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# The Economic Agendas of Islamic Parties in Tunisia and Morocco: Between Discourses and Practices

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**Abstract:** *Six years since the so called “Arab Spring”, this article looks at the two Islamist parties that have since then – although under different circumstances - been key political actors both in Tunisia and Morocco, respectively. It analyses, in a comparative perspective, the economic programs that the PJD in Morocco and Ennahda in Tunisia proposed during their electoral campaigns, along with the policies they implemented. By looking at their platforms and performance, the article investigates the gap between discourses and practices in order to assess to what extent contingent needs and the interplay with other political and social actors impact on Islamists’ ideological perspectives and their capacity to meet societal demands.*

**Key Words:** *Tunisia; Morocco; Post-uprising Economic Policies; Islamic Parties; Ennahda; PJD*

## I. Introduction

Six years since the so called “Arab Spring”, the socioeconomic dimension of those upheavals is still evident in continuing street demonstrations and contentious politics.<sup>②</sup> In light of multiple trajectories of contention across the Arab world<sup>③</sup>, it is therefore highly pertinent to assess whether the socioeconomic demands lying at the heart of the 2011 uprisings have been met or not, and to what extent. To this purpose, the paper will look at two Islamist parties that have since then – although under different circumstances - emerged as the main political actors both in Tunisia and Morocco.

It will analyze, in a comparative perspective, the economic agendas of Morocco’s Justice and Development Party (*Parti de la Justice et du Développement*, PJD) and Tunisia’s Ennahda (The Renaissance)<sup>④</sup>, along with the policies implemented, looking in

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<sup>②</sup> Charles Tripp, *The Power and the People: Paths of Resistance in the Middle East*, Cambridge: Cambridge University Press, 2013.

<sup>③</sup> See Frédéric Volpi, “Explaining (and re-explaining) Political Change in the Middle East during the Arab Spring: Trajectories of Democratization and of Authoritarianism in the Maghreb,” *Democratization*, Vol.20, No.6, 2013, pp.969-990.

<sup>④</sup> In its tenth national Congress in May 2016, Ennahda has formally separated the political party (*hizb*) from the religious, social and cultural movement (*harakat*). Although from now on the party will have an

particular at two policy sectors whose drivers were both among the main demands raised during the uprisings, and fundamental pillars of Islamists' political offer: employment/labour market and good governance/corruption. The article will try to address the following questions: what socioeconomic demands raised during the revolution have been successfully translated into viable political agendas by these two Islamist parties? Also, how have contingent and structural factors been shaping Islamists' policies?

By highlighting the similarities and the differences in the two case studies, the scope of this article is to reflect on the way the two Islamist parties have channeled mass support for the goals of the revolution into an institutionalized political consensus, as well as on the way they funnel and satisfy bottom-up interests and priorities, thus understanding to what extent these political parties are acting as stabilizing or destabilizing forces. Moreover, by looking at their platforms and policies, this article aims at analysing the gap between ruling Islamists parties' discourses and practices in order to assess whether the interplay of other political and social actors had an impact on their ideological perspectives and the ongoing political transition process they are guiding or the lack thereof.

A comprehensive analysis of the post-2011 transitions and the implications of economy, need not neglect the role of political parties as key players. Indeed, once the "revolutionary moment"<sup>①</sup> has gone, societal demands have to be transferred to party politics in a more institutionalized framework. And, although political parties played a marginal role in the Arab uprisings, they gained relevance in the aftermath.<sup>②</sup> In particular, since 2011 the Islamists have been playing a central role in the political arena, by leading or being part anyway of the coalition governments they had to form since then.

The argument begins with the observation that, although Ennahda and the PJD are both based on a common conceptual framework, they differ from each other in the details of their economic platforms but, much more relevant, their policies are shaped by the context they act in. On the one hand, they had to face similar economic challenges in their countries, ranging from deep regional disparities, to the fight of an endemic and widespread system of corruption, and the facing of high unemployment rates. On the other side, the two parties were embedded in different political scenarios: in Tunisia the departure of the former president Ben Ali paved the way to a new political system based on a democratic consensus, despite its need of further consolidation in a context of increasing instability and struggle for power; in Morocco, the royal responses and charters were able to prevent major social explosion and were able "to keep the revolution at bay"<sup>③</sup> with a situation much closer to other counter-revolutions.<sup>④</sup> But, notwithstanding dissimilar rooms

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Islamic reference without being fully "Islamist", it is not clear yet what implications there will be in practice. As Monica Marks highlights this separation "won't fundamentally transform Ennahda, since it's behaved as a *de facto* party since the revolution, but it will clarify the party's intention to broaden its base and distance itself from accusations of Islamism—which has negative connotations for many Tunisians and outsiders" (See: Zeineb Marzouk, "Analysis: Monica Marks Discusses Ennahda's Dropping of Political Islam," *Tunisia Live*, May 19, 2016, <http://www.tunisialive.net/2016/05/19/analysismonica-marks-discuss-es-ennahdas-dropping-of-political-islam/>).

<sup>①</sup> Amin Allal, "Becoming Revolutionary in Tunisia, 2007-2011," in Joel Beinin, Frédéric Vairel, eds., *Social Movements, Mobilization and Contestation in the Middle East and North Africa* (Second Edition), Stanford: Stanford University Press, 2013, pp.185-204.

<sup>②</sup> Kristina Kaush, "Political Parties in Young Arab Democracies," *FRIDE Policy Brief*, No.130, May 2012.

<sup>③</sup> Azzedine Layachi, "Morocco: Keeping the Revolution at Bay with an Enhanced Status Quo," in Yahia Zoubir, Gregory White, eds., *North African Politics: Change and Continuity*, London and New York: Routledge, 2016, pp.211-224.

<sup>④</sup> See Mark Lynch, *The Arab Uprising: The Unfinished Revolutions of the New Middle East*, New York: Public Affairs, 2013; and Francesco Cavatorta, "Morocco: The Promise of Democracy and the Reality of

of maneuver, this author argues that both Islamist political parties have delivered somewhat less and more slowly in comparison with their promises, nor did they enact genuine projects of structural reforms which would provide a set of specific alternative economic programs to those pursued by pre-2011 governments, or that might be pursued by a non-Islamist executive.

Implicit in the reasoning is that in both Tunisia and Morocco, success or failure in delivering on economic growth, jobs and social justice – at the heart of the demands raised in 2011 – will have serious implications for the consolidation of the democratic transition in Tunisia and the maintaining of (in-)stability in Morocco.

The article first summarizes the socioeconomic conditions in Tunisia and Morocco and Islamists. It then analyzes the economic and social policies publicly advocated by the PJD and Ennahda in their electoral platforms and finally discusses the main measures that have been implemented until 2016 in terms of employment and the fight against corruption, two of the main demands issued by the demonstrators in 2011.

## II. Ennahda and PJD: In Search of Economic Recovery and Legitimacy

One of the unexpected consequences of the Arab Spring was the establishment of Islamist-led governments in Tunisia or Morocco. In both countries, Islamists won the majority of the votes at the first legislative elections held after the demise of the *ancien régime* in Tunisia and the promulgation of a new Constitution in Morocco. Moreover, both Ennahda and PJD had to form a coalition governments with other non-Islamist parties.

In Tunisia, Ennahda-even though it was continuously challenged-largely dominated institutional politics within the Troika<sup>①</sup> until late January 2014, when it handed power to a technocratic caretaker government. Running for the general elections in October of the same year, the first after the adoption of a new Constitution, it ranked second behind the secular party Nidaa Tounes, and was included in the coalition government. Although in an apparently marginal position<sup>②</sup>, Ennahda kept playing a crucial role in the balance of power, not only for the high number of voters it can rely on, but also because it has come back as the first political force in the Parliament after the split of Nidaa Tounes in early 2016 and the defection of many of its members to the new parliamentary bloc Al Hurra (The Freedom). Since August 2016, Ennahda has been part of the new unity government under PM Youssef Chahed.<sup>③</sup>

In Morocco, the PJD won both 2011 and 2016 general elections and has led the coalition government since then, though with some reshuffles on the road.<sup>④</sup> At the 2015

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Authoritarianism,” *The International Spectator: Italian Journal of International Affairs*, Vol.51, No.1, 2016, pp.86-98.

<sup>①</sup> After the elections for the National Constituent Assembly (NCA) on October 23, 2011, Ennahda led the so-called Troika government with the centre-left Congress Party of the Republic (*Congrès pour la République*, CPR) and the leftist Ettakatol.

<sup>②</sup> It took only the Ministry of Employment and Vocational Training as well as secretaries of state for health, investment and finance.

<sup>③</sup> The resignation of Prime Minister Habib Essid and the appointment of Youssef Chahed, a member of the ruling Nidaa Tounes party, end months of negotiations culminated with the Carthage Agreement, primarily between Nidaa Tounes and Ennahda, the two biggest parliamentary parties. The Agreement includes also other political parties and three trade unions (UGTT, UTICA and UTAP).

<sup>④</sup> After the withdrawal of the Istiqlal party from the coalition government in October 2013, the National Rally of Independents (*Rassemblement National des Independants*, RNI) joined Abdelillah Benkirane’s cabinet, made up also by the Popular Movement party (*Mouvement Populaire*, MP) and the Progress and Socialist Party (*Parti du Progrès et du Socialisme*, PPS). A second reshuffle happened in May 2015, with

local elections it ranked third after the Authenticity and Modernity Party (*Parti Authenticité et Modernité*, PAM) and the Istiqlal (Independence) Party, but winning important cities as Rabat, Tanger, Marrakech, Agadir and Fes. Moreover, it won the majority of contested seats in the same ballot at the regional level.

As aforementioned, in Tunisia and Morocco, just like other Middle Eastern and North African countries, socioeconomic conditions have been central to the “Arab Spring”’s demands, although they “alone probably cannot account for the revolts of 2011”.<sup>①</sup> By and large, one of the most prominent slogan of the revolution “bread, freedom and dignity” was advocated as a requirement for more democracy and freedom, but went also along calls for more jobs, social equality and an end to corruption, perceived as one of the deepest obstacle to the improving of living conditions. Decades of top-down market-oriented reforms (such as privatizations, deregulation) combined with increasing government expenditures to maintain the so-called “authoritarian bargain”<sup>②</sup> had led to an unsustainable economic system and to sharp increase of social inequalities, given the unfair redistribution of wealth and resources. Indeed, according to the Arab Barometer, among the reasons behind the Arab uprisings in the Maghreb countries, claims for civil rights and dignity came after the need to improve socioeconomic conditions<sup>③</sup>, with the 2011 upheavals leading to a further deterioration of the overall economic conditions of the population. Moreover, employment opportunities, job security and economic growth remain as the main concerns of people as they were prior to 2011.<sup>④</sup>

Since then, on the economic front, and after a short *momentum* in 2012, the Tunisian economy has been decelerating in the last years. The increasing political and social instability, combined to a difficult external environment and internal security threats, overall negatively affected the economic activity. The consequences of the Libyan conflict, as well as the effects of terrorist attacks against the Bardo Museum and the Sousse resort — that strongly affected the tourism sector, one of the main source of income for the country — caused a major shock for the still fragile equilibrium in Tunisia. According to World Bank (WB) data<sup>⑤</sup>, the GDP growth in 2015 reached only 0.8% with a slowdown in inflation rate at 4.9% (it was 5.5% in February 2014). In the same year, unemployment has slightly increased to little more than 15%; as for the budget deficit, the WB estimates a temporarily departure from its consolidation path (given the spending reduction on subsidies and relatively strong revenues, 2014 saw an improvement in the budget deficit to 4.1% of GDP, from 6.2% in the previous year).

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the appointment of five new ministers within the PJD and the MP. In March 2017, after six months of post-2016 election deadlock, king Mohamed VI appointed as prime minister Saad Eddine el-Othmani from the PJD, to replace Benkirane.

<sup>①</sup> Gonzalo Escribano, “A Political Economy Perspective on North African Transitions,” in Yahia Zoubir, Gregory White, eds., *North African Politics : Change and Continuity*, London and New York: Routledge, 2016, p.7.

<sup>②</sup> Raj M. Desai, Anders Olofsgård, Tarik M. Yousef, “The Logic of Authoritarian Bargains: A Test of A Structural Model,” *Working Paper No.3*, The Brookings Institute, Global and Development, January 2007.

<sup>③</sup> Claudia De Martino, “Where is the Wealth? Echoing the King’s 2014 Speech in Light of the Delay in the Implementation of the New Constitution,” *EU-Spring Policy Brief*, February 2016, [http://www2.warwick.ac.uk/fac/soc/pais/research/researchcentres/irs/euspring/publicationsnew/euspring\\_template\\_pb\\_morocco.pdf](http://www2.warwick.ac.uk/fac/soc/pais/research/researchcentres/irs/euspring/publicationsnew/euspring_template_pb_morocco.pdf).

<sup>④</sup> Chantal E. Berman, Elizabeth R. Nugent, “Defining Political Choices: Tunisia’s Second Democratic Elections from the Ground Up,” *Analysis Paper No.38*, Center for Middle East Politics at Brookings, May 2015; see also Mehran Kamrava, “The Rise and Fall of Ruling Bargains in the Middle East,” in Mehran Kamrava, ed., *Beyond the Arab Spring: The Evolving Ruling Bargain in the Middle East*, New York and London: Oxford University Press, 2014, pp.17-45.

<sup>⑤</sup> World Bank, “Tunisia: Overview,” 2016, <http://www.worldbank.org/en/country/tunisia/overview>.

As for Morocco, its economy – still dependent on the ebb and flows of the agricultural sector – is sharply decelerating. Because of an exceptional agricultural season, economic growth in 2015 reached the peak of 4.4%. However, the forecast for 2016 were much gloomier, with total GDP growth projected down below the threshold of 2%. As a result of the reform on the subsidy system while consolidating tax revenues, the fiscal deficit was reduced from 7.2% of GDP in 2012 to 4.3% of GDP in 2015. The unemployment rate was around 10% in 2014 (a rising path since 2011).<sup>①</sup>

Against this backdrop, both Ennahda and the PJD have to face a double challenge by overcoming a slow economic recovery coupled with very high expectations from the population. Undoubtedly, political and social stability is strictly connected to their economic performance.

### III. Islamic Parties' Economic Agendas: Trapped between Ideology and Actual Constraints

Before presenting the policies that the Islamists advocated and implemented, it is important to provide a general conceptual framework about the “economic philosophy” they refer to.

As Saif and Abu Rumman pointed out in a 2012 Carnegie Paper, the economic platforms of the Islamist parties in Tunisia and Morocco, as well as in Egypt and Jordan, are all based on a common conceptual framework influenced by some writings of Muslim Brotherhood (MB) leaders, in particular the letters of Hasan Al-Banna founder of the MB. But, since there are no officially accredited references to economic philosophy, those serve more as general guidelines. Seven points have been identified as core economic principles<sup>②</sup>:

“[1] approving licit earnings and describing them as ‘the foundation of life itself’; [2] declaring the inviolability of private property; [3] affirming the need to narrow the gap between social classes; [4] supporting a social safety net for all citizens; [5] making the state responsible for achieving ‘social balance’; [6] forbidding the exploitation of political influence to further private economic interests; and [7] proscribing illicit sources of revenue”.

These general principles suggest that it is recommended supporting private property, forbidding interests (this point is clearly stated and is the basis of “Islamic finance”) while achieving economic justice and reducing—not eliminating—disparities among classes, but the overall approach of Islamic normative economics is open to several ambivalent interpretations.<sup>③</sup> Clearly, the biggest difference compared to other economic traditions is the emphasis that Islamists put on the moral basis of economic practices: strictly related to this aspect is the importance given to the social dimension of justice and fairness. As Webb points out<sup>④</sup>, their advocated project is built around the idea of a “*homo islamicus*”, in order to (re-)moralize economic life by promoting individual virtue.

Of course, the economic agenda and proposed policies of both Ennahda and the PJD reflect the influence of the teachings of Islam on economics and trade and certainly show a strong commitment to the idea of fairness, equity and justice in their economic vision. At

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<sup>①</sup> World Bank, “Morocco: Overview,” 2016, <http://www.worldbank.org/en/country/morocco/overview>.

<sup>②</sup> Edward Webb, “Changing the Player, Not the Game. Ennahda’s Homo Islamicus,” *ASPJ Africa & Francophonie*, 2014, p.6; see also Ibrahim Saif, Muhammad Abu Rumman, *The Economic Agenda of Islamist Parties*, Carnegie Papers, May 2012, p.4.

<sup>③</sup> Gonzalo Escribano, “A Political Economy Perspective on North African Transitions”.

<sup>④</sup> Edward Webb, “Changing the Player, Not the Game”.



the same time, this idealistic—and vague—portrayal has to be combined with the current challenges their countries face and other external constraints.

### 3.1 *Ennahda: an electoral platform focused on the economic and financial level*

So far, Ennahda has faced two legislative elections, for the NCA and the Assembly of People's Representatives (*Assemblée des représentants du peuple*, ARP) presenting two electoral platforms, in 2011 and 2014. The author will focus here on the latter, that is, a revised version of the former, whose core guidelines are: addressing unemployment, regional disparities and corruption; reducing the state budget deficit; enhancing tax reform favouring lower and middle income families and a strong commitment to free market economy.

Like many other parties, Ennahda's 2014 political platform<sup>①</sup> focused primarily on recovering Tunisia's economy. Building upon the accomplishments of the revolution, Islamic values and cultural heritage, as well as Tunisian national experience, Ennahda's program aims to establish a national development model by balancing economic, social, cultural and ecological dimensions. The purpose of this program is to embody and realize the goals of the revolution, namely job creation, to put an end to corruption and nepotism and to boost regional development. It is, indeed, a quite ambitious platform. The party bets on an economic growth rate of not less than 5% on average for the period 2014-2017 with the goal to raise it to 7% in 2018 while reducing the state budget deficit to 3%.<sup>②</sup> It also aims to keep the state budget deficit under 40% in the medium term while lowering the unemployment rate to below 10%, especially by halving youth and graduate unemployment current rate.<sup>③</sup> The formula to achieve this entails, *inter alia*, the introduction of structural reforms to: increase investments by creating a more favourable and transparent environment; rationalize the subsidy system while safeguarding the purchasing power of weaker groups; improve the quality of human resources, match their abilities and skills to the needs of the job market and further provide direct and indirect incentives to recruitment.

As Young reminds us, "Ennahda's [electoral] campaign focused on portraying the party as a responsible, consensus-oriented actor that shepherded the country through a difficult period of institutional change."<sup>④</sup> In fact, from the beginning the platform recalls the difficult circumstances of the post-revolution period, marked by declining economic performance, increasing social demands and mounting political tensions. Later on, it stresses the results of a set of policies initiated by the Ennahda-led government: among others, positive indicators for economic growth, 3.6% in 2012 and 2.6% in 2013, and the reduction of the unemployment rate from 18.9% in 2011 to 15.3% by the end of 2013.<sup>⑤</sup>

As stated in the platform, Ennahda's economic vision is built on five pillars that can be summed up as follows: 1) qualitative economic policies; 2) structural reforms to provide a more amenable environment for investment and growth; 3) ambitious investment programs on the national level limiting inequalities among regions and groups; 4) a regulatory role for the state, combining effectiveness and social responsibility; 5) an

<sup>①</sup> Ennahda Party, *Al Barnamaj al-Intikhabi: Nahwa Iqtisad Sa'id wa Balad Amn*, [Electoral Program: Toward a Rising Economy and a Safe Country], 2015-2020, Tunis. For the party's full platform (Arabic), see: <http://www.ennahdha.tn> or <https://www.scribd.com/document/243970395/ennahdha-electoral-programme-english-pdf> (English). Translations of non-English material are responsibility of the author.

<sup>②</sup> The number of the pages in the paragraph, if not indicated otherwise, refers to the Arabic version of Ennahda's 2014 electoral platform. See pp.17-18.

<sup>③</sup> *Ibid.*, p.27.

<sup>④</sup> Elizabeth Young, "Islam and Islamists in the 2014 Tunisian Elections," in *Rethinking Nation and Nationalism*, POMEPS Studies Series, No.14, 2015, p.53.

<sup>⑤</sup> Ennahda Party, *Al Barnamaj al-Intikhabi*, p.9.

“inter-generational justice” by securing the future of new generations, especially though the protection of the environment – for instance by achieving energy security and addressing water scarcity<sup>①</sup> and youth unemployment.

The inclusive development model that Ennahda put forward was “a social market economy as a strategic economic choice built on fair competition and social balance, free enterprise and solidarity, by combining efficiency and justice”, “moving from a rentier economy to a competitive economy” and the “state as guarantor of social justice”.<sup>②</sup> Some authors argue that Ennahda is trying to transform the economic system of the country from what has been described as “crony capitalism” to a form of “inclusive capitalism”<sup>③</sup>, while offering an alternative between a government-dominated model and an extreme capitalist model.<sup>④</sup> As Ennahda’s leader Rachid Ghannouchi once said, the party supports the idea of a free market “within the framework of humanity”.<sup>⑤</sup>

In accordance with both the teachings of Islam as well as the demands of the revolution, it is noteworthy to see the great importance that is constantly given to fairness, the fight against corruption and social justice in the overall platform as well as in the public discourse of party’s members. In theory, these are the core principles around which Ennahda builds its strategy and discourse. In practice, the necessity to make or consolidate alliances to secure political stability brought the party to take on more nuanced policies, inspired by pragmatism and compromises, policies that place themselves more in continuity with the past instead of being innovative or structurally new.

### 3.2. PJD and the 2016 legislative elections: in search of a new platform?

The PJD also faced and won – unlike Ennahda – two legislative elections (2011, 2016). The last platform was presented almost on the eve of elections<sup>⑥</sup> – as well as those of other political parties, with the exception of the PAM and the Istiqlal<sup>⑦</sup> – and is overall in strong continuity with the previous one.<sup>⑧</sup>

The centerpiece of the program, entitled “Our voice, our opportunity to pursue reforms”, like in the electoral manifesto of 2011, remains the need to boost national economy, by promoting social justice and good governance. Already on the occasion of 2015 local and regional elections, Benkirane described his party as informed by three main objectives: transparency, communication and good governance.<sup>⑨</sup> On the economic level, there are no big differences in the platforms of all parties, with most of them airing general principles without mention to any measure to implement them. Furthermore, fundamental provisions on the protection of socioeconomic rights have been included in the

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<sup>①</sup> Ibid., p.16.

<sup>②</sup> Ibid., p.15.

<sup>③</sup> See Nader Habibi, “The Economic Agendas and Expected Economic Policies of Islamists in Egypt and Tunisia,” *Middle East Brief*, Vol.67, 2012, p.5.

<sup>④</sup> Ibid.

<sup>⑤</sup> Edward Webb, “Changing the Player, Not the Game”.

<sup>⑥</sup> Party for Justice and Development, *Al Barnamaj al-Intikhabi: Sawtana Fursatana li-Muwasala al-Islah* [Electoral Program: Our Voice Our Opportunity to Pursue Reforms], Rabat, October 7, 2016, full version (Arabic) available online at: [http://www.pjd.ma/sites/default/files/programme\\_final.pdf](http://www.pjd.ma/sites/default/files/programme_final.pdf).

<sup>⑦</sup> See, for instance, Tahar Abou El Farah, “Législatives 2016: Où Sont Les Programmes des Grands Partis?” [Legislatives 2016: Where Are the Platforms of Big Parties?], *La Vie Eco*, July 20, 2016, <http://lavieeco.com/news/politique/legislatives-2016-ou-sont-les-programmes-des-grands-partis.html>.

<sup>⑧</sup> A remarkable exception are the measures supporting the tourism sector, that were not mentioned among the priorities of past government.

<sup>⑨</sup> Abdelkhalek Moutawakil, “Elections: Benkirane Dévoile Les Grandes Axes du Programme électoral du PJD,” [Elections: Benkirane unveils the Main Axes of PJD’s Electoral Platform], *Labass.net*, July 29, 2015, <http://www.labass.net/7640-elections-benkirane-devoile-les-grands-axes-du-programme-electoral-du-pjd.html>.



constitutional text that already enshrines the general framework for the national economy, stating liberalism as its pillar but with a strong social aspect (art. 35) and rules of free competition and equal opportunities at its basis (art. 36). With few exceptions, Moroccan political parties seem not to really differ among themselves to each other in their economic offer. The same can be said for the PJD, whose program does not differ too much from other non Islamist proposed agendas. And, this is true for all parties either. For instance, the PJD has certainly attempted to target the poor layers of society, but its intent proved in the end not to be a real commitment, as most of Moroccan political parties do not use to address a specific social (and economic) category whose interests they pledge to defend.<sup>①</sup>

The 2011 PJD platform<sup>②</sup> was launched with the slogan “For a new Morocco of freedom, dignity, development and justice”. The first two pillars listed in the party’s platform are: a) promotion of the state of law and non-corrupted institutions and b) a national, competitive strong economy as guarantor of social justice. Both on the political and economic level, what is highlighted is the absence of credibility and efficiency due to excessive clientelism and favoritism raging within all public institutions and because of the retention of a rentier economy. Indeed, the PJD aimed at reducing these practices so as to bring the country to the 40<sup>th</sup> position from the 85<sup>th</sup> (2010) in the world ranking of corruption.<sup>③</sup> In order to achieve more transparency, they promised to reform public administration, particularly the judiciary system and the General Inspector of Finances, while enacting the Advanced Regionalisation Project to decentralize state powers thus promoting a more democratic and fair distribution of resources. Equally important, the reform of the education system and the dignity of workers, with the promise of rise both the minimum wage and the pension allowances to 3000 dirhams/month and 1500 dirhams respectively (around \$307-153). Among the other social and economic indicators to be revised and included in the Government agenda<sup>④</sup>, was the government’s intention to increase the country’s economic growth, by realizing a growth rate of 5.5% for the period 2012-2016, maintaining the inflation below the limit of 2%, decreasing the unemployment rate to 8%, regulating the budget deficit to 3% of GDP, while at the same time improving savings and investments.<sup>⑤</sup> All this to be pursued while improving the public resources through a general reform of the fiscal system and carrying out a thorough rationalization of the public expenses. With the exception of the stabilization of inflation, the ambitious levels for the other aforementioned macroeconomic indicators have not been fulfilled and, in fact, compared to the previous platform, that of 2016 resizes its ambitions, by enunciating both the achievements and limits of previous work, thus showing a strong commitment to continue along the path of reforms that has been initiated by the government. Strengthening the competitiveness of the national economy and consolidating the transition to new sources of growth<sup>⑥</sup> are listed among the party’s priorities, while enhancing social

<sup>①</sup> Tahar Abou El Farah, “Législatives 2016”.

<sup>②</sup> Party for Justice and Development, *Al Barnamaj al-Intikhabi: min Ajli Maghrib Jadid, Maghrib al-Hurriyya wal Karama wal-Tanmiyya wal-'adala* [Electoral Program: For a new Morocco, Morocco of Freedom, Dignity, Development and Justice], Rabat, 2011. A version of the platform (in Arabic) is available at <http://www.pjd.ma/sites/default/files/Barnamajintikhabi-pjd.pdf>.

<sup>③</sup> This is still an outstanding objective and it is mentioned among the limits of previous government in the 2016 platform.

<sup>④</sup> Head of Government, Kingdom of Morocco, *Al-Barnamaj al-Hukumi* [Government’s Program], Rabat, January 2012, <https://jalileloutmani.files.wordpress.com/2012/01/dc3a9claration-gouvernementale-2012.pdf> (Arabic).

<sup>⑤</sup> Ibid, p. 32.

<sup>⑥</sup> In the platform, it is stated that this can be achieved by promoting exports, green economy and the industrial sector, especially through a tax system that benefits new and big exporting companies on the

and territorial justice and consecrating good governance through the acceleration of reforms.

PJD overall platform, like Ennahda's, is built around the importance of fairness, social justice, sustainable development and job creations and like the Tunisian counterpart is quite general-aspect that, moreover, it is not specific to Islamists' platforms-and does not develop a specific "Islamist" approach or an alternative model of development to those that have been implemented so far. Along the same lines, it seems that their policies might respond to a more general desire to reduce disparities and make more inclusive reforms in accordance with post-uprising narratives and which influenced post-2011 agenda in a very broad sense without being unique to Islamists, although the latter have been able to channel such a discourse by presenting themselves as reformist stances.

#### IV. Tunisia: Changes and Continuities in Ennahda's Economic Policies

Many changes can be recorded as successful achievements in Tunisia since the outbreak of the "Arab Spring". Among them, certainly the inclusive process of the Constitution making, the transition from a one-party to a multi-party system, the dynamism of civil society and freedom of expression. However, all these aspects relate to the civil and political sphere but no concrete progress in terms of socioeconomic reforms in the policy sectors aforementioned have yet been initiated.

##### 4.1 Employment and labor market

Unemployment, especially youth unemployment, is a long-standing feature of the Tunisian economy. Under Ben Ali's regime, several programs had been implemented, but they had failed to provide stable and sustainable solutions. In the post-uprising period, Ennahda's electoral programs (2011, 2014), as well as those of other parties, have claimed job creation as a policy priority, particularly for the youth, and in the interior and southern regions, which are the most marginalized. But, instead of questioning the ruinous performance and outputs of past economic policies, firmly based on a neo-liberal agenda, post-uprising governments appear to have continued the policies of the past.<sup>①</sup> The "education gap rhetoric", used to explain youth exclusion from the labor market because of a mismatch between the competencies required and those acquired by young people in their higher education career<sup>②</sup>, is recorded in Ennahda's platform, as well as in the national discourse or by international agencies<sup>③</sup> to explain the reasons of current unemployment. Similarly, self-employment, entrepreneurship and a non-favorable environment for foreign investments continue to be invoked by Ennahda and its allies, and by international actors<sup>④</sup> as major obstacles. In fact, in order to strengthen job creation and economic growth, Tunisia got a new liquidity line with the International Monetary Fund (IMF)<sup>⑤</sup>, while a previous loan agreements had been already finalized with the IMF in June 2013.<sup>①</sup>

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one hand, and by financing newly created SMEs on the other one.

<sup>①</sup> Maria Cristina Paciello, Renata Pepicelli, Daniela Pioppi, "Youth in Tunisia: Trapped Between Public Control and the Neo-Liberal Economy," *Working Paper No.6*, Power2Youth, 2016.

<sup>②</sup> Ibid.

<sup>③</sup> World Bank, *Tunisia : Breaking the Barriers to Youth Inclusion*, Washington, DC, 2014, retrieved from <http://www.worldbank.org/en/country/tunisia/publication/tunisia-breaking-the-barriers-to-youth-inclusion>.

<sup>④</sup> Again, see: World Bank, *Tunisia*; and African Development Bank, "Réformes du Marché du Travail Après La Transition en Afrique du Nord [Labour Market Reforms after North Africa's Transition], 2014, [http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Note\\_%C3%A9conomique\\_\\_R%C3%A9formes\\_du\\_march%C3%A9\\_du\\_travail\\_apr%C3%A8s\\_la\\_transition\\_en\\_Afrique\\_du\\_Nord.pdf](http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Note_%C3%A9conomique__R%C3%A9formes_du_march%C3%A9_du_travail_apr%C3%A8s_la_transition_en_Afrique_du_Nord.pdf).

<sup>⑤</sup> International Monetary Fund, "IMF Executive Board Approves US\$2.9 billion Extended Arrangement under the Extended Fund Facility for Tunisia," May 20, 2016, Press Release No.16/238, <https://www.imf>.

In order to cope with unemployment, both interim and Islamist-led governments largely relied on: *a)* the intensification of educational and professional training programs-policies inherited from the Ben Ali era-and micro-credit loans and the *b)* creation of new jobs in the public sector.<sup>②</sup> Indeed, the State has been the largest employer in the country for years, and being hired by the public administration was considered the foregone conclusion for university graduates<sup>③</sup>, though there has been a decline in the proportion of young people who want to work in the public sector, particularly in recent years.<sup>④</sup> After 2011, the State's limited financial resources coupled with timid efforts to improve transparency in the recruitment process, proved to be neither able to absorb the exceeding number of job-seekers compared to the positions available, nor to assure more transparency or simplification through the new procedures.

Like in Morocco, another highly debated dossier on the table is the draft law on retirement wages, that has been proposed in July 2015 and it is supposed to modify the current law dating back to 1985. The law would move the retirement age to 65, with the possibility for the employee to notify the administration of his/her will to leave voluntarily at 60 but with a notice of at least five years. Such a draft law, together with the announced reform of the National Pension and Social Fund (*Caisse nationale de retraite et de prévoyance sociale*, CNRPS) is part of a wider reform concerning the rearrangement of all social funds, such as the National Social Security Fund (*Caisse Nationale de Sécurité Sociale*, CNNS) for the private sector and the National Health Insurance Fund (*Caisse National d'Assurance Maladie*, CNAM)<sup>⑤</sup>, and the subsidy system. The financial situation of the country's two largest social security funds (CNRPS and CNNS) is precarious: not only is the deficit confirmed over the years, but it is growing exponentially.<sup>⑥</sup> These measures, together with the long delayed law on investment – that has been approved by Tunisia's parliament in September 2016 although initially expected in 2012 –, are just some of the number of reforms and public spending adjustments that international donors, IMF and WB *in primis*, are demanding that the government carry out in order to stabilize Tunisian finances and overhaul its subsidy-heavy economy. But, although politicians in key parties contesting the election, including the secular Nidaa Tounes party and the Islamist Ennahda, have expressed support for economic reforms in principle, they are held back by party political conflicts, the change of governments (since 2011 legislative elections, five in six years) and strong social contestation.

#### 4.2 Good governance and corruption

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org/external/np/sec/pr/2016/pr16238.htm.

<sup>①</sup> International Monetary Fund, "IMF Executive Board Approves a 24-month US\$1.74 Billion Stand-By Arrangement with Tunisia," June 7, 2013, Press Release No.13/202, <http://www.imf.org/external/np/sec/pr/2013/pr13202.htm>.

<sup>②</sup> See, among others, Maria Cristina Paciello, "Delivering the Revolution? Post-uprising Socio-economics in Tunisia and Egypt," *The International Spectator*, Vol.48, No.4, 2013, pp.7-29.

<sup>③</sup> In this regard, see for instance, Karim Mejri, "Special Report: Unemployment in Post-revolutionary Tunisia [Part 2] The Public Sector, Object of Desire," *Nawaat*, September 20, 2012, <https://nawaat.org/portail/2012/09/20/special-report-unemployment-in-post-revolutionary-tunisia-part-2-the-public-sector-object-of-desire/>.

<sup>④</sup> World Bank, *Tunisia : Breaking the Barriers to Youth Inclusion*.

<sup>⑤</sup> Hafawa Rebhi, "Retraite à 65 Ans : Une Nouvelle Ligne de Front Entre Le Gouvernement et l'UGTT" [Retirement at 65: A New Front Line between the Government and the UGTT], *Nawaat*, May 17, 2016, <https://nawaat.org/portail/2016/05/17/retraite-a-65-ans-une-nouvelle-ligne-de-front-entre-le-gouvernement-et-lugtt/>.

<sup>⑥</sup> See, for instance, Mhamed Mestiri, "Le Déclin du Système de Protection Sociale" [The Decline of the Social Protection System], *Nawaat*, April 13, 2017, <https://nawaat.org/portail/2017/04/13/le-declin-du-syteme-de-protection-sociale/>.

Among the issues sparking a highly contentious debate on justice and accountability in Tunisia's post-revolutionary period, one finds the draft law on economic and financial reconciliation.<sup>①</sup> The bill was initially proposed in July 2015 by Beji Caid Essebsi, president of the Republic and former official leader of Nidaa Tounes, and temporarily abandoned after widespread street protests. With the initiative of the new government of national unity, the draft law came back during the political discussion and was presented again in the Parliament in June 2016 in a revised version by Ennahda.

As stated in its first article, the goal of the "Reconciliation Law" is to "support the transitional justice apparatus, to ensure an appropriate investment environment, to develop the national economy, and to boost trust in state institutions." In practice, the law would require civil servants and businessmen who committed economic or financial offenses under the former regime to pay back the money they earned illicitly. In return, the law would drop any charges (excluding bribery) against them and avoid any further prosecution for those crimes.<sup>②</sup> The government argues that this measure is necessary to stimulate the Tunisian economy by allowing the restitution of 5 billion dinars (around \$2,3 billion) while offering the possibility to "turn the page on the past"<sup>③</sup> as it is firmly rooted in the idea of transitional justice. According to Essebsi, the *rationale* behind the law should be allowing former officials and businessmen to reenter the economic sphere so as to further encourage investment, allowing the state to avoid costly and lengthy investigations into financial crimes, leaving space to focus on urgent priorities, like counterterrorism and economic revival.<sup>④</sup> As for Ennahda, its leader had expressed his support for the bill, stating that the reconciliation is part of the party vision and that there is an urgent need to resolve the situation for the businessmen concerned by regularizing their situation and stating that the money recovered from the bill could be invested in disadvantaged regions and to create jobs.<sup>⑤</sup> According to Ennahda, bringing back this unpopular draft bill is part of a wider "strategy of consensus" required for the greater cause of a successful democratic transition.<sup>⑥</sup>

On the other hand, many national and international civil society organizations – among them Human Rights Watch and Al Bawsala – expressed serious concerns about it, depicting the bill as an attempt to grant immunity to corrupt officials and businessmen by rescuing them from trial. In a statement Al Bawsala, the famous watchdog Tunisian association, considers such a law "a consecration of a culture of impunity, unjust and unequal legal treatment, [...] a clear violation of the Constitution of the Second Republic and a transgression of the founder's will to abolish corruption, inequality, and injustice,

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<sup>①</sup> Draft Organic Law No.49/2015. Arabic first version is available at: [http://www.arp.tn/site/projet/AR/fiche\\_proj.jsp?cp=90496](http://www.arp.tn/site/projet/AR/fiche_proj.jsp?cp=90496).

<sup>②</sup> Farah Samti, "In Tunisia a New Reconciliation Law Strokes Protests and Conflict Instead," *Foreign Affairs*, September 15, 2015, <http://foreignpolicy.com/2015/09/15/in-tunisia-a-new-reconciliation-law-stokes-protest-and-conflict-instead/>.

<sup>③</sup> Benoît Delmas, "Tunisie: Une Loi de Réconciliation économique Qui Divise," [Tunisia: A Divisive Economic Reconciliation Law], *Le Point Afrique*, September 4, 2015, [http://afrique.lepoint.fr/economie/tunisie-une-loi-de-reconciliation-economique-qui-divise-04-09-2015-1961956\\_2258.php](http://afrique.lepoint.fr/economie/tunisie-une-loi-de-reconciliation-economique-qui-divise-04-09-2015-1961956_2258.php).

<sup>④</sup> Elissa Miller, Katherine Wolff, "Will Tunisia's Economic Reconciliation Law 'Turn the Page'?" *Atlantic Council Blogs*, September 29, 2015, <http://www.atlanticcouncil.org/blogs/menasource/will-tunisia-s-economic-reconciliation-law-turn-the-page>.

<sup>⑤</sup> Rached Ghannouchi, "Rached Ghannouchi Soutient Le Projet de Réconciliation Nationale," [Rached Ghannouchi Supports the Law on National Reconciliation] *Business News*, August 26, 2015, <http://www.businessnews.com.tn/raed-ghannoui-soutient-le-projet-de-reconciliation-nationale,520,58459,3>.

<sup>⑥</sup> Rory McCarthy, "How Tunisia's Ennahda Party Turned from Its Islamist Roots," *The Washington Post*, May 23, 2016, <https://www.washingtonpost.com/news/monkey-cage/wp/2016/05/23/how-tunisia-s-ennahda-party-turned-from-their-islamist-roots/>.

[...], an off-road to the Transitional Justice Process as guaranteed by the Constitution, and an attack to the country's legitimate institutions."<sup>①</sup>

Moreover, it is noteworthy that many economists have expressed their concern over the expected effects of the reconciliation law on the economy and its high political and social cost. Among them Dr. Abdeljelil Bédoui, professor of economics at Tunis University and a founding member of the Tunisian Forum of Economic and Social Rights<sup>②</sup> or the Tunisian economist Hédi Sraieb.<sup>③</sup>

As such, the reconciliation bill has engendered considerable anger among people and continuous protests. In July 2016, more precisely on 25<sup>th</sup>, the Republic Day in Tunisia, under the umbrella of the campaign "*Manich Msamah*" ("I am not forgiven"), demonstrators from civil society organizations and opposition parties, took once again to the streets in Tunis and across the country to firmly oppose the law newly discussed by the Parliament.<sup>④</sup> They considered it as a betrayal of the revolution and the return of past immunity. Indeed, by establishing a small commission to handle the reconciliation process, although it would include members of the president's office and the Truth and Dignity Commission, the Bill includes an explicit provision that negates all articles in Tunisia's Transitional Justice Law<sup>⑤</sup> related to financial corruption and misappropriation of public funds granting, *de facto*, those who otherwise could have been put on trial by it an amnesty.

As the accurate analysis of Ben Salem<sup>⑥</sup> points out, this form of "collusive transaction" and the discontent and popular unrest that arose around it might represent the beginning of the de-legitimization of the government.<sup>⑦</sup>

## V. Morocco: Enhancing Social Justice and Reducing Disparities?

The effects of a more global crisis, a lack of bank liquidity, fluctuations in the oil price and the deterioration of macroeconomic indicators marked the first year of Benkirane's government as, undoubtedly, the most critical one. The government, officially appointed in January 2012, started to work on the Financial Law two months later, and the law was

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<sup>①</sup> Al Bawsala, "Reconciliation Bill: Al Bawsala Expresses Categorical Rejection," June 29, 2016, <http://www.albawsala.com/en/pub/577319becf441205b7bca16f>.

<sup>②</sup> Abdeljelil Bédoui, "Tunisia's Proposed 'Reconciliation Law' Would Grant Amnesty for Corruption, Fail to Grow the Economy," *ICTJ*, July 21, 2016, <https://www.ictj.org/news/Tunisia-amnesty-economic-development>.

<sup>③</sup> Hédi Sraieb, "Loi de Réconciliation? ...Ou Loi D'amnistie Fiscale et Pénale?" [Law for Reconciliation? Or for fiscal and Criminal Amnesty?], *Leaders*, September 1, 2015, <http://www.leaders.com.tn/article/17852>.

<sup>④</sup> Rebecca Chaouch, "Tunisie: Le Projet de Loi Sur La Réconciliation économique et Financière Contesté Dans La Rue," [Tunisia: Draft Law on Economic and Financial Reconciliation Contested by the Street], *Jeune Afrique*, July 25, 2016, <http://www.jeuneafrique.com/344757/politique/tunisie-projet-de-loi-reconciliation-economique-financiere-conteste-rue/>>.

<sup>⑤</sup> "Basic Law No.53 of 24 December 2013," [Loi organique relative à l'attribution et l'organisation de la justice transitionnelle] to establish and organise transitional justice, <http://www.legislation-securite.tn/fr/node/32961>.

<sup>⑥</sup> Maryam Ben Salem, "Social, Economic and Political Dynamics in Tunisia and the Related Short-to Medium-Term Scenarios," *Working Paper No.41*, IAI, 2015.

<sup>⑦</sup> After being newly submitted in early 2017, a revised version of the Reconciliation law has been finally approved by the Committee on General Law of the ARP in July 2017, waiting for final promulgation within a plenary meeting of the ARP. Once approved, further research would be interesting to compare the developments of the original draft until the final version in order to explore to what extent societal concerns have been taken into account by political parties involved, Islamists in particular.



finally approved in May but, by and large, it resembled the laws issued by previous governments with no significant changes.

To face the increase of internal and external debt in comparison to the previous year combined with negative trends of other indicators (all declining with the only exception for the unemployment rate), the PJD-led government got a Precautionary and Liquidity Line from the IMF in August 2012 as a kind of assurance against external and internal shock as one of its first measures taken. In July 2016, the executive board of the IMF extended third precautionary liquidity line to Morocco, but the amount was significantly reduced compared to 2014 and 2012 due to the strengthening of macroeconomic leeway and because “the authorities have successfully reduced fiscal and external vulnerabilities and implemented key reforms.”<sup>①</sup>

### 5.1 Employment and labor market

In the immediate post-2011, several tangible measures were implemented by the monarchy in order to keep the protests at bay, including the creation of jobs for unemployed graduates, as well as salary raises for civil servants, increased food and fuel subsidies.<sup>②</sup> Later, the PJD-led government embarked on a policy of cutting public spending, including an overhaul of state subsidies and pension program. Moreover, in 2012 Prime Minister Benkirane put an end to the policy of directly recruiting unemployed graduates (Masters and PhD degree holders) as civil servants without holding competition/examination according to previous decrees promulgated since 1998. But, while breaking with these past agreements, authorities continue to justify those high rates of unemployment among graduates as the consequence of a mismatch between the labor market and the education system, according to the same rhetoric in Tunisia either.<sup>③</sup> In order to face that, they have simply expanded existing training and professional programs so as to reach not only educated unemployed, but also the so called NEETs (not engaged in education, employment or training) as well as youth in rural areas. And like in Tunisia, post-uprising Islamist-led government has proposed entrepreneurship and self-employment as the main solution to face unemployment, especially among youth.

In addition, in the employment sector, it must recall two measures taken by the PJD at the head of the government that can be described as social justice provisions: the increase in the minimum monthly salary (*Salair minimum inter-professionnel garanti*, SMIG) and the introduction of a small unemployment benefit.

However, from July 2015 the SMIG slightly increased to 13, 46 dirhams/hour (around 1.4 dollars) for the sector of industry, trade and liberal professions.<sup>④</sup> In the public sector, as promised in the electoral platform, it was raised to 3000 DHM per month. As for the unemployment benefit, the eligibility criteria make the percentage of effective recipient quite a small number. In fact, this benefit represents 70% of the former monthly salary for those who can prove more than 2/3 days of contribution out of the total days in the 3 years preceding the involuntarily loss of job (including 260 days in the last year).<sup>⑤</sup> Moreover, it applies only to private sector.

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<sup>①</sup> International Monetary Fund, “IMF Executive Board Approves US\$3.47 Billion for Morocco Under the Precautionary and Liquidity Line,” July 22, 2016, Press Release No.16/355, <http://www.imf.org/en/News/Articles/2016/07/22/18/38/PR16355-Morocco-IMF-Executive-Board-Approves-US3-47-billion>.

<sup>②</sup> Irene Fernández Molina, “The Monarchy vs the 20 February Movement: Who Holds the Reins of Political Change in Morocco?” *Mediterranean Politics*, Vol.16, No.3, 2011, pp.435-441.

<sup>③</sup> See also Ministry of Youth and Sports, *Stratégie Nationale de la Jeunesse: 2015-2030*. [National Youth Strategy: 2015-2030], 2014, <http://pjp-eu.coe.int/documents/1017981/8433863/Strategie-Morocco.pdf/2dc1bbaf-5691-42b5-8ab5-2293f83999a8>.

<sup>④</sup> “Official Bulletin No.6272,” July 10, 2014 (Arabic).

<sup>⑤</sup> Saad Guerraoui, “Morocco Faces Mounting Challenges ahead of Elections,” *Middle East Eye*, January



Also, the dossier on retirement has been far more unpopular. After months of discussions and demonstrations by labor unions on the streets, on July 20, 2016, Morocco's Parliament finally voted in favor of the new law on retirements. The law, concerning the current the public sector, has moved the retirement age from 60 to 63. The four draft laws on the retirement issue had been previously adopted by the Committee of Finances in the record time of 7 days of examination without any amendments. This reform, albeit strictly necessary in the words of the Head of Government, enhanced discontent and protests in the streets. But PJD Prime Minister Benkirane explained that such a reform could not wait any longer due to the high deficit in the Pension Fund coupled with the decreasing number of contributors for pensioners.

Within the framework of social justice and disparities, among the most important reforms carried out by the PJD-led government since 2012, there is the overhaul of the Compensation Fund (*Caisse de Compensation*), as well as the fuel price liberalization. The Compensation Fund is the main entity charged with the implementation of Morocco's subsidy system. Designed to protect consumers' purchasing power by stabilizing prices for staple food products (such as flour, sugar and oil) as well as energy products (for instance fuel or butane gas), it constitutes one of the main pillars of the social contract in place in the country since the 1940s. Over time, the Compensation Fund, as well as other social programs of the subsidy system, have become unsustainable as they absorb a substantial portion of the government's budget.<sup>①</sup> The reform of the Compensation Fund was a long-term necessity, but, at the same time, a very controversial and sensitive issue. For these reasons, only partial reforms had been carried out before 2012. In the past, the subsidy system, given the lack of a substantial and coherent target, provided significant benefits more to the wealthiest part of the population rather than the poorest.<sup>②</sup> So, what was designed to guarantee the weakest layers of society did not reach the scope with the paradoxical result of further increasing disparities and weaken state's finances.

From summer 2012 onwards, the government has embarked on a gradual lifting of subsidies, including food and petroleum products. The unpopular decompensation measures undertaken by the Islamist-led government are part of a price liberalization policy demanded by the IMF and are certainly the most striking adopted in several years. During the first quarter of 2016 the charges of the Compensation Fund have dropped by 25% as shown by the latest figures from the Moroccan Ministry of Governance and General Affairs. This reform allows for the alleviation of the huge burden on the country's public finances, but the effects on the population's living standards are yet to be assessed, especially for that concerning social disparities.

### *5.2 Good governance and corruption*

Fighting corruption and reducing social inequalities are by far the main guidelines of the PJD's program and it was one of the most prominent request put forth in 2011. In the then PJD's electoral platform, corruption is mentioned as the first pillar of its overall project and remains as one of the biggest challenges in 2016.

As for the exercise of good governance and transparency, the Moroccan government made a first step to follow through its promise to halt corruption and nepotism. In March

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29, 2016, <http://www.middleeasteye.net/columns/morocco-faces-mounting-challenges-ahead-elections-647633077>.

<sup>①</sup> Dorothee Chen, Andrea Liverani, Judith Krauss, "Assessing Public Opinion in the Political Economy of Reform: the Case of Energy Subsidy Reform in Morocco," in Verena Fritz, Brian Levy, Rachel Ort, eds., *Problem-Driven Political Economy Analysis: The World Bank's Experience*, Directions in Development, Washington D.C.: World Bank, 2014, pp.67-88.

<sup>②</sup> Ibid.

2012, Aziz Rebbah (PJD), the Minister of Equipment, Transport and Logistics, disclosed a list of beneficiaries of transportation licenses. The list included politicians, businessmen, athletes and artists who benefited from transport grants and other benefits.<sup>①</sup> The publication of the list of more than 4,000 transport permit-holders stemmed from the new provisions of the constitution that guarantee the right of citizens to access information and it was considered a first positive step in the fight against a well-established system of corruption and privileges. These permits for transport, most often issued through opacity and vagueness, are characteristic of a rent-based economy and of a widespread practice of vote-catching. They cover not only transport, but also many other sectors, including the operation of sand quarries and deep-sea fishing, that are usually the most coveted. Although the promise of publishing the lists related to other sectors, no measures like this have followed.<sup>②</sup> Moreover, the new 2011 Constitution establishes new institutions entitled to deal with corruption and control of finances, but none has yet entered into force.

To summarize, notwithstanding the PJD and government's commitment to enhance transparency and good governance, and the new national strategy to fight corruption adopted in December 2015<sup>③</sup>, these efforts seem still far from producing the desired results. Moreover, the scandal exploded in July 2016 and the growing discontent mounting over the sale of state-owned lands at very cheap prices to former ministers, high-ranking diplomats and other state officials, is indicative of an embedded system of corruption at different levels, whose deep causes cannot be analyzed in this article but prove to be particularly resilient.

## VI. Conclusion

Six years on the 2011 uprisings, even though it might still be early for an accurate evaluation of new governments' performance, it is possible to provide a first assessment—that does not pretend to be exhaustive—of the economic policies implemented by the Islamist parties, namely Ennahda and the PJD, that since then, and for the first time in the two countries' recent history, have been leading the ruling coalitions—or part of it in the Tunisian case after 2014 elections.

In the article the author indicated that, in accordance with the teachings of Islam on the subject, the stated economic programs of the two parties highlight the primacy of moral issues, which include fighting corruption, while enhancing transparency and fairness. Moreover, such concerns have been also raised by the popular unrest of 2011, together with demands for more jobs, social justice and better living conditions. Interestingly, the protesters' claims were perfectly compatible with the profile proposed by Islamists as incorruptible advocates of their populace, which thus proved being a key tool for electoral success.

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<sup>①</sup> Lila Taleb, "Maroc: Rebbah Balance La Liste des 4118 Bénéficiaires D'agrément de Transport Routier," [Morocco: Rebbah Shows the List of 4118 Recipients Road Transport Licenses] March 2, 2012, [http://www.atlasinfo.fr/Maroc-Rebbah-balance-la-liste-des-4118-beneficiaires-d-agrements-de-transport-routier\\_a26313.html](http://www.atlasinfo.fr/Maroc-Rebbah-balance-la-liste-des-4118-beneficiaires-d-agrements-de-transport-routier_a26313.html).

<sup>②</sup> Souhba Essiari, Imane Bouhrara "Bilan du Gouvernement Benkirane: Entre Croissance Inclusive et Réformes Inachevées," [Benkirane's Government: between Inclusive Growth and Unfinished Reforms], *Finances News*, November 5, 2015, <http://fnh.ma/article/economie/bilan-du-gouvernement-benkirane-entre-croissance-inclusive-et-reformes-inachevees>.

<sup>③</sup> This national strategy was clearly stated in 2011 electoral platform, as well as the "strictness" in the application of its provisions. Nevertheless, its adoption took almost four years and it seems more a general road map, rather than a detailed plan.

Both Ennahda and the PJD have articulated their economic platforms around three main proposals: 1) good governance and fight against corruption; 2) enacting social justice policies, for instance in the sector of taxes or employment; 3) improving the national economy with more benefits for all.

If one considers the dimensions under discussion (social justice, employment and corruption), by looking at the policies advocated and partly implemented, what emerges are different form of mixed economies that seem to reflect more international constraints, neoclassical and neoliberal stances and the imperatives of electoral politics, rather than explicit attempts to address socioeconomic grievances.<sup>①</sup> No doubt that contingent constraints have reduced or at least largely influenced a more pragmatic and less idealistic approach. It is also arguable that the regime change or continuity had implications for the Islamists in both countries. In Morocco, notwithstanding the enhanced powers recognized to the winning party of elections and its prime minister, the PJD still operates within the same regime game, whereas surely expectations in Tunisia were more crushing. Here, the constitution-making process monopolized the political activity longer than expected and, as Boubekeur claims, Islamists and old regime actors, mainly represented by the Nidaists, sought a bargain on their mutual reintegration without having to resolve central conflicts or crucial policy issues.<sup>②</sup> Old and new elites, despite their widely disparate views on the ideological, political and, to a lesser extent, on the economic level, finally reached a certain degree of consensus, by seizing the “windows of opportunity” created by the revolts through the exclusion of more radical and revolutionary fringes.<sup>③</sup> The logic of compromise between different political forces, as illustrated by the Reconciliation Law, appears as superseding the advocated principles. Undoubtedly, this attitude shown by Islamists is also due to the electoral results, as no single party was able to gain sufficient outright majority in the Parliament, with Ennahda first (in 2011) and Nidaa later (in 2014), winning a plurality of votes, from which the necessity of coalitions and compromise with other political layers has emerged.

But, additionally, in Tunisia more than in Morocco, it seems that nobody wants to take the risks of socially unpopular reforms. The imperatives of electoral politics, combined with the continuous strong pressure from the street, intended here as instrument of opposition power, and the role of extra-parliamentary actors, labor unions *in primis*, act as double-edged weapons. On the one hand, they call for structural reforms able to really address the socioeconomic “revolutionary” demands. On the other, they heavily contribute to the reluctance of successive governments to push for structural reforms that might cause further discontent.

As for Morocco, when considering the impact that the Islamist-led government could have, it is necessary not to forget the shadowy *Makhzen* [central, monarchical power]. This term, as well known, refers to an informal network of economic, religious and military elites who exercise power through state institutions and society. No doubt partly for this reason, it turns out that the PJD has not embarked so far in policies of rupture with the past notwithstanding the enhanced rooms of action, albeit still limited, guaranteed by the new constitution. Moroccan Islamist-led government reforms, the Compensation Fund and subsidies, as well as the new Retirement Law, have been highly risky at the political level,

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<sup>①</sup> Eberhard Kienle, “Changed Regimes, Changed Priorities? Economic and Social Policies after the 2011 Elections in Tunisia and Egypt,” *Working Paper No.928*, Economic Research Forum, 2015.

<sup>②</sup> Amel Boubekeur, “Islamists, Secularists and Old Regime Elites in Tunisia: Bargained Competition,” *Mediterranean Politics*, Vol.21, No.1, 2016, pp.107-127.

<sup>③</sup> Gianluca Parolin, “Constitutions against Revolutions: Political Participation in North Africa,” *British Journal of Middle Eastern Studies*, Vol.42, No.1, 2015, pp.31-45.

but the PJD's success in 2015 administrative elections and its reelection in 2016 also shows that the party did not pay the cost of cohabitation with the Monarchy and potentially unpopular socioeconomic reforms, at least so far. But other dossiers, such as that of corruption, rentier economy, and the reform of the judiciary system have remained largely untouched, with no substantial changes in the direction of more equitable distribution of resources or social justice in other sectors, like employment, education and housing, all centerpieces of the PJD's program.

To sum up, in this article the author has argued that, notwithstanding the official discourse, the Islamists' policies on the ground are more in continuity with past neo-liberal schemes rather than enacting genuine project of structural reforms. And many promises have not been fulfilled, notably at the level of development and inclusive growth. It was further argued that the Islamists' agendas cannot on their own provide a set of specific alternative economic programs to those pursued by the pre-2011 governments, nor are very different from those policies and strategies that might be pursued by non-Islamist governments. There are certainly differences especially for that concerning Islamic finance provisions, such as Islamic bonds or bank system, but not an overall alternative economic design. This raises a likely more fundamental question of what is Islamic economics and how it is materialized and whether it might offer an alternative, viable development model to effectively respond to socioeconomic concerns. No doubt that both political parties have to face high economic expectations, and their success or failure in delivering on economic growth, social justice and jobs and public services will be a key element in spurring or curbing further (in-)stability.