On October 11, a presidential order formalized the new cabinet, naming the head of the government and its members. Despite this development, Tunisia’s economic and public finance issues remain the biggest concern for Tunisians for the foreseeable future, even amidst the political and health crises the country faced recently.

The new government was cemented nearly two months after President Kais Saied took extraordinary measures by evoking Article 80 of the Tunisian Constitution, a decision which he described in his latest speech on October 11 as “based on the Constitution,” and said came only after “exhausting all other options.” The new government is unusual in several respects. It includes ten female members, including Tunisia’s first female prime minister. Additionally, the new cabinet consists entirely of independents who are outside of Tunisia’s party system. The Ministers of Foreign Affairs and Education retained their positions, while the Ministers of Interior and Youth and Sports returned after being dismissed during the Mechichi government. Those charged with running the Ministries of Health, Finance, and Communication Technologies also retained their positions.

Local reactions were mixed in response to the announcement about the new government’s formation. Tunisia’s General Labour Union welcomed the new government and called for a participatory dialogue. However, the organization’s Secretary-General demanded expedited implementation of agreements signed with previous governments, and control over of public finances. This demand should be viewed as a repetition of government
mistakes made over the past decade, as policy decisions have prioritized distinct interests at the expense of public demands.

Likewise, the Tunisian Union of Industry, Trade, and Handicrafts (UTICA) expressed its readiness to work with the new government to achieve national goals and revive the economy. UTICA is concerned with the sectors of industry, commerce and crafts, and its mission aims to strengthen and revitalize the private sector. In addition, UTICA is the official spokesperson for companies with public authorities. The group has repeatedly expressed support for reviewing the electoral law to maintain economic and political stability, in order to reassure local and foreign investors.

However, the new government is trapped in a difficult situation, and possesses few resources. How will it avoid the mistakes of previous governments? And how can it address public finances in light of recent agreements, most of which have financial impacts?

The government should revoke these agreements in order to curb expenses and regain control over public finances. The labor union could make history by accepting this step, given its relation to national economic security.

Despite the conspicuous presence of women and the participation of independents—who now comprise most of the members of the Tunisian administration—many Tunisians are still awaiting change. They are driven by a desire for improved living conditions and purchasing power, especially given the country’s severe shortage of financial resources amid a deficit in funding the 2021 budget. According to a statement issued on October 6, the Central Bank of Tunisia is deeply concerned about the current financial situation and stressed the urgent need for stability indicators to reassure local and foreign investors, particularly vis-à-vis recovering economic activity and fiscal balance, strengthening public sector governance, improving the business climate, and increasing investment efforts.

Despite the new Prime Minister’s emphasis on the need to restore confidence between citizens and the state, and the claim that the new government’s primary focus will be to combat corruption, addressing these dilemmas and translating them into practice will remain a major challenge for the new government. In President Saied’s speech after the swearing-in ceremony of the new government, he accused the judiciary of being a stumbling block: “For many years they have been lying and slandering, and none of them have been prosecuted before the judiciary.” This was not the first time President Kais Saied called upon the judiciary to assume its full responsibility. After his meeting with the President of the Court of Accounts on September 30, he reiterated the need to hold those accountable who have been involved in corruption cases. Consequently, the question of dropping lists in Parliament that have received foreign funding has returned to the fore.

The Court of Accounts issued a preliminary ruling to drop 80 lists that ran in the municipal elections of 2018. However, all of these rulings are still in the appeal stage. Final rulings will come later, based on the procedures and deadlines stipulated in the electoral law.

In a related context, the official spokesman for the Court of First Instance in Tunisia and the top economic and financial judicial figure explained in statements broadcast by the state news agency in July that investigations had been launched into three political parties suspected of receiving foreign funds. It is noteworthy that these announcements occurred during the first two weeks of July -- in other words, before President Kais Saied took exceptional measures.

All of this indicates that the President is determined to purge the political arena of corrupt parties, based on Court of Accounts rulings which stipulate that parties proven to have received foreign funding can be dissolved, and therefore, Parliament can be dissolved permanently. Concerning the ongoing exceptional measures, the President has argued that they are necessary as long as there is imminent danger in Parliament and other unnamed
institutions. Before stating that, he announced that he would form a committee of experts to prepare proposals to amend the political and electoral systems.

Washington has declared that the new government’s formation is a welcome step as Tunisia addresses its economic, health, and social challenges. Since the beginning of the crisis in Tunisia, the United States has encouraged Tunisia to reform its government, while Biden’s letter to Saied in August affirmed his personal support and the US administration’s support of the Tunisian people. The issue of combatting corruption has become a legitimate concern, but it must be addressed while preserving a constitutional approach.

What is unusual about the new Tunisian government is that it is clearly operating in tandem with the Presidency of the Republic—a situation that has not occurred for years in Tunisia. Since the current government, for the most part, is not comprised of members of Tunisia’s political parties, it does not need political “belts,” or parties that support the parliamentary majority, which can become booby-traps at any moment by demanding either modifications within the framework of party quotas and lobbying, or by withdrawing confidence.

Having a government not beholden to these issues credits the reform path in Tunisia, pending the resolution of the outstanding issues and the amendment of the political and electoral systems. The government would benefit by involving deep-rooted national organizations in the process and, moreover, submitting these amendments for popular referendum so that the reforms stem from popular will.

There are also several areas that the government can pursue to combat corruption in Tunisia. First and foremost, the government can fully activate deterrent laws which protect whistleblowers, and laws which provide access to information. There is no benefit from laws that are not implemented. Necessary support must also be provided to facilitate the exchange of logistical and technical expertise in combatting corruption, as INLUCC (Tunisia’s national anti-corruption body), the judiciary, and the various oversight and audit committees must develop their technical and logistical capabilities.

The government can also draw lessons from the experiences of countries that successfully curbed corruption, such as Botswana and Estonia, where the political leadership adhered to bottom-up community reforms in order to achieve this goal. In addition, the government should adapt comprehensive digitization to protect its data. Such steps also require apolitical will and mobilization of official agencies.
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