

# Time to Renew and Sharpen U.S. Engagement with Tunisia

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## KEY TAKEAWAYS

A steady and democratic Tunisia not only provides the U.S. with a strategic ally, but serves as a practical model for possible future democracies in the region.

Tunisia deserves Washington's elevated attention, as it is well-situated to be a critical linchpin of America's interactions with the Middle East and North Africa.

Policymakers should pursue strategic engagement with Tunisia, including developing and launching a regional prosperity initiative to increase economic freedom.

Tunisia, the birthplace of the 2011 popular “Arab Spring” uprisings, deserves Washington’s elevated attention, as the country is well-situated to be a critical linchpin of America’s interactions with the Middle East and North Africa, particularly in the Maghreb.<sup>1</sup> Washington needs a more focused strategy to increase trade and investment engagement with Tunisia and to promote its role as a focal point for regional free-market-oriented development. Tunisia’s success can be America’s success, too.

## Tunisia’s Ongoing Transition: A Decade Beyond the Arab Spring

January 14, 2021, marked the 10th anniversary of the so-called Arab Spring, which began with Tunisians’ toppling of longtime strongman Zine el-Abidine Ben

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This paper, in its entirety, can be found at <http://report.heritage.org/ib6094>

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Ali's regime in 2011. The popular uprisings, which swept North Africa and the Middle East, offered a historic moment of hope that the region was moving toward a freer, more democratic future. That hope has faded for most countries, with the possible exception of Tunisia, a "major non-NATO ally" of the United States.

To be sure, Tunisia's democracy is fragile<sup>2</sup> and still developing, and the economic reform process has been difficult, to say the least. Tunisians have suffered plenty of disappointments since 2011, and they are undoubtedly frustrated by their country's slow economic and political progress. Nonetheless, Tunisia remains a notable exception within the region, as the country continues to pursue the democratic and economic goals of its revolution that other countries have abandoned. Ten years after its public protests sparked the Arab Spring, Tunisia remains the lone country in the region to have effectively changed its system of governance from a dictatorship to an evolving democracy.

While the country has made notable progress in the political sphere, Tunisia's overall forward trajectory is not certain. According to the 2021 edition of The Heritage Foundation's annual *Index of Economic Freedom*, Tunisia's economic freedom score is only 56.8 of 100, making its economy only the 119th-freest in the world, with a "mostly unfree" economy.<sup>3</sup>

The Tunisian people have yet to witness any dramatic economic improvement in their lives since the revolution. Tunisia's political leaders and policymakers will need to continue working with the country's civil society and youth population to make its economy work, particularly in the policy areas of market openness and regulatory efficiency.

For the Washington foreign-policy-making circle, Tunisia's ongoing embrace of free-market democracy makes the country a critical asset of untapped potential value for the United States. A steady and democratic Tunisia not only provides the U.S. with a strategic ally, but also serves as a possible practical model for future democracies in the region.

To that end, it is noteworthy that congressional support for Tunisia has been strong and present. While Tunisia lost an important champion in Congress with the passing of Senator John McCain (R-AZ), Members of Congress on both sides of the aisle have supported the country's transition through continued appropriations and various resolutions. In 2019, Senators Robert Menendez (D-NJ), Mitt Romney (R-UT), and Chris Coons (D-DE) introduced a resolution affirming the "strong partnership between Tunisia and the United States" and recognizing the two countries' shared values of democracy and support for human rights and the rule of law.<sup>4</sup>

America's national interests would be well served by crafting a pragmatic strategy that aligns current security and economic investments in Tunisia with a practical region-wide economic engagement initiative.

## Policy Recommendations

The objective of America's renewed strategic engagement with Tunisia should be to help to put the country on track to broad-based entrepreneurial growth and long-term economic development. While maintaining realistic expectations and with a long-term investment approach in mind, Washington should:

- **Develop and launch a regional prosperity initiative.** From a broader foreign policy perspective, it is clear that the success of Tunisia's bottom-up pursuit of democracy and economic freedom is critical to the North African region. The importance of the region to the U.S., particularly the Maghreb, has been growing, with two of America's 17 "major non-NATO ally" status countries—Tunisia and Morocco—belonging to this strategically important corridor. Regrettably, the region as a whole has been like a self-isolated regional block with the severe lack of economic connectivity and efficiency. Washington can be constructive in flexible and strategic ways, not necessarily in the context of formal agreements, but with a focused regional initiative, through which the U.S. should engage in crafting a private-sector-led economic-development road map for the region.
- **Support and further operationalize the U.S.–Tunisia Joint Economic Commission (JEC).** The third annual session of the U.S.–Tunisia JEC in February 2020 specified an intent to pursue initiatives to boost bilateral trade and investment between Tunisia and the United States.<sup>5</sup> It is notable that the two countries also signed a memorandum of understanding (MOU) on commercial cooperation. The MOU is intended to serve as a cornerstone for enhancing bilateral efforts to attract U.S. investment to four key sectors in Tunisia: (1) information and communications technology; (2) agribusiness; (3) design, engineering, and construction; and (4) renewable energy.<sup>6</sup> This plan should be followed through with concrete action effectively.

- **Craft a clear, consistent narrative about the benefits of market liberalization for Tunisia and its neighboring countries.** The U.S. should encourage Tunisia and other Maghreb countries to adopt policies that will attract private investment and facilitate market-led economic growth and development. Greater economic freedom means freeing untapped entrepreneurs, who are necessary for sustained growth in the future. Ultimately, the most important investments in the region will come from the private sector, and to that end, policies that enhance market openness and regulatory efficiency must be developed and implemented.
- **Work closely with the World Bank and the International Monetary Fund (IMF).** These institutions, in which the U.S. has played a leading role as a member and donor, can and should increase their efforts to influence policies in ways that improve the entrepreneurial framework in the region. Effective development assistance should focus on advancing private-sector growth and eliminating policy obstacles to the facilitation of dynamic entrepreneurship. The Biden Administration should unequivocally stress that promoting policies and projects that advance the rule of law and the freedom of entrepreneurship is the core mission of the World Bank and the IMF, and the foundation of America's engagement with them as well as with Tunisia.

## The Way Forward

Tunisia, despite its numerous challenges, remains the best opportunity for building a new kind of compact between an Arab government and its citizens. At many critical levels, however, the country has become a challenging test case for Washington, causing a considerable level of engagement fatigue. A renewed strategic partnership between the United States and Tunisia is more important than ever to achieving a peaceful, democratic, and prosperous Tunisia that remains a reliable American ally in the critical Maghreb region.

During a phone call to Tunisian President Kais Saied, Vice President Kamala Harris “underscored the United States’ sustained commitment to supporting Tunisia’s democracy.”<sup>7</sup> Vice President Harris later tweeted, “We discussed the longstanding friendship between our countries, and I reaffirmed the U.S. commitment to Tunisia.”<sup>8</sup>

The U.S. cannot provide Tunisia with the political will that the country needs to transform its economy according to free-market principles. That must come from within. However, by demonstrating its interest and willingness to engage, the U.S. can ensure that its guidance and concerns are taken into account.

Tunisia's success can be America's success. This is why the U.S. must pursue policies that promote economic freedom and prosperity in Tunisia.

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## Endnotes

1. The Maghreb countries are Algeria, Libya, Mauritania, Morocco, and Tunisia.
2. Amnesty International, "Tunisia: Freedom of Expression at Risk as Prosecutions Rise," November 9, 2020, <https://www.amnesty.org/en/latest/news/2020/11/tunisia-freedom-of-expression-at-risk-as-prosecutions-rise/> (accessed June 9, 2021).
3. Terry Miller, Anthony B. Kim, and James M. Roberts, *2021 Index of Economic Freedom* (Washington, DC: The Heritage Foundation, 2021), <https://www.heritage.org/index/>.
4. S. Res. 236—"A resolution reaffirming the strong partnership between Tunisia and the United States and supporting the people of Tunisia in their continued pursuit of democratic reforms," 116th Congress, <https://www.congress.gov/bills/116/congress/senate-resolution/236/text> (accessed June 9, 2021).
5. U.S. Embassy in Tunisia, "U.S.–Tunisia Joint Economic Commission: Statement by the Republic of Tunisia and the United States of America," February 7, 2020, <https://tn.usembassy.gov/joint-statement-by-the-republic-of-tunisia-and-the-united-states-of-america/> (accessed June 10, 2021).
6. Ibid.
7. News release, "Readout of Vice President Kamala Harris Call with President Kais Saied of Tunisia," The White House, May 11, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/05/11/readout-of-vice-president-kamala-harris-call-with-president-kais-saied-of-tunisia/> (accessed June 10, 2021).
8. Kamala Harris, Tweet, May 11, 2021, <https://twitter.com/vp/status/1392170366186004489?lang=en> (accessed June 9, 2021).