

The background of the page is a faded, sepia-toned photograph of a long, multi-arched stone bridge, likely the Pont de la Garonne in Toulouse, France. The bridge stretches from the left towards the right, with its arches receding into the distance. The text is overlaid on this image.

**AN URGENT NEED FOR A  
NATIONAL INTEGRATED  
AGENDA TO DEAL WITH  
DAUNTING CHALLENGES**

**July 2015**

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## Introduction

Tunisia is facing **three major challenges**. These are political, socio-economic and security challenges, which were made more critical by adverse geopolitics, and shaped in particular by a serious crisis in its immediate vicinity and the region as a whole.

The situation is made even more disturbing and complicated **by increasingly alarming incidents in almost every single region in the country**.

- On **security**, terrorist attacks have reached a **turning point in terms of their (1) intensity and geographical expansion**(e.g. moved to cities too), (2) targets (tourists have become targets), and (3) recruitment, training and tactics (attacks by *lone wolves*). This turning point has imposed another heavy burden on police and military forces as they are dragged into asymmetrical warfare.
- On **the social front**, the recent protests, well-organized or not, have reached unprecedented levels of frequency and magnitude (e.g. phosphates production interrupted, exams boycotted and administrative strikes intensified).
- Finally, **geopolitically speaking**, the expansion of the Islamic State (IS) to Libya has become a pivotal defining element of violence dynamics in this country.

Amid a context of daunting, large-scale challenges, an overall feeling of frustration prevails in society as the measures taken to address them are **highly disproportionate to the level of threat they pose**. These measures are generally **soft and slow and lack clear prospects**. This is due in part to the fact that the key players in local affairs, which are expected to shape the future of the country, have failed to be driving forces of change, sources of inspiration and mobilization, as well as pillars of support. They have instead turned their hand to their narrower domestic affairs to live up to their new roles and responsibilities in the current democratic transition, as enshrined in the constitution. They need to invest enormous time and effort and allocate huge resources, which are extremely hard to secure quickly and in adverse circumstances, to meet those new obligations.

As a response to the disproportionality and the urgency of the situation, the present report comes **to put forward practical proposals on how to overcome the many difficulties**, improve the situation, and address slackness, tardiness and confusion. The report starts with a meticulously **detailed account of the three key challenges** (Section 1). The **factors that have added a layer of complexity to those challenges** are then scrutinized individually, and as embedded in geopolitics (Section 2). It later focuses on the consequences of addressing them selectively and on the need for a **global and integrated approach** despite the divergence of needs and solutions (Section 3). It argues that a national integrated strategy to deal with the major challenges is much needed now and makes **proposals about its essence and policy** (Section 4). Finally, the report investigates the possible key success factors of the strategy (Section 5).

# 1) Nature of major challenges and the degree of their complexity

## a) A broad consensus on the top three major challenges

There is a broad consensus amongst political elite that priority should be placed on the following three top challenges:

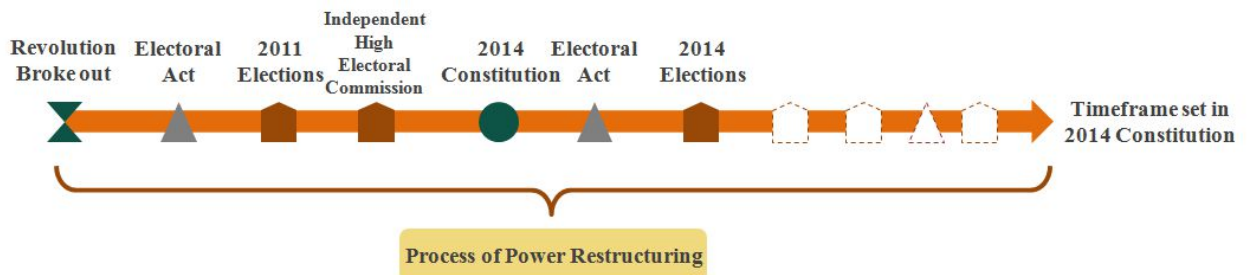
- **The political challenge**, overcome by a successful democratic transition
- **The socio-economic development challenge**, by introducing structural reforms
- **The security challenge**, by effectively preventing and combating terrorism

These three challenges remain of particular relevance for the current context, even though prioritizing them varies greatly depending on the changing circumstances.

## b) The political challenge: towards successful power renewal and restructuring

After the revolution toppled the doctoral regime, during which power was monopolized by the president and the ruling party, the country has now embarked on a **political transition** (commonly referred to as *democratic transition*). The essence of that transition is to **renew and restructure political power** so as to ensure full respect of democratic principles, guarantee private and public freedoms and prevent the possibility of another dictatorship to return.

Such transition, restructuring and reform have been shaped in a **fully-fledged process** with a good number of milestones. An example of those **milestones was the 2014 constitution**, where the transition process and the future institutional landscape have been modeled.

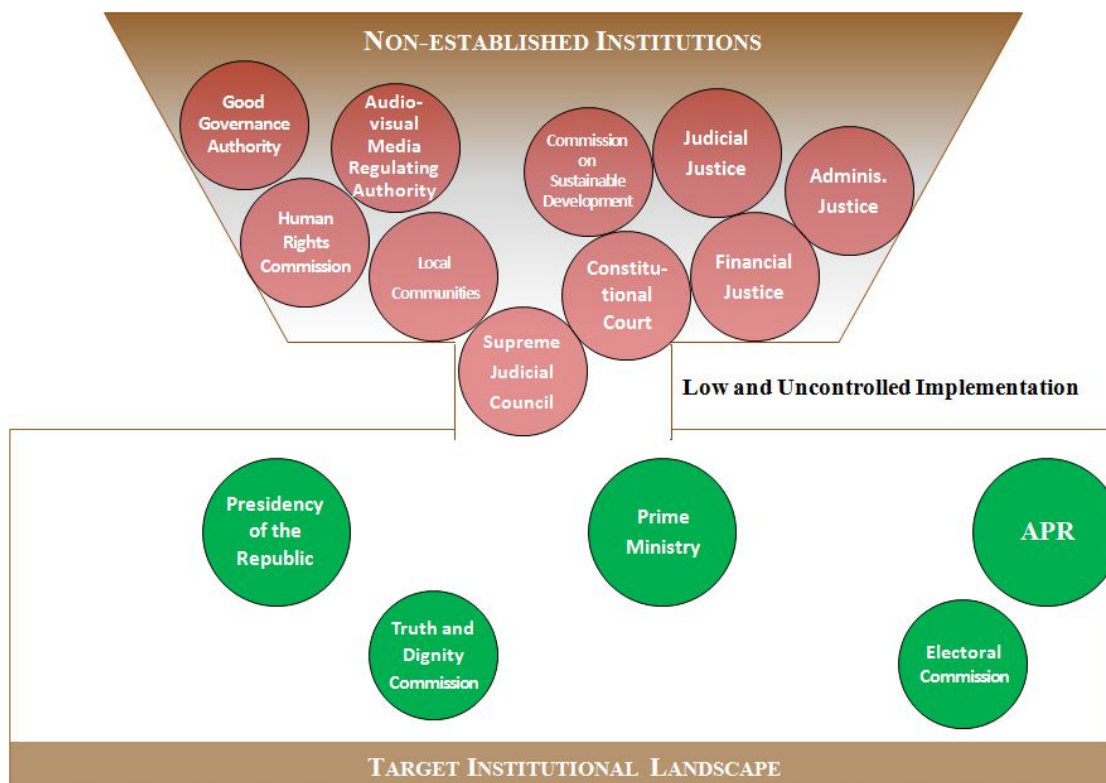


The restructuring process is based on three main pillars:

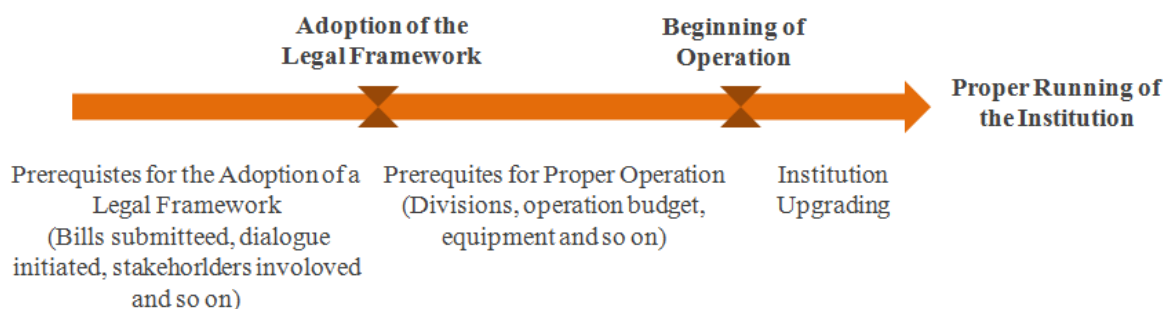
- **Setting up and running properly a number of constitutional bodies** (e.g. Assembly of the People’s Representatives (APR) and Presidency of the Republic),
- Devising an array of **democratic instruments**(such as electoral systems) and initiating legal actions (such as the adoption of legal instruments and appointing/electing members of several institutions),
- Motivating an incremental change in **political behavior** towards a better respect of democratic rules.

### Political transition is a long-term and complex process

During the 2014 constitution drafting process, the constituent authority has experienced a strong *tyrannophobia*. **Plurality of institutional forms** was therefore the subject of broad consensus inside the National Constituent Assembly (NCA). This means that powers of government need to be divided among several key institutions such as the Prime Ministry (Government), Presidency of the Republic, APR, the Supreme Judicial Council, independent constitutional bodies and local communities. That division would ensure effective separation of powers, prevents the concentration of power in the hands of just one authority, and introduce a system of checks and balances.



The political process cannot be completed without the initiation of individual **sub-processes** inside each institution. These are needed to ensure that their respective institutions are established and run properly. Still, a large number of instruments need to be **made at their disposal**. Some of them have to do with the legal framework (new bills should be initiated, drafted, discussed and adopted). Others concern the proper running of these institutions (headquarters, sub-departments, budgets, equipment and logistics, etc.).



It should also be noted that **the institutions in place such as the Prime Ministry and APR need to be upgraded** to be more effective. Their structures, working methods, and human and financial resources policies need to be revisited.

It is worth noting that the transitional process could not move forward if there had been no pressure imposed by the context such the pressure exerted from the High Electoral commission (ISIE) and the Electoral Act or the pressure generated by the constitutionally mandated deadlines for the creation of the Supreme Judicial Council and the Constitutional Court. However, it may be feared that with higher threats posed by other challenges and without political pressure, the remaining steps in the political process would be either ignored or destroyed.

### **Towards a more effective leadership that can address the weaknesses of the political process and sets its pace of progress**

There is an urgent need now to think of an entity that can push the process forward and remedy its limitations by:

- **Devising a practical strategy**, which sets how institutions would operate within their respective groups and how relations between them should be regulated.
- Developing a **timeframe for the implementation** of each phase in the process, setting priorities, and imposing a **pace of progress that would create mobilizing forces**.

### c) The socio-economic challenge: the need for «a new socio-economic contract»

#### The current situation of Tunisia's economy: The development deadlock and its solutions

The performance of local economy has remained largely weak as it has been unable to reap benefits from the development potential made available by the new IT revolution and to keep abreast of developments in the post-industrial era that are highly based on the knowledge economy. Likewise, it is noted that the various policies adopted have not led to a real economic transition that would improve the standard of living of the average citizen, unlike many other countries whose growth rates were similar to Tunisia's rate in the beginning of the 1980s.

Such structural weakness has been reflected in a number of macro-economic indicators, which mainly include the following:

- Falling economic growth rate due **the decline of total factor productivity**,
- **Low investment rate** in general and private investment in particular,
- A **chronic deficit in the trade balance**, which is attributed to very limited food and energy balances, poor levels of high-tech exports, and weak openness on new world markets and full reliance on very few European markets,
- **High unemployment rate**, high graduate unemployment in particular
- This structural weakness is coupled with a unilateral approach to the management of public affairs, rampant and systematic corruption and social injustice, which remained high despite the introduction of mechanisms of equitable wealth redistribution. This situation has led to enormous **disparities between the regions** on various levels. The revolution then broke out in those very marginalized inland regions, reflecting the deadlock of Tunisia's economic model, which is outlined below:
  - First, **the system of wealth creation has failed** due to the following factors:
    - Investment laws stifle competition, strength the privileges and profits of big businesses, and encourage corruption and rent-seeking behavior
    - The banking sector is experiencing acute difficulties
    - The education and training system is facing an academic and professional gap.
    - The logistics costs are too high and reduce the return on the investment
    - The property issues are very complex and are a hindrance to development projects
    - The energy deficit has been on the increase, which is making the re-launching of economic activity daunting.
  - Second, **the system of wealth redistribution remains inefficient** due to the following factors:

- A taxation system that deemed to be both unfair and unbalanced
- The deficit of social welfare funds is growing
- Direct and indirect subsidies are on the increase while the subsidy system has remained largely unfair and inefficient
- The progress pace in the health, education and transport sectors is so slow and is subject to striking regional disparities

### **Complexities of the transition and deterioration of the post-revolution macro-economic balances**

Over the transition period, an emphasis has been placed on the political process to the detriment of other big development projects in the country, such as economic projects. **The economy had to bear a heavy burden caused by the challenges of the political and institutional transition**, mainly to calm social tensions. Therefore, an unwarranted expansionary policy has been adopted, basically marked by substantial increase in social expenditure. But it has reached a critical threshold. The State has to bear most of the social cost of transition by regulating jobs massively, which inflated the already intolerably high public wage payroll.

Also during transition, it has been noted that there has been **a clear decline of the State** role and power engendering:

- The expansion of informal sector activities, which encouraged smuggling and criminal activities
- Deterioration of the quality of public services, especially in the health, education, and transport sectors.
- State provisions have been undermined, which are crucial for a better deployment of the economic activity.
- The general environment situation, and the cleanness of the environment, has deteriorated extensively.

Similarly, since 2011, the successive governments have faced enormous challenges in managing economic affairs, especially when it comes to their relationship with public institutions such as:



- **Their relation with public administrations:** the transition phase made the **relation between politicians and administrations** less fluid, and even tense at times. Delays in the processing of economic issues have become worse.
- **Their relation with social players:** there is a tendency to institutionalize such relation. But up to date, the process failed to bear fruit. Instead, it has become more complex with the emergence of multiple social partners.
- Their relation with the National Constituent Assembly (NCA): many economic issues have been struggling due to the way how NCA was run and the **lack of a coherent and integrated legislative program** during the successive governments.

It is worth adding that the above problems have been coupled with further economic stagnation of the European markets, reduction of Algerian gas supply to EU countries, rising wave of violence, and the delay in the building of a State in Libya.

The above-stated issues contributed substantially to worsening the economic situation, **deterioration of macro-economic balances**, the rating downgrading of the country, falling currency rate exchange of the Tunisian Dinar, rising inflation rates, which affected the citizen **purchasing power** directly.

### **Towards a new economic and social contract**

The investigation of the socio-economic situation in Tunisia indicates that the country is in dire **need for a new development model that draws on the references enshrined in the new constitution. A model that can reconcile between the economic and social factors under the auspices of a strategist State, which can play a decisive regulating role and adopts a participatory approach** to the management of public affairs.

**The results of transition prompt us to draw the following conclusions:**

1. The country is facing a serious problem, with which it **is not accepted for a large-scale program of complex and costly** reforms to be delayed any further.
2. Such program can be included in “a new economic and social contract”. Many of the required reforms, according to this new contract, cannot be made **without collective sacrifices**, whether these sacrifices are “taken” or “offered”. A political agenda should therefore be discussed on a large scale and adopted unanimously.
3. Economic reforms should be **coupled with social programs** in order to avoid the unexpected negative consequences on poor and middle classes and calm the social tensions which may jeopardize all attempts of reform.
4. “A new economic and social contract” should be the subject of large-scale consultations and dialogue between the various key players in the country.

5. **The introduction of reforms will require a political will**, a strong power, perseverance and sustainability so that the aforementioned reforms will be inherent in the political landscape as well as in the political discourse. Thus, they need to be well accepted and endorsed by the various players.
6. The “new economic and social contract” will be in need for a political action that is based on a strong and coherent patriotic momentum and discourse to accommodate urgent matters, initiate reforms, and direct strategic decisions for the future of the country.

The country is now unable to get rid of the old equation generated by the former development model, to push things forward and reshape the social and economic landscape. It seems that the country lacks the potential to reset national priorities, and make political factors serving economic and social needs. Instead, the social economic situation is further deteriorating.

#### **d) The security challenge: adopting a national counter-terrorism strategy**

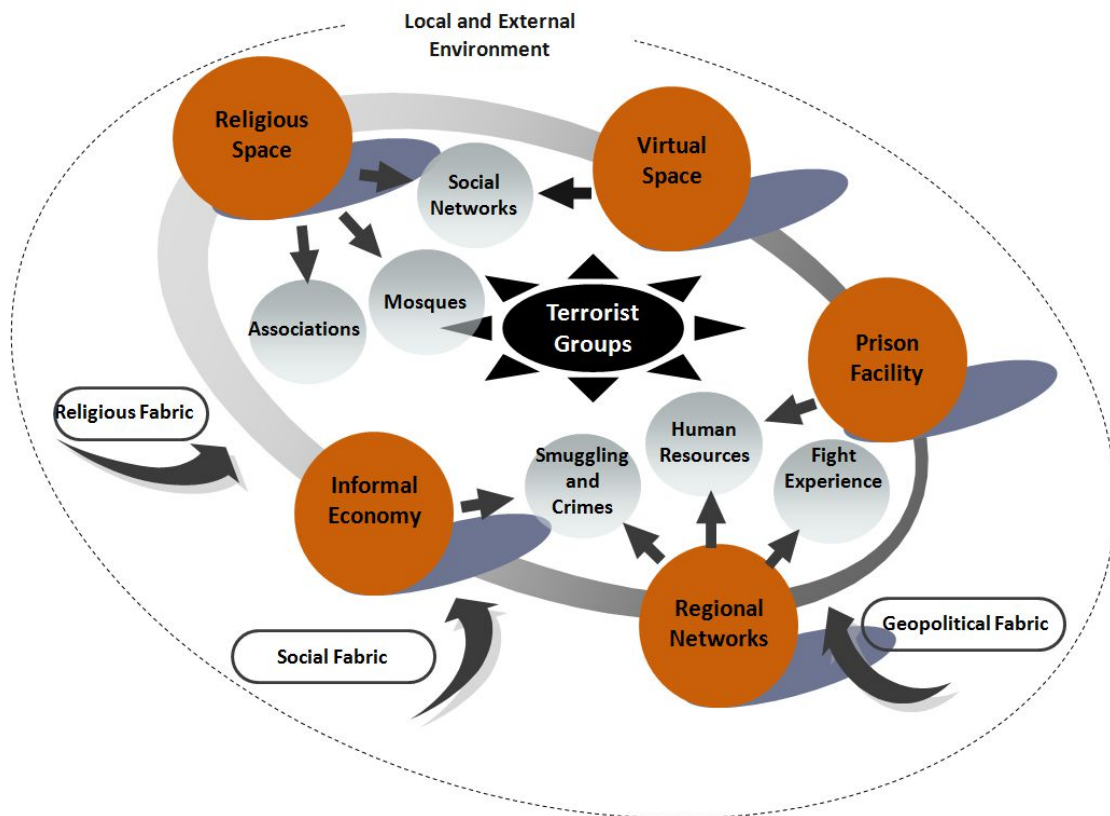
#### **Jihadists have started to operate in the region and on national territory for many years now**

The statement can be explained by the combination of the following factors:

- **Rising terrorist power in the region** (such as in Libya, Egypt, Algeria and Mali) in the immediate vicinity and beyond the region such as in the Middle East and Europe.
- **The increasing range of tension zones:** terrorists have gained a solid foothold in the immediate vicinity of the country. Their mobility and capabilities to cross the borders quickly and easily have increased.
- **Young people in Tunisia “men and women”** are exposed to jihadist ideas and can be easily lured to join terrorist organizations.

#### **To win the fight against terrorism, we need to invest much in the legal and security battle and eliminate the breeding grounds and resources of terrorists**

To achieve these two objectives, a strategy needs to be adopted. It should be effective in combating terrorist groups themselves, as well as in isolating these groups from their resources and breeding grounds in order to prevent them from taking root and expanding in our society in the short and medium term.



The effectiveness of this approach requires the following:

- **Possessing an overall vision** that can help define the strategic directions in such a fight,
- **Developing common strategies across the Maghreb region**, which can be enhanced in the field by more practical and coherent plans,
- **Containing terrorism and reducing its psychological effects** on public opinion,
- **Seeking the contribution of the various political, civil, media and social players** to the security effort.

Nevertheless, this effort will face enduring hardships that should be taken into consideration. They include the following:

- The threat of terrorism is likely to persist over many more years. **Tenacity is needed to defeat it,**
- Terrorism is a dynamic phenomenon in terms of tactics and methods. It should be followed up closely and our own **tactics and methods should be regularly developed and updated accordingly.**

## The need to decide about big, nation-wide questions

It is essential to take common positions and decide about a number of large-scale issues:

1. How to address security challenges without disturbing law and **order** nor violating **freedoms**,
2. How to adopt an arsenal of legal provisions that would guarantee effectiveness of prosecutions, fair trials and protect **human rights**?
3. How to apply provisions on the access to information without violating the **transparency** principle where security cases are treated as **special cases**,
4. In international cooperation, how to reconcile between the requirements of **free association** and autonomy,
5. How to preserve the freedoms of worship, opinion, thought and religious observance **without making these freedoms used by terrorists**?
6. How to “tolerate” some smuggling activities at the border to serve some **social needs** on condition that they are not used to finance **terrorist activities**?

## Terrorism has become so critical that it needs urgent actions at different levels

Targeting the very foundations of Tunisia’s economy (e.g. tourism and economic infrastructure), terrorism is in fact targeting the process of political transition itself. This problem is undergoing deep changes towards and has become less predictable. Given those facts, we need to introduce **quality changes** and **rapid adjustment** at various levels:

- Measures to be taken: developing and updating an **emergency action plan**, which includes very urgent actions (e.g. the construction of health care and shopping centers) and other actions in favor of the sectors that would be affected by terrorism
- The development model: restructuring Tunisia’s economy to include the terrorism element in the new economic plans. A number of consequence should be predicted such as the decrease of direct foreign investment (DFI) and tourism contribution to GNP, as well as the increase of the costs of adjusting tourism products to the new developments
- Budgeting: attuning public expenditure to the potential economic and financial impacts of terrorism such as the decline of tourism revenues and the increase of the cost of counter-terrorism operations, costs of emergency and support measures in favor of affected sectors, and the protection of facilities.
- Citizen behavior: improving resilience, and establishing a culture of prevention and vigilance by inviting all stakeholders to join in (government, local authorities, all economic, social, and community players, and citizens).

## Towards a national counter-terrorism strategy

We wish to put forward a number of conclusions and recommendations in this regard:

- The government is unable to confront and defeat terrorism alone. Therefore, a global and integrated approach needs to be developed. It should be the subject of a nation-wide consensus and large agreements on issues pertaining to general policies, media products and citizen concerns. All these stakeholders place the fight against terrorism as a national interest above all other political or ideological considerations.
- There is an urgent need **to adopt a strategic vision and take proactive, preventive** and multi-dimensional measures to fight it effectively.
- **Quality changes and rapid adjustment** need to be introduced to cope with the new developments of the terrorism phenomenon, as well as with its risk levels.
- **The national conference on counter-terrorism** can be a good step forward as it can translate all of these ideas into reality. Also, it can build a solid political foundation that, in the event of a terrorist attack, can save the country from any political conflict, economic collapse, or social unrest.

## 2) Further complexities when facing challenges combined

### a) Additional complexities generated by three combined daunting challenges

Meshed together in the past and in the future, the three challenges (political, economic, and security) have generated a fourth challenge that we need to consider in our approach.

### Priority to be given to economic transition or political transition? A question steeped in controversy

In any transition experience, there is certainly an order to follow. Some started with political reforms and others with economic reforms.

As outlined earlier, the economic claims have the gist of the revolution slogans. However, just after the revolution early days, the political issue has started to be given priority over the economic issue. Economy has been gradually accorded lower priority despite the fact that it had to bear the high cost of social and political transitions. Therefore, political apparatus is now urgently needed to come to the rescue of economy and initiate the structural economic reforms.

Revolution	2011	2012-2013	2014	2015 and after
The economic issue is ahead of the political issue	The political issue moves forward and the economic issue moves backward	Economy suffered as a result of issues in politics	The economic process was stalled because of the need for reforms	The economic issue posing a threat to the political process
<ul style="list-style-type: none"> <li>• <b>17 December 2010</b> : social and economic demands</li> <li>• <b>14 January 2011</b> : political demands</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Progress</b> in the political process (organization of the election of the National constituent Assembly)</li> <li>• <b>Back sliding</b> of the economic issue in the order of priorities</li> </ul>	<ul style="list-style-type: none"> <li>• <b>The economic process suffered</b> due to obstacles arising from the political process (political polarization, assassinations, and other political challenges)</li> <li>• <b>Economy bears the social cost</b> of political transition (regularization of social disparities...)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>The political process has been clarified and advanced</b> (a constitution passed, elections organized...)</li> <li>• <b>Economy can no longer bear</b> the social cost of political transition, due to its growing need for structural reforms.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Concerns</b> about the negative impacts of the stagnation of the economic and social process on the political process (demands for development, regional aspirations, Youth unemployment...)</li> </ul>

### Priority to be given to economic transition or political transition? A question steeped in controversy

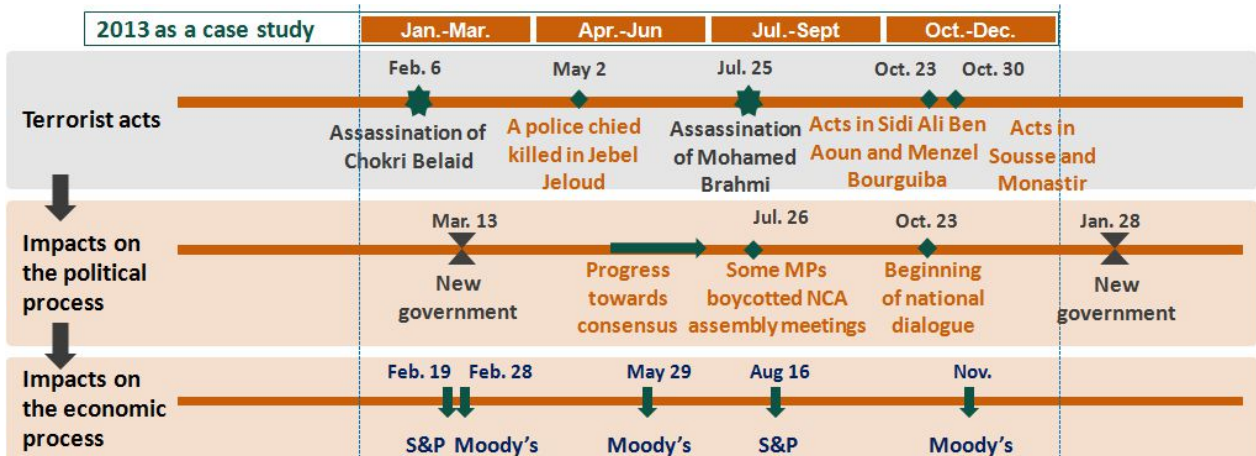
Terrorists are now attacking national economy after they have failed to hamper the progress of the political process

Terrorism with the range of effects it causes has become a direct threat to both the political and economic processes. Its effects range from youth radicalization, increased smuggling, organized crime at the border, threats to security of the borders to potential conflicts and public disorder.

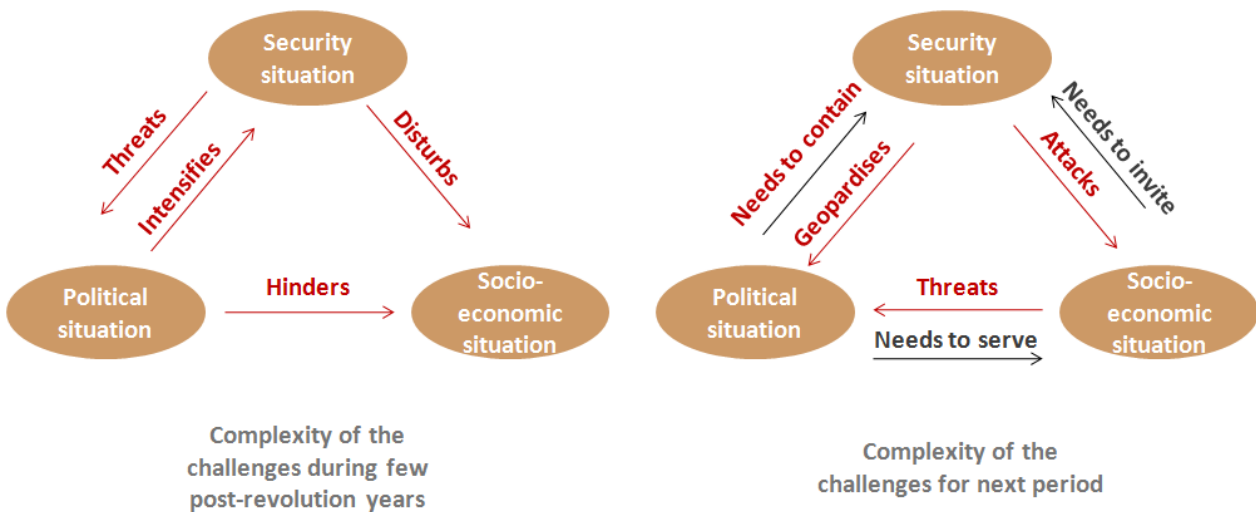
ISIS terrorists, on the other hand, are striving to build an *Islamic State* out of the ashes of *nation-states*. This development has led to new conditions that vary in hostility from country to country:

- **Delicacy of the consensus** established in the country
- The political work has been compromised for more **primitive considerations** such as tribalism, sectarianism, regionalism, and other political differences.
- The **complexity of regional and international conflicts** as well as domestic affairs.

In 2013, terrorism has fuelled political conflicts and instability. There were two changes of government: in March 2013 and in January 2014. These changes have impacted the economic situation negatively: the sovereign debt rating downgraded, the tourism sector deteriorated and so on.



### Summary of past and future challenges combined

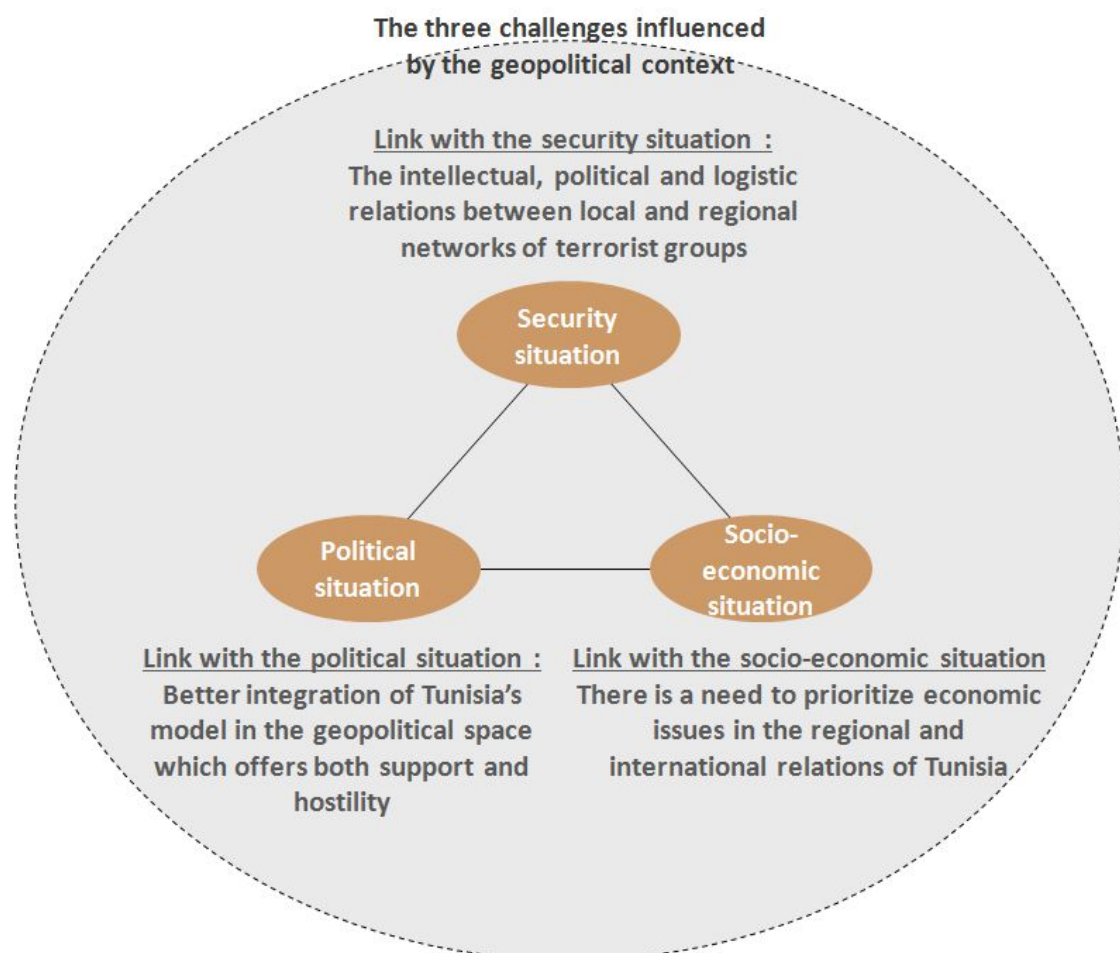


The complexity of past and future challenges can be summarized as follows:

### b) Geopolitics entailing a variety of challenges

The challenges facing Tunisia in its democratic transition cannot be identified based solely on domestic explanatory variables. A thorough analysis of these challenges **suggests that attention should be given to their regional and international ramifications. The latter can help grasp the various aspects and dynamics** of the problems and later find the right solutions:

- When investigating the tourism sector in Tunisia, one needs to consider the links between Tunisia and international tourist networks, as well as the ideological, political and logistic factors underpinning those links. Such investigation can allow us to make conclusions on the dynamics and prospects for development of this sector,
- The new political order in the country is still in its infancy and therefore it is still fragile. It should be protected against the many threats that may generate instances of instability and sabotage. A better understanding of the regional and international context will help us find the necessary tools to protect transition, boost development and limit the risk of problem spreading,
- The development challenges cannot be addressed outside the realm of project financing, investment, trade exchanges and other issues. These factors, however, depend heavily on the geopolitical context. We need to bear that context in mind when **setting the top priorities of the country, forging regional and international alliances, and making our economic choices.**





### **3) A country in need for a national agenda to tackle major challenges**

#### **a) A national agenda that results in roadmap and sets the pace**

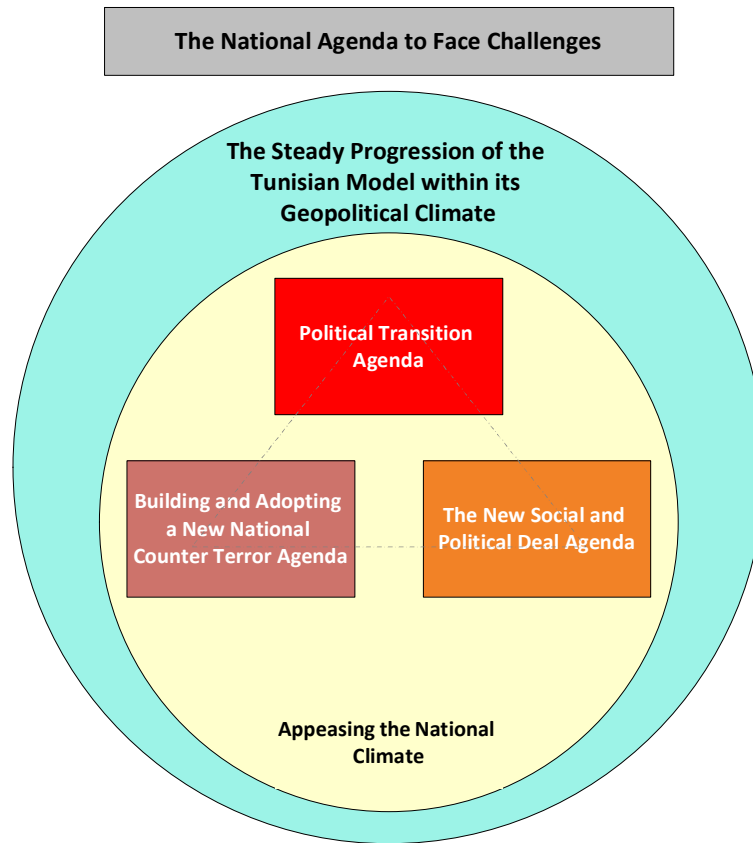
Although each of the three aforementioned challenges requires different solutions, their divergence necessitates that these solutions are conceived within a global and comprehensive framework. It can be referred to as “The National Agenda to Meet the Major Challenges” or “Or the National Agenda to Support the Transition”.

The National agenda should send several messages, most importantly:

- Taking matters in hand: A message both to national forces (society and its different acting components) and to the outside (international sponsoring sides and foreign investors).
- Radiating a clearer vision which would reassure concerned sides and the public opinion about the near future of the country.
- Infusing a new spirit of dynamism in the country by pacing the transitional process which, in turn, would set the pace for the different institutions involved.
- An integration that would reassure the different stakeholders that their priorities are included within the global plan (following the example of the national dialogue roadmap). This would not only provide assurances for everyone but also relieve pressure on the different fronts (the human rights front, popular demands, the development front, political front, ... etc.).

The national agenda breakdown into agendas tackling the three major challenges. These agendas fall within their national and foreign contexts:

- Political transition and the restructuring of power agenda.
- The social and political new deal agenda.
- The security agenda which consists in building and adopting a national counter terror strategy.



### **b) The Danger of adopting a partial agenda and the need for a comprehensive agenda to meet the challenges**

**It is, indeed, dangerous to treat the three mentioned challenges disproportionately.** Any weaknesses in any field would surely negatively impact the other fields and threaten the general process (domino effect). Experiences drawn from the transitional phase have shown the dangers of over focusing on the political new deal while overlooking the social part. Consequently, the economic issue has worsened making any solutions difficult to conceive and negatively affecting the general mood of the country.

**The country has already experienced this** during the transitional period of time when the economic process, which received little attention, has been compromised for the political process. Such compromise has engendered unbearable reform delay which in turn led to socio-economic tensions across the country.

Today, **the security issue seems pressing and threatening to the general process.** Nonetheless, the following facts cannot be overlooked:

- **Socioeconomics remain a main concern for a wide spectrum of the Tunisian society** (expressed through their social demands and their appeal for equal development). Not

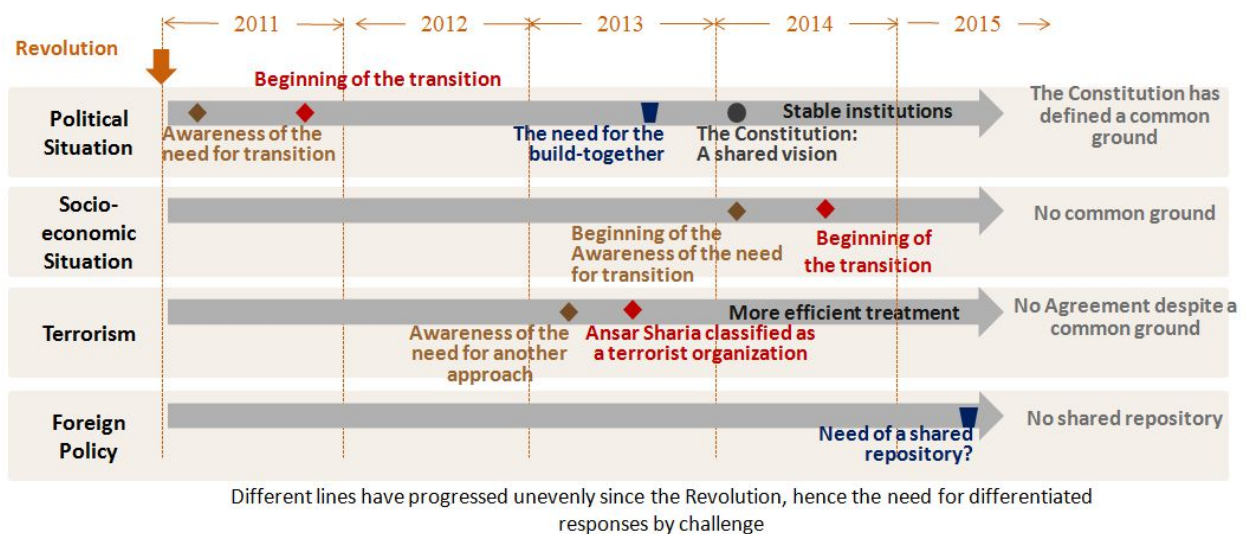
meeting these demands is feared to stall security operations and threaten any accomplishments on the political level.

- **Cementing these accomplishments and progressing through the political process are paramount** to the attraction of foreign investment and gathering national political forces under the common umbrella of facing the pressing challenges, most notably security terrorism.

The need for a comprehensive agenda becomes even more vital if we take into consideration the following:

- A partial program cannot **mobilize the national forces** or **garner the support of foreign partners**.
- Many sides would feel more comfortable making sacrifices and offering concessions knowing that progress is being made in other field **within a global national equation**.
- All sides are **stakeholders in the three challenges**.
- **Coordination is vital between the three challenges:** security, the political, the economic, and the social.

### c) The three challenges call for different approaches within a global and comprehensive agenda



The revolution resulted in a wide conscience of the necessity of political change. As the transitional process picked up the pace, the crises of 2013 made people realize the importance of a common project translated in the constitution of 2014. **The transitional process swiftly progressed on the road** to establishing a democratic system with permanent institutions.

The economy, on the other hand, did not receive an equal amount of attention. Only on the margin of the economic dialogue (2014) did it start to receive some interest as a cardinal issue. The first steps (initiating reforms and including them in the financial law) towards an approach were taken **without a common ground between the different sides**.

On a security level, only late did it become clear that terrorism requires a new approach. A turning point in the way terrorism was treated came when Ansar-Ash-Shariaa was blacklisted as a terrorist organization and led to the adoption of more adequate and efficient solutions. **The different stakeholders involved are yet to find a common ground** (sometimes referred to as a national strategy) that can efficiently rise to the challenge.

As for foreign policy, it remains wavering in its positions and policies under **the absence of a common ground between the different national components** that facilitate **the Tunisian's models smooth assimilation within its geopolitical environment**.

#### d) A national agenda to counter anti-patriotic agendas

The national agenda to face challenges and reinforce the transitional process is at odds with **other agendas present on the scene that are opposite in essence to the national project** heralded by the 2014 constitution. Some of these agendas have declared their bad intentions such as the terrorist movement that aims at overthrowing the state. Others, intentionally or unintentionally, are slowing down the transition.

## 4) The Agenda's content and its political backdrop

### a) The political transition agenda

#### The agenda's targets

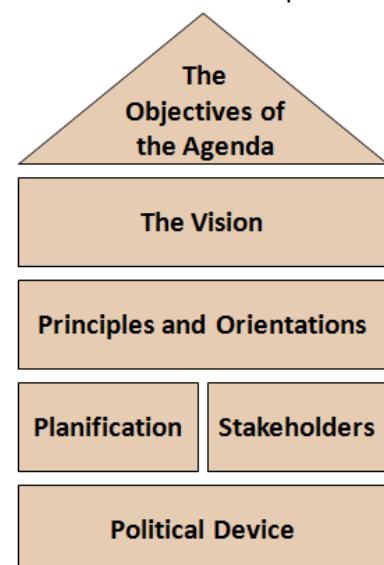
Completing the political transition and building an institutional establishment that operates democratically and efficiently.

#### The common vision

The constitution has already drawn a political vision that remains in need for concretization as well as **details regarding the way institutions would work within it and the way they interact**.

#### Precepts and general guidelines

- Radiating **an awareness of the need** to finish the political transition process.
- Adopting **an active leadership** that can push the process ahead.
- Adopting **an integrating approach** that excludes no side since establishing consensus is no less important than building the foundations of the process.



- Constantly summoning that vision and the political transition process both in **its entirety and its different components** and the links between them.
- **Adopting a pace** (cadence) that generates dynamism.
- **Drawing experience** from the successes and failures of the previous steps of the process (the national dialogue, the 2014 constitution, the Independent High Authority for Elections, Electoral Law, The supreme judicial council, ...)
- The transitional process must be accompanied by a **change in political behavior** that abides by democratic rules.

### The Timetable and management of the stakeholders

The following methodology can be adopted:

- Establishing the **different components of the process** such the constitutional institutions, local authority, the different mechanisms and procedures that will be adopted, and upgrading the pre-existing institutions.
- Setting a plan of action for **establishing and managing the different components** as well as clear deadlines.
- **Setting a time table** for the different parts of political transition process that takes into account priorities and the different interactions between them.
- Pining **each stakeholder** to their concerning component and administrating the interaction between them.

### Political engineering

It is necessary to designate clear leadership with the task of establishing and managing the political agenda. Owing to the heavy legislative process, this role could be played by the **Assembly of the Representatives of the People (ARP)** which would consult and coordinate with:

- **The Presidency of the Republic**, as the President is responsible for ensuring compliance with the constitution,
- **The Presidency of the Government**, which should be the source of most legislative initiatives.

## b) The Agenda of the new social and economic contract

### The objectives of the Agenda

The economic and social dimension of the National Agenda aims at establishing **a general framework agreement which outlines the required key areas of the reforms in terms of content, implementation planning and political engineering.**

Achieving these reforms requires political engineering including what it involves in terms of participatory approach, political consensus, social peace and mobilizing the support of the various parties (public opinion, political parties, ARP, trade unions, experts, etc.).

### A common diagnosis

The State institutions, political parties, national organizations and experts have a large number of reports and studies which provide **a fairly accurate diagnosis of the economic and social situation** of the country. This diagnosis can be the basis for achieving the goals of the economic and social Agenda.

### The general ideas framing the New Social and Economic Contract

There is a near national consensus on a number of general ideas which may serve as **prior framework for future structural reforms and social policies** and a **common basis for exchange and agreements** between the main players:

- The country needs a **comprehensive and innovative approach** which unlocks economic actors' potential and which simultaneously invests in human development and social sectors leading to reduce social and regional inequalities,
- Through many of its aspects (debt, compensation, taxation, public banks and companies, social funds, retirement age, the cost of the fight against terrorism....), the new social and economic contract can be achieved only if, at the same time, it follows a **budget path** that ensures the major lines of State financial balance,
- **Returning to a consistent growth rate is an essential condition** for investing in human development and social fields in general and for controlling public finance balance without resorting to austerity policies,
- **The State must continue to play a leading social role** in order to protect the most vulnerable and frail in the society and the most disadvantaged regions,



- The country **needs rationalization of social movements**, to be fully endorsed by the State, trade unions, business organizations, as well as all economic and social stakeholders, in order to avoid for the country additional burdens which it can no longer bear (this implies genuine partnership allowing calm dealing with issues such as national employment strategy, prevention and management of social conflicts, ways of handling the various types of strikes...).

## Characteristics of future structural reforms and social policies

Economic reforms must rest on two main pillars:

1. **Improving the competitiveness of the economy, developing the overall productivity of production factors** and stimulating investment with the aim of achieving high growth rates through a set of structural reforms in the following areas: investment policies, the financial system, human resource management, etc.
2. **Improving human development indicators** and reducing the poverty rate and regional disparity by ensuring the overall balance of public finance through a series of structural reforms in the following areas: education and teaching, health, transportation, the tax system, social funds, compensation funds, etc.

## National Investment Plan

In the coming period, the country will **need an expansionist policy of public investment in the fields of development**, coupled with an increased level of local, private and foreign direct investments. In addition, mobilizing private investors and financial institutions around a **national investment plan to boost the economy** is presently an urgent priority. The plan should set the investment needs in the context of a coherent vision of the future direction of the country and will be implemented through a map of national, sector-based and regional investments outlining the large important public projects that will structure the future of the country and the large projects proposed by the private sector.

It is worth noting that in order to achieve this investment plan and ensure the contribution of all the national stakeholders in promoting it and mobilizing the necessary financial resources for its execution, **it is essential for the plan to be preserved and kept away from political dispute**.

## Strategic development plan

The strategic development plan should be viewed as an **essential step in developing and adopting the economic Agenda**. It should follow a **minute preparation of the subject of discussion** in the field of future structural and social reforms in order to outline their main aspects, **to break them down into processes and specify the content of each process**. Subsequently, the basic issues and the answers to the major questions will be clarified in order **to build scenarios requiring arbitration; which will ensure the exchanges**. The effort must be undertaken by the project leaders of the New Social and Economic Contract Agenda.

## Political engineering and stakeholder management

Given its central role in implementing general policies in the economic field (see the 2014 Constitution) the **Presidency of the Government should bear primary responsibility** in developing the Agenda and ensuring the necessary support. It should also **build political engineering** including the major players and main stakeholders such as social organizations and political parties and ensure the necessary conditions for the adoption of a **consensus-based roadmap enabling the deployment of the Agenda**.

### c) National Agenda against terrorism

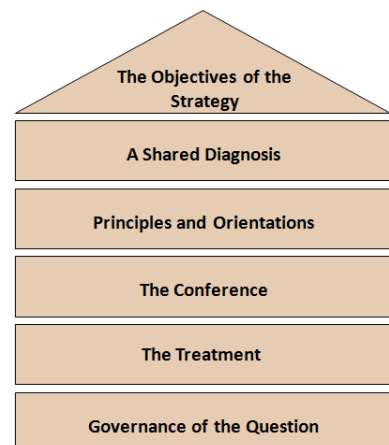
#### Objectives of the strategy

To contain terrorism, isolate it from its source and tributaries and increase the capacity of the State to prevent, face and withstand terrorist operations.

#### The precise vision, objectives and identification of the enemy

Vision develops on the basis of a **common diagnosis** of the phenomenon and an agreement on the following points:

- The phenomenon is **acute, persistent and the frequency of terrorist operations may keep increasing**,
- The phenomenon is **tortuous and complex** and is capable of branching out and amplifying due to its strong presence in several environments such as those of religion, smuggling, crime, social deprivation and the virtual environment,
- The phenomenon **thrives on the general situation** (situation in Libya, the return of Tunisian soldiers from tension areas...).



**Vision, objectives and enemy identification** clarify on the basis of this common diagnosis.

#### General principles and guidelines

- Consider the fight against terrorism as a **national cause beyond any partisan consideration and political conflict**,
- Terrorism must be fought **within the rule of law** and in compliance with human rights,
- **Protect the specific cultural character and the social model** of the country as established by consensus in the constitution of 2014,
- Develop **capacity for anticipation and watch** to make the fight against terrorism more effective,
- **Adjust international cooperation** as terrorism is a cross-border phenomenon,



- Keep **the spirits of police and military institutions high**,
- **Streamline social movements** to ease the pressure on the police force,
- Without panic or fear, **media treatment** must ensure that the psychological impact of this phenomenon on public opinion is limited.

## The National Conference on the fight against terrorism

The conference is an **essential and constructive stage leading to developing, adopting and uniting** around the strategy.

The conference could follow the following methodological steps conducive to agreements, decisions and recommendations:

- A phase for preparing content,
- Workshops, with various contributions to enrich the content and build consensus,
- Announcing the consensus, the measures and recommendations at a national conference.

## Treatment

Treatment begins with **the fast and on-going adjustment to the changing face of terrorism**, the latest of which was its shift from targeting the process of political transition to targeting the foundations of national economy.

This treatment involves two main stages:

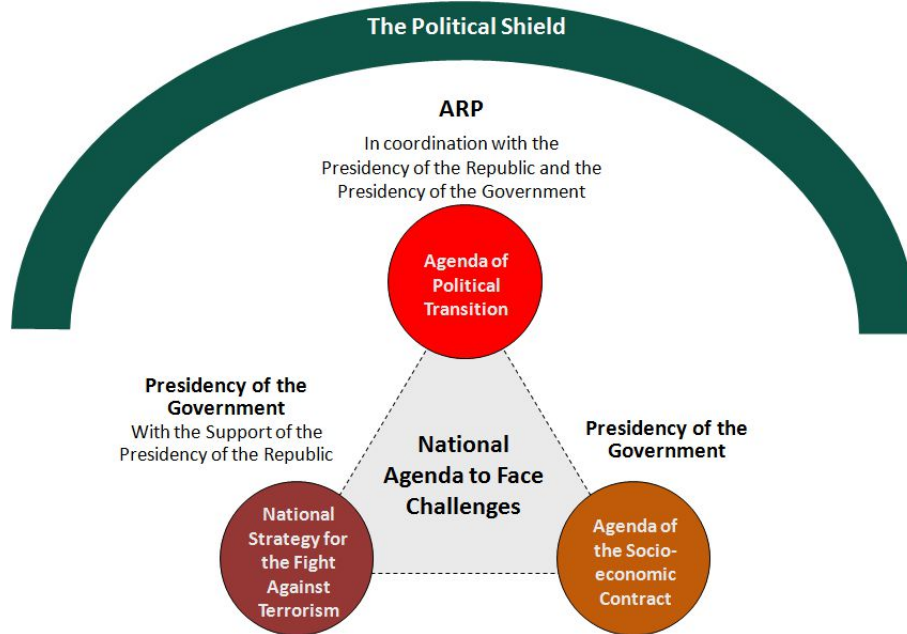
- Ensuring **the effectiveness of the fight** against terrorist groups **in terms of laws and security**,
- **Isolating the phenomenon from its strategic tributaries and source**.

## Governance

It is essential to designate clear leadership which ensures the strategy development and the achievement of a national consensus around this strategy. Leadership can be at **the Presidency of the Government** – as it establishes public policy and has the authority of operational supervision over police and military institutions – **supported in its approach by the Presidency of the Republic**, as the President of the Republic lays down general policy in the field of national security.

### d) General governance of the Agenda

Based on the above, general governance of the Agenda may be summarized as follows:



## 5) Key Success Factors

Success of the global National Agenda or the sector-based agendas is also subject to a few cross-cutting conditions:

### a) Resist the temptation of forced passage

It seems that following the revolution, attempts to shape destiny by force have failed to resolve complicated situations (constitutional law on the provisional organization of public authorities, draft constitution of July 2013, draft act on the political immunization of the revolution...). Conversely, approaches based on dialogue and consensus-building have been successful (ISIE composition, constitution of 2014, roadmap of the quartet, electoral law...). The completion of the first phase of the transition is due to **the original convergence of electoral legitimacy**, embodied by the National Constituent Assembly (ANC) **and the consensus-based legitimacy** represented by the national dialogue.

Despite the gained stability of political power, dialogue and consensus remain important in order to finish resolving the pending issues, without yielding to the temptation of forcing one's way (first version of Essid government, draft act on the Supreme Judicial Council...).

## **b) Improve the situation to facilitate exchanges and serve the agenda**

In order to serve the three agendas of the consensus, including the exchanges they require between the parties concerned, it is essential to improve the general atmosphere, which involves:

- Consensus on the issue of **transitional justice and national conciliation**,
- Building or **restoring trust** between the different parties,
- **Overcoming the practice of exclusion** and betrayal.

## **c) Foreign policy resting on a peaceful integration of the Tunisian model in its geopolitical environment, which helps prevent risks and seize opportunities**

In order to serve national priorities which are the object of the consensus, it is important to:

- Continue **the peaceful integration of the Tunisian model in its geopolitical environment**,
- Make an **accurate and detailed reading of the geopolitical environment**, in order to anticipate developments, prevent risks and seize opportunities as they arise.

This requires developing a **stable framework as far as its main orientations** which rests on a common vision governed by the following elements:

- Not be under the influence of any **ideological considerations**,
- Rely on **the constants** of the country's foreign policy,
- Meet the **requirements of the revolution and democratic transition**.

## **d) The accompanying communication plan: to create the sense of urgency without falling into alarmism**

- The successful approach with the National Agenda requires using methods and techniques of change management along with a communication plan inside and outside.
- The communication plan mainly aims at:
  - **Raise awareness of the seriousness of the challenges** (while avoiding alarmism) and with the urgency of using the National Agenda to treat them,
  - **Build a relationship based on credibility** through transparency and public access to information,
  - **Gain public opinion support** to the National Agenda by circulating its content for educational purposes,
  - **Create a positive momentum** by capitalizing on early achievements (quick wins),
  - **Build a positive mind-set** likely to adapt to changes resulting from the National Agenda.

## Conclusion: lessons drawn and recommendations

### Lessons drawn

In this special period, the country's priority consists in facing three major challenges: a political challenge, a socio-economic challenge and a security challenge.

The **political challenge** mainly consists in ending the process of rebuilding and remodeling power on a democratic basis which guarantees freedom and prevents any return to dictatorship. It is in fact a complex process which currently progresses dangerously and only out of necessity (electoral necessity, constitutional deadlines...), crippled by the absence of effective steering which would have provided pace and a clear direction.

**The socio-economic challenge**, however, consists in establishing a new social and economic contract between the various players, which rests on the largest possible consensus to achieve structuring reforms integrating economic and social dimensions at the same time, thus allowing switching to a new development model complying with the guidelines of the constitution of 2014.

As to **the security challenge**, it consists of achieving a qualitative switch in dealing with the terrorist issue, by adopting a strategic vision and a global proactive and preventive treatment which take in all the dimensions of the phenomenon and integrate all the parties concerned in the fight (the State, local authorities, economic, social or societal stakeholders and citizens).

To the complexity of these three challenges, one should add **additional complexities arising from their myriad intricacies and their junction with the geopolitical sphere**, in such a way that any disjointed and unbalanced treatment of the challenges negatively affects all other areas and threatens the general progress of the country.

Faced with these continuously intensifying challenges, we reaffirm that the devices meant to address them **suffer from weakness, slowness, and lack of perspective**, which induces the sense of a **gap between the challenges and their treatment**.

### Recommendations

In order to address these challenges, with all their complexity, the present report proposes adopting **a global and unifying National Agenda**:

1. Which **absorbs all three challenges**, certainly with differentiated content and distinguished devices,
2. Which is **politically endorsed by the three presidencies, the parties, the large organizations**, and which is **supported by the various players** (opinion leaders, key figures, civil society members, international stakeholders...),

3. Which **consists of three agendas** :
  - a. An **Agenda of political transition** which at the same time complements the operational vision and quickly sets the implementation schedule. This agenda could be guided by the Assembly of the Representatives of the People (ARP), in coordination with the Presidency of the Republic and the Presidency of the Government,
  - b. An **Agenda of the new economic and social contract**, steered by the presidency of the government which, through a reform program, endeavors on one hand to improve the competitiveness and global productivity and on another invests in social and human development,
  - c. A **security Agenda**, led by the Presidency of the government supported in this regard by the President of the Republic who can take advantage of the national congress against terrorism to develop and establish a **national strategic vision capable of unifying media, the political forces and the popular forces**,
4. Which is preceded and accompanied by a **consolidation of the political and social climate** in order to build trust and facilitate future exchanges,
5. Which is protected and served by a **peaceful integration of the Tunisian model in its geopolitical environment**; it helps prevent risks and take advantage of opportunities,
6. Which is accompanied by a **professional communication plan**; it paves its way and draws support in its favor.

### Final remarks

The National agenda is an exceptional solution to an exceptional situation. Its preparation and implementation may take some time which the various stakeholders (the State with its institutions, political actors with their structures, and society with its driving forces) should imperatively take advantage of in order to **upgrade and fully play their natural and necessary roles as forces of proposal, propulsion, guidance and mobilization** in the new Tunisia in the making.