil law. There is no reference to *sharia*, or Islamic law, in the constitution.<sup>9</sup> “Freedom of conscience and belief” (Art. 6) is guaranteed, along with gender equality (Art. 21), freedom of expression and information (Art. 31-32), freedom of assembly, and individual property rights (Art. 41), and some aspects of due process (e.g., Art. 27).

The constitution also creates a mixed presidential system, with a directly elected president/head of state who exercises certain powers—notably over defense and foreign affairs—but shares executive authorities with the legislature. This model was preferred by secularist parties, which saw it as creating balances of power, while Al Nahda officials had expressed preference for a legislative system, with a president selected by the legislature.<sup>10</sup> Some observers have expressed concern that the mixed system could prove unwieldy in practice or prone to political deadlock.<sup>11</sup>

At the same time, the constitution repeatedly asserts Tunisia’s Muslim identity, at times in ways that suggest tensions with its more liberal provisions. For example, Article 1—carried over from Tunisia’s first constitution—states that Tunisia’s “religion is Islam, its language Arabic, and its system the Republic.” Along with a provision stating that “the state is the guardian of religion” (Art. 6), this has led some observers to fear that the constitution could lead the state to proactively enforce religious beliefs, for example through the prosecution of blasphemy, a charge that could limit free expression. A prohibition against declarations of apostasy or *takfir* (Art. 6), i.e., accusing a Muslim of leaving or denouncing Islam, has also been interpreted by some as a constraint on free expression, which could conflict with Article 31.<sup>12</sup> Secularists had called for the ban, arguing that accusing someone of apostasy is an incitement to violence. Meanwhile, Article

<sup>7</sup> Unofficial translation of the new constitution issued by the U.N. Development Program, January 27, 2014.

<sup>8</sup> Associated Press, “Tunisia Finally Passes Progressive Constitution,” January 26, 2014.

<sup>9</sup> Al Nahda leaders had earlier made a series of concessions to secularists regarding the content of the constitution, including an agreement in early 2012 not to reference *sharia*. During the amendment process in early 2014, amendments that would have referenced *sharia* were introduced but were voted down.

<sup>10</sup> Duncan Pickard, “Reaching Consensus on the Tunisian Constitution,” Atlantic Council, July 3, 2013.

<sup>11</sup> Pickard, “Identity, Islam, and Women in the Tunisian Constitution,” Atlantic Council, January 24, 2014.

<sup>12</sup> See, e.g., Sarah Mersch, “Tunisia’s Compromise Constitution,” *Sada*, January 21, 2014.

73 states that only Muslims may run for president. (Tunisia has tiny Jewish and Christian minorities.) While Al Nahda leaders praised the text and voted for adoption, hardliners criticized some aspects, such as the prohibition on declarations of apostasy.<sup>13</sup> Some Salafists, who appear to represent a small but vocal minority within Tunisia, have protested the constitution as a whole.<sup>14</sup>

Overall, the new constitution reflects a complex process of adjudicating stark policy differences over the future shape of state and society. Ultimately, the degree to which it lays the foundation for a democratic, stable political system is likely to depend on interpretation and implementation, the degree to which the judiciary and legislature leverage their new authorities, and whether additional steps are taken to reform state institutions. The new draft is unlikely to definitively settle ongoing debates regarding the state's regulation of religious activities; the legal status of Salafist groups; and how to balance freedom of expression and religious sensitivities.

## Islamist-Secularist Fault Lines

Al Nahda, which led the government in 2012-2013 after decades in exile and underground, is at the center of Tunisian debates over religion, state, and identity. The party's leaders have expressed support for democratic participation, the separation of religion and state, and women's freedoms. Yet the party's decision-making reflects internal divisions and potential competition with more radical Islamist constituencies for popular support. Secularist detractors accuse the party of purposefully displaying moderation to gain acceptance, while intending to gradually introduce restrictive laws and institutions. The party's supporters, for their part, view some critics as immovably opposed to Islamists, and argue that stringently secular elites have lost their claim to legitimacy or are seeking a return of the former regime.<sup>15</sup>

When Al Nahda was leading the government, secularists often pointed to what they viewed as its efforts to prolong its hold on power, encourage religiously conservative social change, and exercise partisan control over state institutions.<sup>16</sup> Al Nahda leaders, on the other hand, pointed to their willingness on multiple occasions to make concessions to secularists—for example through a decision in 2012 not to support proposals to include *sharia* in the constitution—even when these have angered the party's base and conservative rivals. Al Nahda leaders have criticized what they view as secularists' efforts to bar religion from public life, and appear to fear that secularists seek to manipulate the electoral or political process to exclude them from government.

A key challenger to Al Nahda is the Nida Tounes party, led by Béji Caïd Essebsi, who served as interim Prime Minister in 2011 and was a senior official under founding President Bourguiba and, briefly, under Ben Ali. Caïd Essebsi has positioned himself as leader of the centrist, secularist opposition. Critics, including some in Al Nahda, have portrayed Nida Tounes as a vehicle for

<sup>13</sup> *Tunisia Live*, "Religious Coalition Claims Draft Constitution Violates Principals of Islam," January 15, 2014; *Al-Arab*, "Ennahda Hardliner MP Condemns Tunisia Draft Constitution as 'Still-Born,'" January 18, 2014.

<sup>14</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, and (for some) political activities. See CRS Report RS21745, *Islam: Sunnis and Shiites*, by Christopher M. Blanchard.

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

<sup>16</sup> E.g., *African Manager*, "Tunisie: Ressemblances surprenantes, Ben Ali-RCD & Jbali-Ennahdha," February 27, 2012.



“counter-revolutionary” figures from the Ben Ali era.<sup>17</sup> Some opinion surveys have shown Nida Tounes rivaling Al Nahda in popularity; yet, the two parties’ relative appeal and coherence remain to be tested in elections.<sup>18</sup> Tunisia’s main trade union federation, the UGTT, has asserted its influence as a leftist and secularist counter-weight to Al Nahda, as a channel for popular economic grievances, and as a convener of “national dialogue” on key policy issues.

Religiously conservative Salafists have become more visible in the post-Ben Ali era. Some openly support the creation of an Islamic state in Tunisia, and some have challenged the government—as well as artists, labor union activists, journalists, academics, and women deemed insufficiently modest—through protests, threats, and/or violence. A handful of Salafist groups have registered as political parties, but many appear to 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>19</sup> Arrests have followed periodic Salafist violence, but law-and-order actions do not appear to have been consistent or, necessarily, effective.

Divergent interpretations of security threats and the means necessary to confront them have contributed to Islamist-secularist tensions. 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. Al Nahda leaders repeatedly pledged to crack down on violence, but some argue that isolating or arresting religiously conservative activists could further radicalize them. Al Nahda leaders have also struggled to respond to Islamist critics (reportedly including figures within the party) who view counterterrorism efforts as overly broad and repressive. Secularist critics often charge that Al Nahda lacks the capacity or will to confront extremists.

#### Background on Al Nahda

Al Nahda was founded in 1981 as the Islamic Tendency Movement (MTI). It continues to be led by co-founder Rachid Ghannouchi, a political activist and widely read theorist of Islam and democracy. The Ben Ali government was among the most repressive of Islamist political activism in North Africa, forcing Al Nahda underground and into exile in the 1990s and 2000s. Al Nahda candidates ran as independents in parliamentary elections held in 1989, but the 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 plotting against the government. 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.

## Security Concerns

Violent extremist groups across North and West Africa are exploiting porous borders and the weaknesses of security forces. These groups—such as Al Qaeda in the Islamic Maghreb (AQIM),

<sup>17</sup> See, e.g., *Al-Monitor*, “Tunisia Party Fights Islamization, Raises Ire of Ruling Ennahda,” October 1, 2012.

<sup>18</sup> See, e.g., IRI, *Survey of Tunisian Public Opinion, December 19, 2012-January 7, 2013*, February 14, 2013.

<sup>19</sup> Aaron Y. Zelin, “Meeting Tunisia’s Ansar Al-Sharia,” *Foreign Policy*, March 8, 2013.

its affiliates and break-away factions, and movements referring to themselves as Ansar al Sharia (Supporters of Islamic Law)—also are capitalizing on divisive identity issues as well as popular frustrations with the slow pace of reforms in transitional states. For example, AQIM released a statement criticizing Tunisia’s crackdown on Salafists after an attack on the U.S. Embassy in Tunis (see below). In March 2013, the group called on North Africans to stay at home to fight “secularists and other expatriates” instead of traveling abroad to fight in conflicts such as the one in Syria, possibly indicating a concern about losing out on potential recruits.<sup>20</sup>

Local Tunisian groups over the past two years have staged attacks against government, tourist, and Western targets. A Tunisian suicide bomber blew himself up outside a hotel in the beach resort of Sousse in October 2013 and another bomber was apprehended by police the same day in the coastal city of Monastir before he could detonate his vest.<sup>21</sup> Two secularist opposition politicians were killed by gunmen in February and July 2013 outside their homes.<sup>22</sup> A mob attack on the U.S. Embassy in September 2012 caused extensive damage to the building’s outer enclosure and killed four in subsequent clashes.<sup>23</sup>

Tunisian authorities have accused the Tunisian Salafist group Ansar al Sharia of being involved or associated with many of the attacks, although the group has not publicly claimed responsibility.<sup>24</sup> Ansar al Sharia shares a name with other extremist organizations in North Africa, but the degree of coordination among them is uncertain. The Tunisia-based group, established in 2011 and initially focused on non-violent preaching and social works, has developed an increasingly acrimonious relationship with the state since 2013. Clashes between group members and security forces, followed by threats of violence from Ansar al Sharia’s leadership, led Tunisian officials in May 2013 to declare the group illegal. The State Department designated Ansar al Sharia as a Foreign Terrorist Organization (FTO) in January 2014, accusing it of involvement in the 2012 Embassy attack and stating that the group “represents the greatest threat to US interests in Tunisia.”<sup>25</sup> Tunisian state media reported in late December that U.S. and Libyan forces had captured the group’s leader, Seifallah Ben Hassine (a.k.a. Abou Iyadh), a former combatant in Afghanistan (see text-box below), but the U.S. military denied playing a role in the operation.<sup>26</sup>

A number of smaller Salafist and jihadist groups also operate in Tunisia. Although less is known about their role, some may have ties to terrorist organizations and/or to foreign fighter pipelines to Syria, Mali, Algeria, and elsewhere.<sup>27</sup> Tunisian security forces have repeatedly clashed with armed militants, reportedly including foreign fighters, in recent years. Recent military operations have targeted terrorist “training camps” and weapons depots along the mountainous border with Algeria, in an area known as Mount Chaambi, west of the town of Kasserine. Tunisian officials have stated that Mount Chaambi cells are linked to AQIM and include individuals who fought in

<sup>20</sup> Ansar al Mujahideen Network, “AQIM Calls On Muslim Youths To Wage Jihad in Islamic Maghreb Countries,” March 17, 2013, via U.S. Government Open Source Center (OSC).

<sup>21</sup> Al Arabiya, “Suicide bombers in Tunisia, From One Decade to Another,” November 8, 2013.

<sup>22</sup> New York Times, “Second Opposition Leader Assassinated in Tunisia,” July 25 2013.

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

<sup>24</sup> See, e.g., *The Economist*, “The Salafist Struggle,” January 1, 2014.

<sup>25</sup> State Department, “Terrorist Designations of Three Ansar al-Shari’a Organizations and Leaders,” January 10, 2014. As a result of the designations, all property subject to U.S. jurisdiction in which designated individuals and groups have any interest is blocked and U.S. persons are prohibited from engaging in any transactions with them or to their benefit.

<sup>26</sup> Al Arabiya, “U.S. denies role in arrest of Tunisian militant,” December 30, 2013.

<sup>27</sup> See Andrew Lebovich, “Confronting Tunisia’s Jihadists,” *Foreign Policy*, May 16, 2013.

Mali.<sup>28</sup> Insecurity along the Libyan border to the east and in the remote desert south is also of particular concern, as both areas appear to be transit zones for regional smuggling networks.

Some observers trace jihadists' presence in Tunisia 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 since 2011 in Mali and Libya.<sup>29</sup> Jihadist groups may also draw on support from Tunisian Salafist groups and communities.<sup>30</sup> In addition to militancy within Tunisia, Tunisian nationals reportedly make up a significant proportion of foreign fighters active in violent extremist groups elsewhere in North-West Africa and in Syria.<sup>31</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>32</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>33</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>34</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 one founder, Abou Iyadh, went on to found Ansar al Sharia, reportedly upon his release from Tunisian jail in early 2011. Another founder, Tarek Maaroufi, was released from prison in Belgium in 2011 and reportedly returned to Tunisia.

## **Transitional Justice and Security Sector Reform**

Tunisian authorities continue to debate how best to ensure accountability for past abuses while encouraging national reconciliation. 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

<sup>28</sup> AFP, "Bomb Attack Kills Two Soldiers In Tunisia: Military," June 6, 2013.

<sup>29</sup> Many of those released from prison during a general amnesty promulgated in late January 2011 had been held under Ben Ali's sweeping anti-terrorism legislation. *La Presse*, "Enquête - Le jihadisme en Tunisie," November 8, 2012.

<sup>30</sup> See International Crisis Group, *Tunisia: Violence and the Salafi Challenge*, February 13, 2013.

<sup>31</sup> According to Algerian authorities, 11 Tunisian nationals, i.e. the largest group of any single nationality, participated in the hostage-seizure attack by an AQIM affiliate on a natural gas facility in the remote southeastern Algerian town of In Amenas in January 2013. See also Reuters, "Tunisia Islamists Seek Jihad In Syria With One Eye On Home," November 18, 2013.

<sup>32</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>33</sup> *Financial Times*, "Al-Qaeda Deputy Leader Signals Involvement in Attacks," October 10, 2002.

<sup>34</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.

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 skeptical of the justice system, which was largely inherited from the Ben Ali regime and is reportedly viewed as ineffective, subject to political influence, and, in some cases, corrupt.<sup>35</sup>

Whether those who served in government under Ben Ali should be barred from politics is a sensitive issue. In 2013, some Al Nahda leaders backed a draft bill that would have prohibited a range of people associated with the former regime from seeking elected office.<sup>36</sup> The bill, which might have been applied to leading opposition figures such as Béji Caïd Essebsi, appears to have been shelved, for now, as a result of the late-2013 political dialogue. The new constitution does not condition presidential or legislative candidacies on past political activity.

Another central policy challenge for Tunisian authorities 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. 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. The status of a controversial 2003 anti-terrorism law promulgated under Ben Ali, which critics viewed as repressive, is ambiguous amid efforts to protect civil liberties and reform the judiciary.<sup>37</sup> Tensions between the security forces and political leaders have also risen as pressures have increased on the security forces to engage in life-threatening counterterrorism operations in the absence of structural reforms, and in an atmosphere of political distrust.<sup>38</sup>

Tunisia's military, with about 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.<sup>39</sup>

## The Economy

For many Tunisians, the 2011 uprising was motivated by socioeconomic grievances as much as a desire for political change. However, political instability, regional developments, and the economic downturn in the European Union, Tunisia's largest trading partner, have had a negative impact on Tunisia's economy. Declines in tourism and foreign direct investment (FDI) have been

<sup>35</sup> See ICG, "Combating Impunity, Restoring Security," May 9, 2012.

<sup>36</sup> See, e.g., Magharebia, "Tunisia: Political Isolation Law Divides Ennahda," June 21, 2013.

<sup>37</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>38</sup> *Tunisia Live*, "Slow Progress in Police Reform Since Revolution," March 19, 2013; Al Arabiya, "Protesters Force Tunisian Leaders From Police Memorial Ceremony," October 18, 2013; Al Jazeera via BBC Monitoring, "Tunisia Security Personnel Lament 'Campaign' To Weaken Establishment," October 19, 2013.

<sup>39</sup> Reuters, "Overstretched Tunisian Army Must Focus On Militant Threat: Zbidi," March 6, 2013.

particularly damaging. Social unrest over economic grievances has, in turn, contributed to economic difficulties by creating a perception of instability among would-be tourists and investors. Some observers fear that a failure to deliver rapid economic benefits has led an impatient public to lose faith, at times, in the transition process.

According to the International Monetary Fund (IMF), the economy contracted by 1.9% in 2011, compared to growth of 3.1% in 2010. It rebounded in 2012 with 3.6% growth, but perceived political instability and regional insecurity led the IMF to reduce its growth projection for 2013 to 2.7%.<sup>40</sup> Tunisia's international credit ratings have been repeatedly downgraded. While the unemployment rate has declined slightly since mid-2011, it remains high at 15.9%. The youth employment rate has generally been significantly higher, particularly for college graduates.

In June 2013, the IMF and Tunisia agreed to a two-year, \$1.75 billion IMF loan program designed to provide Tunisia with a financing cushion in case of an adverse shock. The IMF has since warned of growing fiscal strains and the slow pace of economic reforms, stating in October 2013 that "the most immediate challenge for Tunisia is to maintain macroeconomic stability while moving ahead with the reform agenda in a difficult political environment."<sup>41</sup>

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, tourism, and phosphate mining are key sectors. Tunisia has also attempted to attract foreign investment in its nascent oil and gas sector. However, Tunisia's economic record long masked 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, thus creating a large pool that is educated but underemployed. 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>42</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. Since the 2011 uprising, government agencies have seized various assets, including shares of private companies, owned by members of the former first family. There is reportedly an ongoing debate among officials over how best to sell off the confiscated assets, and over how to prosecute or settle any related disputes with businessmen.<sup>43</sup> Tunisian authorities have also identified several countries where Ben Ali officials 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>40</sup> IMF, World Economic Outlook Database, April 2013; and "Statement by the IMF Mission at the End of a Visit to Tunisia," December 2, 2013.

<sup>41</sup> IMF staff report, *Arab Countries in Transition: Economic Outlook and Key Challenges*, October 10, 2013.

<sup>42</sup> Millennium Challenge Corporation, *Towards a New Economic Model for Tunisia: Identifying Tunisia's Binding Constraints to Broad-Based Growth*, January 2013.

<sup>43</sup> See, e.g., *Maghreb Confidential*, "A High-Level Rift Over Confiscated Firms," November 21, 2013; IHS Global Insight, "New Tunisian Legislation Opens Way for Wider Confiscation of Assets from Allies of Former President Ben Ali," December 18, 2013.



## Foreign Relations

The European Union (EU) is Tunisia's largest trading partner, and provides trade benefits and aid. France remains the largest bilateral source of foreign investment in Tunisia, despite recent frictions over France's support for Ben Ali and a suspicion of Islamist movements in some French political circles. Under Al Nahda-led governments in 2012-2013, Tunisian officials stated a desire to increase ties to Middle East and African states, and they pursued closer relations with Qatar and Turkey, which provided aid and diplomatic support.<sup>44</sup> The government expressed support for the Syrian opposition, but opposition to foreign military intervention; the Interior Ministry has reportedly undertaken efforts to stop the flow of Tunisian combatants to Syria.<sup>45</sup>

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 *intifada*, 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>46</sup> The Nahda-led government also hosted visits by senior Hamas officials. Al Nahda's position on Israel does not differ significantly from other parties; indeed, some domestic critics accused Al Nahda of being overly conciliatory.<sup>47</sup>

Tunisia has generally sought cordial relations with its immediate neighbors. Tunisian officials appear to hope 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. Tunisian President Moncef Marzouki has led a campaign to revitalize the Arab Maghreb Union, established in 1989 by Tunisia, Algeria, Morocco, Libya, and Mauritania and long inactive due to tensions between Morocco and Algeria. Tunis is also the current headquarters location of the African Development Bank (AfDB), which receives financial support from the United States.

## U.S. Policy and Aid

Obama Administration officials have stated strong support for Tunisia's transition and a desire to advance bilateral economic ties and deepen security cooperation. In 2012, for example, 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."<sup>48</sup> She also expressed support in testimony before Congress for negotiations toward a bilateral free trade agreement.<sup>49</sup> Still, U.S.

<sup>44</sup> AFP, "La Tunisie de l'après Ben Ali veut retrouver toute sa place en Afrique," January 29, 2012; and, e.g., Reuters, "Economics, Politics Underpin Qatar Aid to North Africa," August 16, 2012.

<sup>45</sup> Interior Minister Lotfi Ben Jeddou reportedly stated during a parliamentary session in September 2013 that the government had prevented 6,000 Tunisians from fighting in Syria. *Tunisia Live*, "Minister of Interior Says Government Failed to Protect Brahmi," September 19, 2013.

<sup>46</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>47</sup> Al Nahda leaders 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.

<sup>48</sup> State Department, "Secretary of State Clinton Delivers Remarks Following Meeting with Tunisia President Marzouki," February 25, 2012.

<sup>49</sup> Senate Appropriations Subcommittee on State, Foreign Operations, and Related Programs, February 28, 2012. (continued...)



policy attention has not focused as intensely on Tunisia as on Egypt and other states in the region. President Obama reportedly met with Tunisian President Moncef Marzouki in New York City in September 2013, on the sidelines of the U.N. General Assembly, but the President has not made a public appearance with Tunisian leaders.

In May 2013, then-Acting Assistant Secretary of State for Near Eastern Affairs Beth Jones stated in congressional testimony that political transitions in the Middle East and North Africa are “the foreign policy challenge of our time.”<sup>50</sup> She stated that “the tension between democratic values of human rights, tolerance and pluralism and threats to those principles including extremism and persecution of minorities is growing,” arguing that “these dynamics present new challenges and opportunities for U.S. engagement.” During the 2013 political crisis in Tunisia, the State Department indicated that “our diplomats in Tunisia are in touch with Tunisians from across the political spectrum, including politicians, business leaders, and civil society actors, encouraging Tunisians to resolve their outstanding issues through dialogue and peaceful means to build a safe, prosperous future.”<sup>51</sup>

Despite this diplomatic outreach, bilateral relations appeared to cool following the violent attack on the U.S. Embassy and American school in Tunis in September 2012. Then-Interior Minister Ali Laraydh, an Al Nahda official (and subsequent Prime Minister), publicly apologized for having initially “failed” to protect the Embassy; Presidential Guard members had to be dispatched during the attack to provide emergency security.<sup>52</sup> The Tunisian government arrested hundreds of suspects—many of them Salafists—after the attack, and both Tunisian and U.S. authorities have stated that Ansar al Sharia in Tunisia was involved (see “Security Concerns” above).<sup>53</sup> However, most suspects were released, and U.S. officials have suggested that those who were tried were not those most responsible.<sup>54</sup> In November 2013, FBI Director James Comey named Tunisia as one of two places, with Libya, where AQIM, its affiliates and allies “pose a high threat to U.S. and Western interests... especially at embassies, hotels, and diplomatic facilities.”<sup>55</sup>

U.S.-Tunisian relations date back over 200 years. A Joint Military Commission meets annually and joint exercises are held regularly. 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. Tunisia was the site of significant World War II battles, and its territory was liberated by Allied forces in 1943 in Operation Torch. A U.S. cemetery and memorial in 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

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(...continued)

Progress toward an FTA is subject to an interagency process, among other factors.

<sup>50</sup> House Foreign Affairs Subcommittee on the Middle East and North Africa, Hearing on the President’s FY2014 Budget Proposal for Middle East and North Africa Programs, May 22, 2013.

<sup>51</sup> State Department daily press briefing, August 7, 2013.

<sup>52</sup> Associated Press (AP), “Tunisia’s Ruling Islamist Party Condemns US Embassy Attack,” September 15, 2012.

<sup>53</sup> State Department, “Terrorist Designations of Three Ansar al-Shari’a Organizations and Leaders,” January 10, 2014.

<sup>54</sup> On May 29, 2013, the U.S. Embassy in Tunis released a public statement in which it criticized the relatively lenient sentences given to several low-level suspects in the Tunis Embassy attack, called for a “full investigation,” and stated that the government of Tunisia had “failed” to uphold its stated commitment to oppose those who use violence.

<sup>55</sup> Statement Before the Senate Committee on Homeland Security and Governmental Affairs, hearing on “Threats to the Homeland,” November 14, 2013.

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>56</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. In 2012, U.S. bilateral exports totaled \$594 million and imports totaled \$738 million.<sup>57</sup>

## U.S. Foreign Assistance

U.S. bilateral aid to Tunisia prior to 2011 was relatively limited and highly focused on military assistance. Changes in Tunisia have led the Administration to work with Congress to identify and reprogram hundreds of millions of dollars, including funding appropriated in prior years and for other purposes, to support new programs and initiatives. As a result, the Obama Administration has allocated over \$450 million in aid to Tunisia since 2011 (see **Table 1**, below).

Aid for “transitional support” to Tunisia includes a \$100 million cash transfer in 2012 to help Tunisia make its international loan payments; \$30 million for the cost of sovereign loan guarantees, which enabled Tunisia to raise \$485 million on the international bond markets; and \$40 million for a bilateral “Enterprise Fund” to spur private investment. The latter two initiatives were authorized in the FY2012 Department of State and Foreign Operations Appropriations Act (Division I, P.L. 112-74). Additional funds for new loan guarantees and enterprise fund financing are made available under the FY2014 Department of State, Foreign Operations, And Related Programs Appropriations Act (Sec. 7041(g), Division K, P.L. 113-76).

Other U.S. “transitional support” programming has focused on strengthening civil society, political parties, the media, and electoral processes. U.S. programs have also promoted educational exchanges, technology training, and entrepreneurship, particularly among women and youth. In January 2014, Tunisia joined the Open Government Partnership, a U.S.-backed global effort to make governments more transparent and accountable.<sup>58</sup>

U.S. engagement with Tunisian security forces prior to 2011 was heavily focused on conventional military grants and sales. As terrorist threats have increased, and as the relationship between Tunisia’s government and its security services continues to evolve, the United States has provided counterterrorism- and maritime security-focused assistance, along with programs designed to help Tunisia reform its justice sector. Notable programs include at least \$35 million in new State Department-administered police and justice sector assistance, as well as \$28 million in new Defense Department “Section 1206” funding focusing on counterterrorism and border security.<sup>59</sup> Tunisia is also one of ten countries in the U.S. interagency Trans-Sahara Counter-Terrorism Partnership (TSCTP), but it has not been a major recipient of funding under the initiative to date.

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<sup>56</sup> Jonathan C. Randal, “Raid Left Scars on U.S.-Tunisia Ties,” *The Washington Post*, March 5, 1987.

<sup>57</sup> U.S. International Trade Commission data, accessed at <http://dataweb.usitc.gov/>.

<sup>58</sup> See State Department, “Open Government Partnership,” at <http://www.state.gov/j/ogp/>.

<sup>59</sup> See CRS Report RS22855, *Security Assistance Reform: “Section 1206” Background and Issues for Congress*, by Nina M. Serafino; see also Section 1201 of the FY2014 National Defense Authorization Act, P.L. 113-66.

**Table I. U.S. Foreign Assistance to Tunisia**  
 \$ Millions, Year of Appropriation and Account, Estimates as of December 2013

	FY2009	FY2010	FY2011	FY2012 (est.)	FY2013 (est.)	FY2014 (req.)
<b>TOTAL</b>	14.60	41.97	139.82	244.98	51.63	61.78
Sub-Total, Bilateral Aid <sup>a</sup>	14.60	21.95	78.60	210.14	47.2	61.78
ESF	0.80	2.00	57.85	154.8	14.47	30.00
FMF	12.00	18.00	17.12	29.5	20.55	20.00
IMET	1.70	1.95	1.95	1.84	2.16	2.30
INCLE	-	-	1.50	22.50	8.00	8.00
NADR	0.10	-	0.18	1.50	2.02	1.48
Regional/ Global Programs & Accounts	-	20.02	61.22	34.83	4.44	-
ESF	-	12.78	23.67	8.53	-	-
Democracy Fund	-	5.15	0.74	5.15	-	-
DA	-	0.03	0.07	-	-	-
Transition Initiatives	-	-	3.37	9.80	4.44	-
Complex Crisis Fund	-	-	5.00	-	-	-
INCLE	-	2.06	0.98	0.05	-	-
NADR	-	-	3.06	2.40	-	-
Humanitarian Assistance (multiple accounts)	-	-	3.43	2.05	-	-
Defense Department "Section 1206"	-	-	20.90	6.85	-	-

**Source:** State Department, Bureau of Foreign Assistance, response to CRS, January 2014; Congressional Budget Justifications for Foreign Operations, FY2011-FY2014.

**Notes:** Some allocations for FY2013 are still being determined. Other than "Section 1206," does not include non-State Department/USAID foreign assistance resources. (See CRS Report RS22855, *Security Assistance Reform: "Section 1206" Background and Issues for Congress*, by Nina M. Serafino.) Multi-country programs that may, in part, benefit Tunisian participants are also excluded. Humanitarian assistance refers to fiscal year of obligation, not source fiscal year of funds. Totals may 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.

a. Includes funding appropriated for other countries and purposes and reprogrammed for Tunisia.

International financial institutions, which receive substantial U.S. funding, have pledged aid for Tunisia, mostly in the form of concessional loans. Group of Eight (G8) member states, including the United States, have sought to coordinate aid through the Deauville Partnership, initiated in May 2011.<sup>60</sup> Separately, Tunisia has received loans and grants from Gulf states, notably Qatar.<sup>61</sup> Such support may contribute to U.S. policy goals of encouraging Tunisia's stability and economic growth; it may also dilute U.S. diplomatic influence.

## Congressional Actions

Congress has recently restricted anticipated Millennium Challenge Corporation (MCC) programming in Tunisia. The Administration had planned a roughly \$20 million MCC "threshold" grant for Tunisia focusing on addressing constraints to economic growth and job creation.<sup>62</sup> However, P.L. 113-76 states that "none of the funds made available by this Act or prior Acts... shall be available for a threshold program in a country that is not currently a candidate country," i.e., eligible for MCC assistance. Tunisia's relatively high income level currently makes it ineligible, although its income had dipped to an eligible level in FY2011, the year from which the MCC intended to draw funding. The Joint Explanatory Statement on P.L. 113-76 refers specifically to Tunisia, stating that, "Efforts by the Administration to provide MCC assistance to countries that do not meet MCC criteria undermine the integrity of the MCC model."

In 2012, some Members of Congress called for cutting U.S. aid over Tunisia's handling of an alleged suspect in the Benghazi terrorist attack.<sup>63</sup> The suspect, Ali Ani al Harzi, a Tunisian, was detained in Turkey and transferred to Tunisian custody in October 2012. 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. Al Harzi was later reportedly implicated in the two political assassinations in 2013 and charged in Tunisia with belonging to a terrorist organization.<sup>64</sup>

## Outlook

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

- To what extent is Tunisia a priority for U.S. policy? 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?

<sup>60</sup> The Partnership includes a transition support fund administered by the World Bank; see Alina Romanowski, Deputy Assistant USAID Administrator, Middle East Bureau, testimony before the Senate Foreign Relations Subcommittee on Near Eastern and South and Central Asian Affairs, November 21, 2013.

<sup>61</sup> See, e.g., Reuters, "Qatar Bank Grants Tunisia \$500 Mln To Support Currency Reserve," November 24, 2013.

<sup>62</sup> State Department, "U.S. Government Assistance to Tunisia," December 14, 2012. On MCC threshold grants, see CRS Report RL32427, *Millennium Challenge Corporation*, by Curt Tarnoff.

<sup>63</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 *The Washington Times*, "Benghazi Attack Suspect's Release Spurs Calls to Punish Tunisia," January 9, 2013.

<sup>64</sup> Al Jazeera, "The Benghazi Link to Tunisia's Assassinations," September 12, 2013.

- To what degree do Tunisia-based extremist groups present a transnational security threat? What is the likely trajectory of groups like Ansar al Sharia?
- How is Tunisia's new constitution being interpreted and implemented? How is Tunisia approaching the issue 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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