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# Political Transition in Tunisia

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## Summary

Tunisia is in its fourth year of transition after the 2011 “Jasmine Revolution,” and it has so far continued to avoid the types of chaos and/or authoritarian resurrections that have affected other “Arab Spring” countries. Legislative and presidential elections scheduled for late 2014 are expected to put an end to a series of transitional governments. 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—is 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 in the lead-up to the elections.

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. Ansar al Sharia in Tunisia, a U.S.-designated foreign terrorist organization, 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. 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 also reportedly make up one of the largest contingents of Islamist “foreign fighters” in Syria. Tunisian authorities since the revolution have attempted to ensure public safety while not appearing to resort to authoritarian tactics associated with the former regime, but popular opinions are mixed regarding whether they have struck the right balance.

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 \$570 million in aid since 2011. However, concerns over the security of U.S. personnel appeared to dampen U.S.-Tunisian relations in the aftermath of the 2012 embassy attack. Tunisian authorities have welcomed U.S. assistance and called for it to increase, but the availability of resources is subject to policy concerns as well as larger U.S. debates over the federal budget and aid to transitional 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 “threshold” grant for Tunisia.

U.S. policymakers have described Tunisia as a key 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 in 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. Recent public opinion polls show a stark downturn in optimism about the political transition and democracy itself, apparently reflecting frustrations with a lack of tangible benefits to date.<sup>1</sup> Localized protests and strikes continue to reflect popular frustrations with governance and socioeconomic issues. Security threats have starkly increased as Tunisia’s authorities have attempted to confront domestic and regional Islamist militancy without recourse to the authoritarian methods of their predecessors.

Many analysts 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. A National Constituent Assembly was elected in October 2011 in Tunisia’s first-ever open, multi-party contest. The Islamist Al Nahda (alt: Ennahda) party won a plurality of seats and formed a so-called “Troika” coalition with two centrist, secular parties. The Assembly’s mandate, initially expected to last no more than a year, stretched into two as the Troika confronted a series of political crises. In January 2014, the Troika was dissolved in favor of a technocratic government that has overseen preparations for new elections. The Constituent Assembly then finalized and voted to adopt a new constitution (discussed below), which has been widely hailed as exemplary.

National elections scheduled for late 2014 represent a key and arguably final step toward a democratic system. Legislative elections are set to take place on October 26, 2014, and presidential elections are slated to follow in November, with a run-off in December if necessary. If the elections are successful, Tunisia will have crossed one more threshold that has eluded other transitional states in the Middle East and North Africa. Attention may then turn toward the details of constitutional implementation and the advancement of economic and governance reforms. Alternately, the electoral process may be challenged and the anticipated transition set back if, for example, parties dispute the outcome, low turnout undermines the legitimacy of the vote, or terrorist threats overwhelm the country’s fragile security institutions.

The leading contenders in the elections represent the two poles of Tunisian post-revolutionary politics: Al Nahda, whose leaders have called for the reconciliation of democracy and Islam, and the ardently secularist Nida Tounes party, which represents a mix of former regime figures and leftists. More stridently leftist parties may also make a strong showing. The return of former Ben Ali-era officials is contentious, but Tunisia has avoided adopting laws that would exclude them. Overall, a large range of parties are contesting the elections, and upsets also appear possible.

A gulf of mistrust between Islamist and secularist ideological 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. Tensions reached a boiling point in mid-2013 after the assassinations

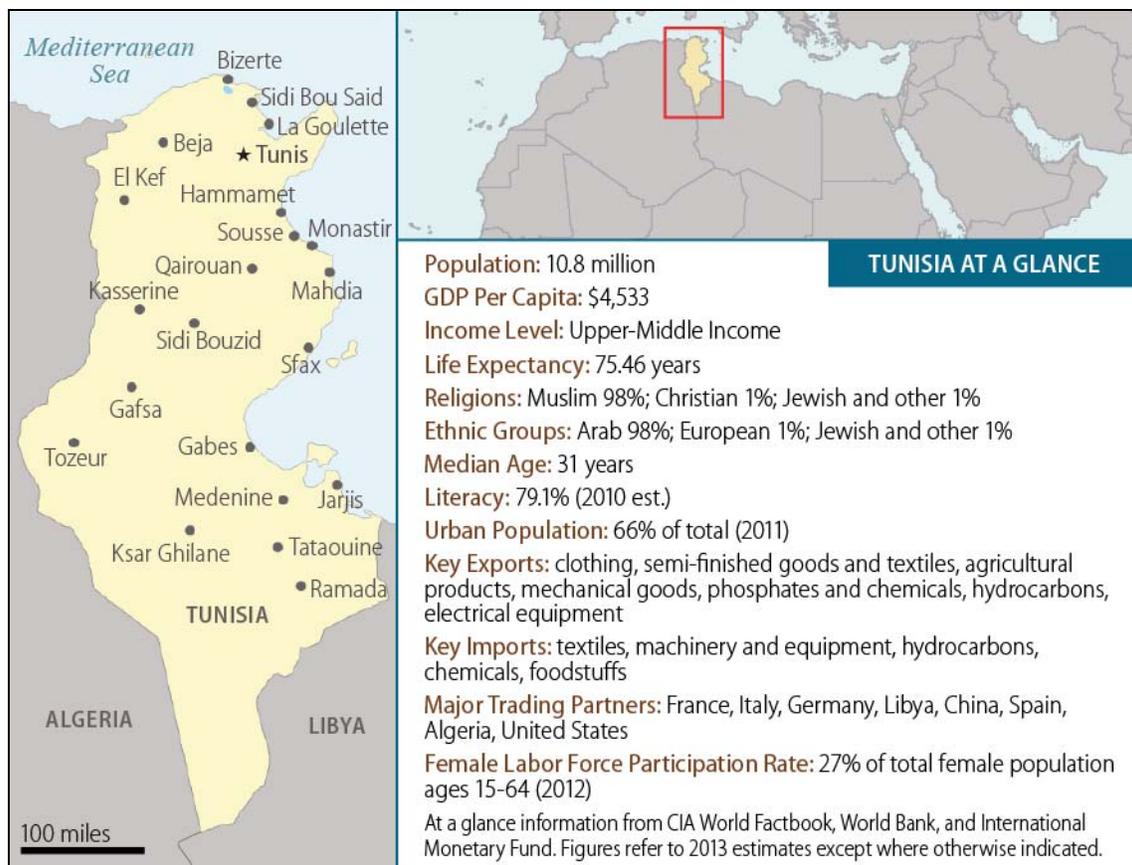
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<sup>1</sup> See, e.g., International Republican Institute (IRI), *Survey of Tunisian Public Opinion, June 22-July 1, 2014*, which found that 67% of Tunisians felt that things in Tunisia were going in the “wrong direction” (compared to 48% in February 2014) and that 65% said they were “not satisfied at all” with democracy in Tunisia (8% in February).

of two prominent secularist politicians in February and July, allegedly by Islamist militants, and in the wake of the military ouster of the elected president in Egypt. A standoff between the Nahda-led coalition government and its secularist critics effectively brought politics to a standstill until Tunisia’s trade union federation brokered a political agreement in January under which Al Nahda agreed to cede control of the government to a technocratic prime minister, Mehdi Jomaa. Broadly, Tunisian political and civic leaders have repeatedly been able to mediate their differences through dialogue, even when the transition process appeared to have been stymied.

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 \$570 million in aid since 2011 (see **Table 1**).

**Figure 1. 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 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 (**Figure 1**) 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 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. The 2014 constitution provides for gender equality.

### Tunisia's "Jasmine Revolution"

The 2011 popular uprising began in December 2010 with antigovernment 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>2</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

On January 26, National Constituent Assembly members overwhelmingly voted in favor of adopting Tunisia's new constitution, with 200 in favor, 12 against, and four abstaining. Assembly Speaker Mustapha Ben Jaafar stated 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>3</sup> The text was the product of an iterative process, as Assembly drafting committees produced successive versions subject to feedback from members and outside groups.

<sup>2</sup> Associated Press, "Report Raises Number of Killed During Tunisia's Revolution to 338," May 5, 2012.

<sup>3</sup> Associated Press, "Tunisia Finally Passes Progressive Constitution," January 26, 2014.

Ultimately, Assembly members debated each article and voted on whether to include it in the final text before taking a final vote on the full version.

The new constitution's framing and many of its provisions represent sizable victories for secularist parties and for pragmatists within Al Nahda. There is no reference to *sharia*, or Islamic law, in the constitution.<sup>4</sup> 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. "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 creates a mixed presidential system. A directly elected president/head of state exercises powers over defense and foreign affairs but shares executive authorities with the legislature, which selects a prime minister. This model was preferred by secularist parties, which saw it as creating balances of power, while Al Nahda officials had expressed preference for a fully parliamentary system.<sup>5</sup> Some observers have expressed concern that the mixed system could prove unwieldy in practice or prone to political deadlock.<sup>6</sup>

Despite its secular framing, 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 state could 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)—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>7</sup> Secularists had called for the ban, arguing that accusing someone of apostasy is an incitement to violence. Meanwhile, Article 73 states that only Muslims may run for president. (Tunisia has tiny Jewish and Christian minorities.) While Al Nahda leaders praised the constitution and voted for adoption, the party's leadership overruled its own parliamentarians who had called for the inclusion of *sharia*, and hardliners criticized some aspects.<sup>8</sup> Some Salafists, who appear to represent a small but vocal minority within Tunisia, have protested the constitution as a whole.<sup>9</sup>

<sup>4</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>5</sup> Duncan Pickard, "Reaching Consensus on the Tunisian Constitution," Atlantic Council, July 3, 2013.

<sup>6</sup> Pickard, "Identity, Islam, and Women in the Tunisian Constitution," Atlantic Council, January 24, 2014.

<sup>7</sup> See, e.g., Sarah Mersch, "Tunisia's Compromise Constitution," *Sada*, January 21, 2014.

<sup>8</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>9</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.

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 appears to reflect 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 some argue that stringently secular elites have lost their claim to legitimacy or are seeking a return of the former regime.

When Al Nahda was leading the government, secularists often argued that the movement was seeking to prolong its hold on power, encourage religiously conservative social change, and exercise partisan control over state institutions. 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 “counter-revolutionary” figures from the Ben Ali era.<sup>10</sup> Some opinion surveys have shown Nida Tounes rivaling Al Nahda in popularity; yet the two parties' relative appeal and coherence remain to be seen in upcoming elections.<sup>11</sup> Other parties may also challenge these two for preeminence. Tunisia's main trade union federation, the UGTT, has also 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

<sup>10</sup> See, e.g., *Al-Monitor*, “Tunisia Party Fights Islamization, Raises Ire of Ruling Ennahda,” October 1, 2012.

<sup>11</sup> See, e.g., IRI, *Survey of Tunisian Public Opinion, December 19, 2012-January 7, 2013*, February 14, 2013.

political system. In some areas, Salafist groups reportedly control mosques and have set up security and service-provision networks.<sup>12</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. When Al Nahda was leading the government, critics charged that the party lacked the capacity or will to confront extremists. Al Nahda leaders countered that they would crack down on violence but that isolating or arresting religiously conservative activists could further radicalize them. Al Nahda leaders also struggled to respond to Islamist critics (reportedly including figures within the party) who view counterterrorism efforts as repressive.

### 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<sup>13</sup>

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), 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 poor governance. Tunisia has not been overwhelmed by insecurity, as has arguably been the case in neighboring Libya, but it has not been immune to these trends. Several Tunisian-led extremist groups have emerged since 2011, including Ansar al Sharia in Tunisia (discussed below) and a cell known as the Okba Ibn Nafaa Brigade, which is reportedly linked to AQIM. Competition for followers between “core” Al Qaeda and the Islamic State has reportedly sparked debate within AQIM and other Islamist extremist groups in North and West Africa, which may influence these groups' strategic choices.

Tunisian nationals also reportedly make up a significant proportion of foreign fighters active in violent extremist groups elsewhere in North and West Africa and in Syria.<sup>14</sup> According to figures

<sup>12</sup> Aaron Y. Zelin, “Meeting Tunisia’s Ansar Al-Sharia,” *Foreign Policy*, March 8, 2013.

<sup>13</sup> See also CRS Report R43756, *Al Qaeda-Affiliated Groups: Middle East and Africa*, coordinated by Carla E. Humud.

released by Tunisian authorities, at least 2,400 Tunisians have traveled to Syria as combatants since 2011, which would make Tunisia one of the largest known sources of foreign fighters there, while several thousand more Tunisians have been prevented from going. Tunisian authorities have expressed acute concerns that fighters will return to conduct attacks at home.<sup>15</sup>

Local Tunisian groups over the past two years have staged attacks against government, tourist, and Western targets within the country. 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>16</sup> Two secularist opposition politicians were killed by gunmen in February and July 2013 outside their homes.<sup>17</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>18</sup> Officials regularly claim to have broken up domestic terrorist plots, including plans to attack the upcoming elections.<sup>19</sup>

Tunisian authorities have accused the Tunisian Salafist group Ansar al Sharia of being involved or associated with many of the attacks to date, although the group has not claimed responsibility.<sup>20</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>21</sup> Media reports suggest that the group's leader, Seifallah Ben Hassine (aka Abou Iyadh)—who is wanted in Tunisia and designated for U.N. and U.S. sanctions—may be in Libya.

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>22</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

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(...continued)

<sup>14</sup> According to Algerian authorities, 11 Tunisian nationals—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>15</sup> See, e.g., *The Guardian*, "Tunisia Becomes Breeding Ground for Islamic State Fighters," October 13, 2014.

<sup>16</sup> Al Arabiya, "Suicide Bombers in Tunisia, from One Decade to Another," November 8, 2013.

<sup>17</sup> *New York Times*, "Second Opposition Leader Assassinated in Tunisia," July 25 2013.

<sup>18</sup> State Department daily press briefing, September 14, 2012.

<sup>19</sup> TAP, "Tunisian Interior Ministry Confirms Plans by Terrorist Group to Target Polls," September 18, 2014.

<sup>20</sup> See, e.g., *The Economist*, "The Salafist Struggle," January 1, 2014.

<sup>21</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>22</sup> See Andrew Lebovich, "Confronting Tunisia's Jihadists," *Foreign Policy*, May 16, 2013.

have stated that Mount Chaambi cells are linked to AQIM and include individuals who fought in Mali.<sup>23</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>24</sup> Jihadist groups may also draw on support from Tunisian Salafist groups and communities.<sup>25</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 Guantánamo Bay, Cuba, and officials in the current government have repeatedly sought their return to Tunisia.<sup>26</sup> Two notable terrorist incidents on Tunisian soil during the Ben Ali era were the 2002 bombing of a synagogue on the 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>27</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>28</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 lyadh, 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 were brought against Ben Ali (in absentia), members of his family, and former senior government and security officials in the immediate aftermath of the 2011 revolution in connection with allegations of corruption as well as violence against protesters. However, many of these officials have since been acquitted or otherwise cleared, which has been highly controversial.<sup>29</sup> More broadly, there is a question of what approach to adopt toward mid- and low-level state employees and members of the security and intelligence services who may have been complicit in past abuses, but did not command them.

<sup>23</sup> AFP, "Bomb Attack Kills Two Soldiers In Tunisia: Military," June 6, 2013.

<sup>24</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>25</sup> International Crisis Group (ICG), *Tunisia: Violence and the Salafi Challenge*, February 13, 2013.

<sup>26</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>27</sup> *Financial Times*, "Al-Qaeda Deputy Leader Signals Involvement in Attacks," October 10, 2002.

<sup>28</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.

<sup>29</sup> Carlotta Gall, "Questions of Justice in Tunisia as Ousted Leaders Are Freed," *New York Times*, July 16, 2014.

Many Tunisians are skeptical of the regular justice system, which was inherited from the Ben Ali regime and is reportedly viewed as ineffective, subject to political influence, and, in some cases, corrupt.<sup>30</sup> In December 2013, the Constituent Assembly adopted a law creating a new Truth and Dignity Commission as well as “Specialized Judicial Chambers” that may initiate prosecutions under certain circumstances, but their work remains nascent.<sup>31</sup> The new constitution contains provisions on judicial independence, but implementation remains to be seen.

Whether those who served in government under Ben Ali should be barred from politics is another sensitive issue. In 2013, some Al Nahda figures backed a draft bill that would have prohibited a range of people associated with the former regime from seeking elected office.<sup>32</sup> However, the bill, which might have been applied to leading politicians such as Béji Caïd Essebsi, was shelved as a result of the late-2013 political dialogue. The new constitution does not condition presidential or legislative candidacies on past political activity. As a result, several prominent former regime figures are running for office in the upcoming elections.

Overall, a 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 Constituent Assembly initiated, but did not complete, an effort to amend a controversial 2003 anti-terrorism law promulgated under Ben Ali, which critics viewed as repressive. Tensions between the security forces and civilian leaders have also spiked at times 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>33</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>34</sup>

## The Economy

Tunisian politicians seeking to improve the economy face a difficult dilemma. On the one hand, international financial institutions such as the World Bank and International Monetary Fund (IMF), along with private-sector analysts, argue that deep reforms are necessary to improve

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<sup>30</sup> See ICG, “Combating Impunity, Restoring Security,” May 9, 2012.

<sup>31</sup> See International Center for Transitional Justice, “Tunisia’s Specialized Judicial Chambers—Q&A with Judge Walid Melki,” September 4, 2014.

<sup>32</sup> Magharebia, “Tunisia: Political Isolation Law Divides Ennahda,” June 21, 2013.

<sup>33</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>34</sup> Reuters, “Overstretched Tunisian Army Must Focus On Militant Threat: Zbidi,” March 6, 2013.

Tunisia's economic growth and job creation. Such reforms might target strict labor laws, the regulatory environment for foreign investors and domestic entrepreneurs, and the fiscal weight of state subsidies for basic goods. Reforms have been openly discussed but repeatedly delayed by a series of transitional regimes that have argued that only a legitimately elected government can take such steps.<sup>35</sup> However, few (if any) leading candidates for office have spelled out how they would approach the implementation of reforms, and any future effort to alter subsidies or job protections could bring greater economic hardships to local households in the short run.

Some observers fear that a failure to deliver rapid economic benefits has led an impatient public to lose faith in the transition process. Socioeconomic grievances were a key factor in the 2011 popular uprising. However, far from delivering tangible benefits to an impatient public, the post-revolutionary period has been marked by economic hardships due to political instability, negative regional security trends, and the economic downturn in the European Union (EU), Tunisia's largest trading partner. Declines in tourism and foreign direct investment (FDI) have been 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.

According to the IMF, the economy contracted by 1.9% in 2011, compared to growth of 3.1% in 2010. It rebounded in 2012 with 3.7% growth but has since struggled to reach 3%.<sup>36</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 is reportedly 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.<sup>37</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>38</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

<sup>35</sup> Reuters, "Tunisia Economy Needs 3 Years of 'Painful' Reform, PM Says," October 13, 2014.

<sup>36</sup> IMF, World Economic Outlook Database, October 2014.

<sup>37</sup> IMF staff report, *Arab Countries in Transition: Economic Outlook and Key Challenges*, October 10, 2013.

<sup>38</sup> Millennium Challenge Corporation, *Towards a New Economic Model for Tunisia: Identifying Tunisia's Binding Constraints to Broad-Based Growth*, January 2013.

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>39</sup> Tunisian authorities have also identified several countries where Ben Ali officials reportedly stashed substantial assets. The process for asset recovery has proven complex and challenging.

## Foreign Relations

The EU is Tunisia's largest trading partner and provides trade benefits and aid. Since the 2011 uprising, Tunisian officials have also appealed to the United States for military, financial, and trade assistance. 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>40</sup> The "Troika" government expressed support for the Syrian opposition, but opposition to foreign military intervention; the Interior Ministry has undertaken efforts to stop the flow of Tunisian combatants to Syria.

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. Criticism of Israel and Israeli policies is common across Tunisia's political spectrum, although Tunisia has also annually welcomed Israeli tourists during a pilgrimage to a historic synagogue on Djerba Island. While in power, the Nahda-led government hosted visits by senior Hamas officials.

Tunisia has generally sought cordial relations with its immediate neighbors. Turmoil in Libya is both a security and an economic concern for Tunisian officials. Previously, work opportunities in Libya helped to absorb some of Tunisia's low-skilled labor surplus, and some Tunisians believe that the large number of Libyan refugees has driven up prices in parts of Tunisia. Tunisian President Moncef Marzouki has attempted, with little practical impact, to revitalize the Arab Maghreb Union, which includes Tunisia, Algeria, Morocco, Libya, and Mauritania but has long been inactive due to tensions between Morocco and Algeria.

## U.S. Policy and Aid

The Obama Administration has stated strong support for Tunisia's transition and a desire to advance bilateral economic ties and deepen security cooperation. Secretary of State John Kerry traveled to Tunis in February 2014 to hold the first session of a new U.S.-Tunisia Strategy Dialogue. He publicly congratulated Tunisians on the new constitution, which he stated was "a model for others in the region and around the world," and confirmed "on behalf of the American people and President Obama our commitment to stand with Tunisia ... to help move down this

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<sup>39</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.

<sup>40</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.

road to democracy.”<sup>41</sup> The United States has offered Tunisia a range of aid and new cooperation programs designed to support the transition and its stability and security. Still, U.S. policy attention has not focused as intensely on Tunisia as on Egypt and other states in the region.

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>42</sup> She added 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.”

Although both U.S. and Tunisian leaders continue to express appreciation for bilateral ties, 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 by the presidency during the attack to provide emergency security.<sup>43</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>44</sup> However, most were later released, and U.S. officials have suggested that those who were tried were not those most responsible.<sup>45</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>46</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 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>47</sup>

Tunisian officials have called for a free trade agreement (FTA). Then-Secretary of State Hillary Clinton expressed support for an FTA in testimony before Congress in 2012, but there has been

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<sup>41</sup> State Department, “Secretary of State Kerry Holds News Conference in Tunis, Tunisia,” February 18, 2014.

<sup>42</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>43</sup> Associated Press, “Tunisia’s Ruling Islamist Party Condemns US Embassy Attack,” September 15, 2012.

<sup>44</sup> State Department, “Terrorist Designations of Three Ansar al-Shari’a Organizations and Leaders,” January 10, 2014.

<sup>45</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>46</sup> Statement Before the Senate Committee on Homeland Security and Governmental Affairs, hearing on “Threats to the Homeland,” November 14, 2013.

<sup>47</sup> Jonathan C. Randal, “Raid Left Scars on U.S.-Tunisia Ties,” *The Washington Post*, March 5, 1987.

little public evidence of advancement toward such an end.<sup>48</sup> A bilateral trade investment framework agreement was signed in 2002, and a bilateral investment treaty came into force in 1993. In 2013, U.S. bilateral exports totaled \$870 million and imports \$749 million.<sup>49</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 \$570 million in aid to Tunisia since 2011 (see **Table 1**). The Administration has also increased security cooperation and arms sales in consultation with Congress. About \$62.8 million in bilateral aid was appropriated and allocated for Tunisia in FY2014, which the Administration referred to as a “normalization” of aid after this initial, “urgent” reprogrammed funding.<sup>50</sup> The Administration has requested \$66 million in bilateral aid in FY2015.

Aid for “transitional support” includes a \$100 million cash transfer in 2012 to help Tunisia make its international loan payments, a total of \$55 million for the cost of two separate sovereign loan guarantees—which enabled Tunisia to raise nearly \$1 billion on the international bond markets—and \$60 million to date 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 loan guarantees and enterprise fund financing were 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>51</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 some \$44 million in State Department-administered police and justice sector assistance, as well as \$32 million in Defense Department “Section 1206” funding focusing on counterterrorism and border security.<sup>52</sup> Tunisia is also one of 11 countries in the U.S. interagency Trans-Sahara Counter-Terrorism Partnership.

<sup>48</sup> Senate Appropriations Subcommittee on State, Foreign Operations, and Related Programs, February 28, 2012. Progress toward an FTA would be subject to an interagency process, among other factors.

<sup>49</sup> U.S. International Trade Commission data, accessed at <http://dataweb.usitc.gov/> on October 21, 2014.

<sup>50</sup> State Department, FY2015 *Congressional Budget Justification, Foreign Operations*; statement of Acting Assistant Secretary of State for Near Eastern Affairs Beth Jones in U.S. Congress, House Committee on Foreign Affairs, May 22, 2013.

<sup>51</sup> See State Department, “Open Government Partnership,” at <http://www.state.gov/j/ogp/>.

<sup>52</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.

In July 2014, the Defense Department notified Congress of its intent to agree to sell Tunisia defense articles and services worth an estimated \$700 million, including 12 Black Hawk helicopters.

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

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014 (est.)	FY2015 (req.)
<b>TOTAL</b>	14.60	41.97	139.82	244.98	106.64	67.38	65.98
Sub-Total, Bilateral Aid <sup>a</sup>	14.60	21.95	78.60	210.14	47.20	62.78	65.98
ESF	0.80	2.00	57.85	154.8	14.47	30.00	30.00
FMF	12.00	18.00	17.12	29.5	20.55	20.00	25.00
IMET	1.70	1.95	1.95	1.84	2.16	2.30	2.00
INCLE	-	-	1.50	22.50	8.00	9.00	7.00
NADR	0.10	-	0.18	1.50	2.02	1.48	1.98
Regional/ Global Programs & Accounts	-	20.02	61.22	34.83	59.44	4.60	-
ESF	-	12.78	23.67	8.53	55.00 [loan guarantees]	-	-
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 (multiple accounts)	-	-	3.43	2.05	-	-	-
Defense Department "Section 1206"	-	-	20.90	6.85	-	4.60	-

**Source:** State Department, Bureau of Foreign Assistance, response to CRS, January 2014; Congressional Budget Justifications for Foreign Operations, FY2011-FY2015.

**Notes:** Some allocations for FY2013 are still being determined. Other than "Section 1206," does not include non-State Department/USAID foreign assistance resources. 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, initially sought to coordinate aid through the Deauville Partnership, initiated in May 2011, although the current status of the initiative is unclear.<sup>53</sup> Tunisia has also received loans and grants from Gulf states, notably Qatar.<sup>54</sup> Such support may contribute to U.S. policy goals of encouraging Tunisia's stability and economic growth; it may also dilute U.S. influence.

## Congressional Actions

Congress has shaped U.S. policy toward Tunisia through its authorization and appropriation of foreign assistance, its review of arms sales and other security cooperation efforts, and its oversight activities. Recently, the FY2014 Department of State, Foreign Operations, And Related Programs Appropriations Act (P.L. 113-76) prohibits any foreign assistance from being used to support a Millennium Challenge Corporation (MCC) "threshold" program in a country that is not a candidate for a full MCC compact. The Administration had planned a roughly \$20 million MCC "threshold" grant for Tunisia focusing on addressing constraints to economic growth and job creation.<sup>55</sup> However, Tunisia's relatively high income level currently makes it ineligible for a compact, 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>56</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>57</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:

<sup>53</sup> The partnership includes a transition support fund administered by the World Bank. See testimony of Alina Romanowski, Deputy Assistant USAID Administrator, Middle East Bureau, in U.S. Congress, Senate Committee on Foreign Relations, Subcommittee on Near Eastern and South and Central Asian Affairs, November 21, 2013.

<sup>54</sup> See, e.g., Reuters, "Qatar Bank Grants Tunisia \$500 Mln To Support Currency Reserve," November 24, 2013.

<sup>55</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>56</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>57</sup> Al Jazeera, "The Benghazi Link to Tunisia's Assassinations," September 12, 2013.

- 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?
- To what degree do Tunisia-based extremist groups present a transnational security threat? What is the likely trajectory of Tunisia-based or Tunisian-led groups such as Ansar al Sharia in Tunisia?
- 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?
- Are the national elections scheduled for late 2014 likely to be free, fair, and nonviolent?
- What groups or individuals are likely to perform well in these elections? Which individuals and groups currently enjoy popular credibility in Tunisia? Which types of coalitions among political and interest groups are likely to emerge from the elections, and what is their likely stance on issues such as foreign policy and domestic reforms?
- What is the likely course of Tunisia's economy and how is it likely to impact stability? 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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