## TUNISIA

# Deteriorating living conditions and job instability



The last couple of years have witnessed the emergence of two contrasting trends in Tunisia. On the one hand, the Government is enforcing policies aimed at limiting the negative outcomes of structural adjustment programmes implemented since the early 1980s, while on the other hand, it is becoming increasingly more evident that the adoption of market-oriented policies poses serious threats to the economy.

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For several years now, efforts have been made to eradicate slums, whose residents live below the poverty line. Yet a growing number of layoffs in the public sector, even among profitable and stable enterprises, is leading to a lack of social security, causing social apprehension and fear of unemployment.

Three main issues dominated the socio-economic scenario in Tunisia in 2003: the increasingly negative consequences of privatisation, the "hidden"<sup>2</sup> migration of the young to Europe, and the growth of illegal trade, an issue related to the migration problem.

#### **Privatisation**

Privatisation in Tunisia has become a taboo subject in that it cannot be discussed or criticised. Attracting foreign direct investment (FDIs) has become an obsession with the Government, which believes that FDIs will improve exports. Economists find that the economic crisis, following years of economic prosperity during the 1990s, is leading the Government to concentrate on privatisation in order to hide the deficit in the national budget. One of the causes of the deficit is the decline in the tourist industry in the light of the incidents of 11 September 2001 and the Jarbah terrorist incident,<sup>3</sup> where 20 people were killed.

The country is indeed undergoing escalating economic difficulties due to decreasing tax returns and the detrimental effect to small and medium enterprises resulting from the implementation of the European-Tunisian agreement within the Euro Mediterranean Partnership project. This has led to increasing unemployment, diminishing taxation returns on imports and has affected the competitiveness of local companies faced with cheaper and better quality foreign goods, owing to which most of them went out of business.<sup>4</sup>

Fearing a rise in unemployment, the Government has followed a gradual, rather than speedy, privatisation policy since the 1980s. But there are increasing pressures from donors, especially from the World Bank, which has criticised Tunisia's privatisation process, considering its policies inappropriate.

However, in the 2003-2004 budget there is an increasing trend in favour of private investment by local and foreign companies, which will lead to the privatisation of 24 public institutions during 2004. In addition to these, the Government will allow privatisation of companies that have traditionally been controlled by the public sector, such as communications, energy and services. The mining sector, considered a sector of high strategic value to Tunisia, is also being opened up to private buyers, who are offered incentives to invest in this area.

In view of the negative consequences that could result from this process, especially the fear that transnational corporations might control focal sectors of the economy, several parliamentarians have requested more incentives and support for Tunisian investors. They have also questioned the degree of participation permitted in the mining sector to foreign investors, in order to prevent the damage of national resources and as a means of preventing potential threats to sovereignty of the nation.

Since 1987, 176 public institutions changed hands from the public sector to the local and foreign private investors, involving an estimated EUR 1.76 billion (USD 2.77 billion). As reported in the media, privatisation policies have shifted the monopoly of public institutions from the Government to the hands of a limited number of private owners. Subsequently many privatised companies went bankrupt and were resold. The trade unions have asked the Government to stop privatising stable and profitable public enterprises, as well as for more transparency in the privatisation process.

The primary worry for civil society including trade unions, are the growing layoffs of large numbers of workers, especially women. This is due to several interrelated factors including privatisation, new approaches to industrial development, economic difficulties and the harsh competitiveness that many businesses and economic institutions are facing.

Many employees from the textile industry and the coastal areas have organised hunger strikes in protest against layoffs, the closure of institutions or their sale to the private sector, without providing workers with any security. Economists note that Tunisia has reached its ceiling as far as job creation is concerned, and the problem of unemployment will probably become chronic, thus affecting the economic and social future of its population.

#### Hidden migration and gloomy prospects

Although official efforts toward decreasing poverty levels have led to significant improvements in many sectors, there is growing fear and gloom among the young, especially those from the middle and lower classes, over increasingly limited prospects for them in their professional and social lives. This explains to a great extent the trend of hidden migration to European countries on the northern coasts of the Mediterranean.

Tunisia is a major departure point for other nationals crossing over to Europe. Most of them come from the Maghreb and North African countries. Local networks involved in smuggling illegal immigrants are still uninvolved in human trafficking, but well-organised Turkish networks are spreading and have succeeded in making contact with local organisations.

Tunisian youth refer to migration as "the burning", a term that refers not only to their burning their identity documents but to the act of "burning their bridges", or getting rid of their past by breaking geographic borders and legal barriers, including their belonging to a nation that they believe has failed them. Symbolic as it may sound, burning their documents is the best way of not revealing their nationality in case they are captured.

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<sup>2 &</sup>quot;Hidden" because the Government has been reluctant to make migration figures public.

<sup>3</sup> Jarbah is a Tunisian tourist island in the Mediterranean Sea. An explosion took place on 11 April 2002, killing 20 people, most of whom where German tourists.

<sup>4</sup> It is worth noting that the Government has invested in the textile sector although the country does not produce raw materials.

Despite the dangers involved in escaping across the sea to the Italian coast, an attempt in which hundreds have drowned in recent years, every couple of weeks Tunisians newspapers have another tragedy to report.

Even though the Government avoids revealing statistics about the victims, some studies by researchers in collaboration with civil society organisations (CSOs) reveal that the main cause for the increase in migration is unemployment. In addition, these studies show that most migrants come from poor families and have dropped out of school, although an increasing number of them have university degrees. They all dream of a "European heaven", in which both fortune and beauty are combined. They are under the grip of a culture of hatred and refusal, whereby migration becomes the only option for escaping fear and suffering. Finally, many perceive migration as the only way out of becoming involved in criminal activities.

Field research has also revealed that hidden migration from Tunisia is of an individualistic nature and not a family or communal affair. It is most prevalent among young men whose ages range between 19 and 35. Although so far most migrants have been males, more females are expected to join their ranks in the future. Seventy-five per cent of migrants are seeking a job, whereas the rest are either pushed by political reasons or are escaping from crimes they committed, especially crimes related to the financial sector.

In this respect, experts agree that this trend will probably grow due to economic imbalances, both global and local. Globalisation is threatening a greater number of the Southern population with poverty. Italian researcher Salvatore Palidda<sup>5</sup> considers that the war declared on immigration holds a tremendous threat for illegal workers in Europe. He explains that 30% of the Italian economy is based on the work of illegal immigrants, where double standards expose them to deceit and abuse. In many cases they are threatened to exposure by their employees in order to avoid paying them their salaries, obliging them to escape without asking for compensation.

Civil society representatives, especially the Association of Human Rights and the trade unions, have adopted hidden migration as a priority issue. They believe that dealing with the problem from a national security perspective fails to address the roots and real causes of the problem, an approach that has already failed to produce any solutions.

### Corruption and illegal trade

The third issue that has negatively affected the social, economic and political development of the country is the combination of corruption and illegal trade. Economists and social practitioners fear that the quick increase in corruption has made the population more insecure, since it leads to a situation in which a small group of people become very wealthy, while the rest of the population become more exposed to threats to their living conditions and human security.

The negative effects of illegal trade have even caught the Government's attention. It is controlled by large and strong smuggling networks, who have sufficient power and ability to flood the local market with cheap, untaxed goods, thus threatening the survival of both private and public companies.

The growth in illegal trade has been encouraged by the Government's lack of transparency shown by the continuous obstacles it has put to making information available to the public. The situation is compounded by the lack of a free and plural media.

It is worth noting that while the Government is encouraging the private sector towards taking a bigger role in the process of development and investment, it is still trying to monopolise social work and to create obstacles for CSOs. This is limiting the role of civil society, while keeping all the activity of CSOs under the control and monitoring of government agencies.

#### Conclusion

In the light of the above challenges, all CSOs which are independent of the Government and are dedicated to development in its wider sense are constantly lobbying in order to highlight their role as partners and their right to take part in social and political debates at the local level. There are many factors that must become part of the debate on the threats to human security, including freedom of association for CSOs, freedom of the press, freedom to all political parties, independence of the legal system, as well as clean elections, especially municipal and parliamentary elections.

In spite of official efforts towards avoiding social conflict - a major problem during the 1970s and 1980s - what the Government is doing is not enough to protect the various social groups from deteriorating living conditions and the instability of jobs which threatens tens of thousands of employees due to privatisation. In this respect, it is very beneficial that the Social Watch Network dedicates part of its work in theory and in practice to create policies and recommendations that may help individuals increasingly threatened by poverty and unemployment. In addition, we recommend that Social Watch organise workshops and discussions on the issues of illegal immigration, which has become a major problem in European countries. The Five plus Five Summit<sup>6</sup> was specifically organised to study different approaches to this problem which affects both shores of the Mediterranean.

<sup>5</sup> Salvatore Palidda completed his doctoral studies in Sociology and European Studies at the Ecole des Hautes Etudes en Sciences Sociales in Paris. He is professor at the Faculty of Educational Sciences, University of Genoa, and his research interests include deviancy and criminalisation, security and police problems, and international migrations.

<sup>6</sup> The "Five plus Five" Summit took place on 5-6 December 2003 in Tunisia. Five "southern" European countries (Portugal, Spain, France, Italy, Malta), and five countries from the Maghreb (Algeria, Morocco, Mauritania, Tunisia, Libya) took part. The 5+5 cooperation process in the east Mediterranean was launched in 1990 in Rome.